



新天绿色能源股份有限公司

China Suntien Green Energy Corporation Limited

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

Stock Code : 00956.HK 600956.SH

2025 ANNUAL REPORT



IMPORTANT NOTICE

- I. THE BOARD OF DIRECTORS (THE "BOARD"), THE DIRECTORS (THE "DIRECTORS") AND SENIOR MANAGEMENT OF THE COMPANY CONFIRM THAT THE INFORMATION CONTAINED IN THIS ANNUAL REPORT IS TRUE, ACCURATE, AND COMPLETE WITHOUT ANY FALSE AND MISLEADING STATEMENTS OR MATERIAL OMISSIONS, AND SEVERALLY AND JOINTLY ACCEPT LEGAL RESPONSIBILITY FOR THE ABOVE.
- II. ALL DIRECTORS OF THE COMPANY ATTENDED THE BOARD MEETING.
- III. ERNST & YOUNG HUA MING LLP (SPECIAL GENERAL PARTNERSHIP) HAS ISSUED AN AUDITORS' REPORT WITH STANDARD UNQUALIFIED OPINIONS FOR THE COMPANY.
- IV. MR. TAN JIAN XIN, THE PERSON IN CHARGE OF THE COMPANY, MR. LIU TAO, THE PERSON IN CHARGE OF ACCOUNTING AND MS. BAI JING WEI, THE HEAD OF THE ACCOUNTING DEPARTMENT (ACCOUNTING IN CHARGE), WARRANT THE TRUTHFULNESS, ACCURACY AND COMPLETENESS OF THE FINANCIAL REPORT CONTAINED IN THE ANNUAL REPORT.
- V. PROFIT DISTRIBUTION PROPOSAL OR PROPOSAL FOR TRANSFER OF CAPITAL RESERVE TO THE SHARE CAPITAL FOR THE REPORTING PERIOD RESOLVED AND APPROVED BY THE BOARD

In 2025, the net profit of Company attributable to shareholders of the parent company in the audited consolidated statements was RMB1,826,333,548.28, and the undistributed profits were RMB10,329,302,396.51. The Company proposes to distribute a cash dividend of RMB0.20 (tax inclusive) per share, and based on the total number of issued shares of the Company on the date of the Board meeting at which the 2025 profit distribution plan was approved, being 4,512,693,073 shares, the total cash dividend will amount to RMB902,538,614.60 (tax inclusive). The balance of the undistributed profits of the Company will be carried forward to the next year. The total cash dividend proposed in the plan accounts for 49.42% of the net profit attributable to shareholders of the parent company in the Company's consolidated statements for 2025.

Should there be any change to the total share capital of the Company before the date of equity registration for the implementation of the interest distribution, the Company intends to keep the distribution amount per share unchanged and make corresponding adjustment to the total distribution amount and will make further announcement on the particulars of the adjustment.

Relevant information on uncovered losses and their impact on dividend distribution and other matters as at the end of the Reporting Period

☐ Applicable ☒ Not applicable

VI. STATEMENT FOR RISKS INVOLVED IN THE FORWARD-LOOKING STATEMENTS

Forward looking statements, including development strategies and future business plans, contained in this report do not constitute a real commitment to investors by the Company. Investors should understand the difference between plans, forecasts and commitment, and be aware of the investment risks.

VII. IS THERE ANY MISAPPROPRIATION OF NON-OPERATING FUNDS BY THE CONTROLLING SHAREHOLDER(S) AND OTHER RELATED PARTIES?

No

VIII. IS THERE ANY EXTERNAL GUARANTEE MADE IN VIOLATION OF THE REQUIRED DECISION-MAKING PROCEDURES?

No

IX. IS THERE A CIRCUMSTANCE WHERE MORE THAN HALF OF THE DIRECTORS CANNOT WARRANT THE TRUTHFULNESS, ACCURACY AND COMPLETENESS OF THE ANNUAL REPORT DISCLOSED BY THE COMPANY

No

X. WARNING OF MAJOR RISKS

The Company has described in detail the potential relevant risks and countermeasures in this report. Investors are reminded to read the description of risks faced by the Company set out in relevant sections including the "Management Discussion and Analysis" of this report.

XI. OTHERS

☐ Applicable ☒ Not applicable



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DEFINITIONS

I. DEFINITIONS

In this report, unless the context otherwise requires, the expressions stated below have the following meanings:

Definitions of frequently-used terms

"availability factor"	the amount of time that a power plant is able to produce electricity after it starts commercial operations over a certain period divided by the amount of time in such period
"average utilization hours"	the consolidated gross power generation in a specified period (in MWh or GWh) divided by the consolidated installed capacity in the same period (in MW or GW)
"Company"	China Suntien Green Energy Corporation Limited (新天綠色能源股份有限公司), a limited liability company incorporated in the PRC, whose A shares are listed on the main board of the SSE (Stock Code: 600956) and H shares are listed on the main board of the Hong Kong Stock Exchange (Stock Code: 00956)
"Group"	the Company and its wholly-owned and controlled subsidiaries
"Financial Statements"	the audited financial statements for the year ended 31 December 2025
"consolidated gross power generation"	the gross power generation of the project companies that the Group fully consolidates in its consolidated Financial Statements. For a specified period, the gross power generation of a power plant in that period includes net power delivered to grid, auxiliary electricity and electricity generated during the construction and testing period
"consolidated installed capacity"	the aggregate installed capacity or operating capacity (as the case may be) of the project companies that the Group fully consolidates in its consolidated Financial Statements. This is calculated by including 100% of the installed capacity or operating capacity of the project companies that the Group fully consolidates in its consolidated Financial Statements and are deemed as its subsidiaries. Consolidated installed capacity and consolidated operating capacity do not include the capacity of the Group's associated companies
"gross power generation"	for a specified period, the total amount of electricity produced by a power plant in that period, including net power delivered to grid, auxiliary electricity and electricity generated during the construction and testing period
"GW"	unit of power, 1 GW = 1,000 MW
"GWh"	unit of energy, gigawatt-hour. 1 GWh = 1 million kWh. GWh is typically used for measurement of the annual power production of a large wind farm
"HECIC"	Hebei Construction & Investment Group Co., Ltd. (河北建設投資集團有限責任公司), a state-owned enterprise established in the PRC and the controlling shareholder of the Company, which is primarily engaged in the investment in and development of projects in the foundation, infrastructures and provincial pillar industries, such as energy, transportation, water supply and commercial real estates
"Group Finance Company"	HECIC Group Finance Company Limited (河北建投集團財務有限公司), a limited liability company incorporated in the PRC, a non-banking financial institution under the supervision of the People's Bank of China and the National Administration of Financial Regulation, and a non-wholly owned subsidiary of HECIC
"HECIC Water"	HECIC Water Investment Co., Ltd. (河北建投水務投資有限公司), incorporated in the PRC, a subsidiary of HECIC and one of the promoters of the Company
"HECIC Communications"	HECIC Communications Investment Co., Ltd. (河北建投交通投資有限責任公司), incorporated in the PRC, a subsidiary of HECIC
"JEI"	Jointo Energy Investment Co., Ltd. Hebei (河北建投能源投資股份有限公司), a company listed on the Shenzhen Stock Exchange (Stock Code: 000600), controlled by HECIC, and formerly known as Shijiazhuang International Building (Group) Co., Ltd. (石家莊國際大廈(集團)股份有限公司)
"HKD"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	Hong Kong Special Administrative Region of the People's Republic of China
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"installed capacity"	the capacity of the wind turbines that have been completely assembled and erected
"kW"	unit of power, kilowatt. 1 kW = 1,000 watts
"kWh"	unit of energy, kilowatt-hour. The standard unit of energy used in the electric power industry. One kilowatt-hour is the amount of energy that would be consumed by a 1 kW electrical appliance in one hour

DEFINITIONS

"Hebei Natural Gas"	Hebei Natural Gas Co., Ltd. (河北省天然氣有限責任公司), a limited liability company incorporated in the PRC, and a non-wholly owned subsidiary of the Company
"HECIC New Energy"	HECIC New Energy Co., Ltd. (河北建投新能源有限公司), a limited liability company incorporated in the PRC, and a wholly-owned subsidiary of the Company
"HECIC Huineng"	HECIC Huineng New Energy Co., Ltd. (河北建投匯能新能源有限責任公司), a limited liability company incorporated in the PRC, and a wholly-owned subsidiary of the Company
"Offshore Wind Power"	HECIC Offshore Wind Power Co., Ltd. (河北建投海上風電有限公司), a limited liability company incorporated in the PRC, and a non-wholly owned subsidiary and connected subsidiary of the Company
"Caofeidian Company"	Caofeidian Suntien Liquefied Natural Gas Co., Ltd. (曹妃甸新天液化天然氣有限公司), a limited liability company incorporated in the PRC, and a non-wholly owned subsidiary and connected subsidiary of the Company
"New-energy Supply Chain"	HECIC New-energy Supply Chain Management Co., Ltd. (河北建投新能供應鏈管理有限公司), a limited liability company incorporated in the PRC, and a wholly-owned subsidiary of the Company
"Hebei Gas"	Hebei Gas Co., Ltd. (河北燃氣有限公司), a limited liability company incorporated in the PRC, and a non-wholly owned subsidiary and connected subsidiary of the Company
"Tangshan Cao Development Company"	Tangshan Caofeidian Development Investment Group Co., Ltd. (唐山曹妃甸發展投資集團有限公司)
"Hong Kong Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"A Share Listing Rules"	the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange
"LNG"	liquefied natural gas
"CNG"	compressed natural gas
"MW"	unit of power, megawatt. 1 MW = 1,000 kW. The installed capacity of power plants is generally expressed in MW
"MWh"	unit of energy, megawatt-hour. 1 MWh = 1,000 kWh
"NEA"	National Energy Administration of the People's Republic of China (中華人民共和國國家能源局)
"NDRC"	National Development and Reform Commission of the People's Republic of China (中華人民共和國國家發展和改革委員會)
"HDRC"	Hebei Development and Reform Commission
"operating capacity"	the capacity of the wind turbines that have been connected to power grids and started generating electricity
"projects under construction"	projects for which the project company has received approval, detailed engineering and construction blueprints have been completed, and the construction work on the roads, foundations or electrical infrastructure has commenced
"Reporting Period"	the fiscal period from 1 January 2025 to 31 December 2025
"RMB" or "RMB'000" or "RMB'0,000" or "RMB'00 million"	Renminbi or Renminbi thousand or Renminbi ten thousand or Renminbi hundred million. Unless otherwise specified, the currency for amounts stated in this report is RMB
"CG Code"	the Corporate Governance Code as set out in Appendix C1 to the Hong Kong Listing Rules
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Hong Kong Listing Rules
"SSE"	the Shanghai Stock Exchange
"CSRC"	China Securities Regulatory Commission
"A shares"	the domestic listed RMB ordinary shares in the share capital of the Company, with a nominal value of RMB1.00 each, which are listed on the main board of the SSE
"H shares"	the Hong Kong listed HKD ordinary shares in the share capital of the Company, with a nominal value of RMB1.00 each, which are listed on the main board of the Hong Kong Stock Exchange

Chairman's Statement

Dear Shareholders,

In 2025, the Company remained firmly focused on the objectives of the “14th Five-Year Plan” as it pursued the development of a new-type and high-quality power system. While further strengthening synergies across its business segments and reinforcing traditional operations such as wind power and natural gas, it actively expanded into gas-fired power generation and international LNG operations, accelerated the development of flexible regulating power sources, and stepped up efforts to cultivate new quality industries, thereby steadily sharpening its competitive edge. Over the past year, the external energy landscape underwent profound shifts, marked by a flurry of industry policies and intensifying market competition. Internally, the Company's pursuit of a “second growth curve” entered a critical stage, while its management reforms advanced into deeper waters. In the face of these challenges, the Company turned its strategic blueprint into tangible results and channeled pressure into a driving force for growth.

Over the past year, we established new benchmarks for development by driving innovation and breakthroughs, while energizing management performance through a step-change in governance effectiveness.

1. Driving hard to open up new growth tracks and build a renewed competitive edge.

In the wind power segment, resource reserves reached new heights. Newly approved capacity surpassed 1.1 million kW, underpinned by several additional “repowering” projects secured within the province, while large-scale offshore wind development gathered pace. **In the natural gas segment**, service innovation drove value creation. A dedicated “one city, one enterprise” task force was formed to actively pursue win-win integration opportunities. A fully integrated procurement and sales model for targeted resources was rolled out to further expand market share. Innovative operational models, such as LNG bonded warehousing and truck-to-tank reverse loading, were introduced to boost efficiency. Pilot programs were launched for two new service offerings: “pipeline network connectivity” and “intra-pipeline trading”, opening up fresh avenues for “revenue and volume growth”. **In the emerging business segment**, coordinated development helped cultivate new momentum. Cumulative approved capacity for gas-fired power plants reached 3.86 million kW. Steady progress was also made on the Laiyuan Huanghuatan pumped storage project, new type energy storage projects, a pilot project for green hydrogen to protein, and a hydrogen to ammonia production project.



CHAIRMAN'S STATEMENT

2. Concluding engineering construction on a high note to set a new milestone in development.

The year 2025 marked a "peak year" for the Company's engineering infrastructure. New installed capacity for renewable energy reached 1.4295 million kW, with an additional 176.03 km of natural gas pipelines added. For the Tangshan LNG project, the warm seawater utilization system, tanks #9, #10, #15, and #16, along with their associated process areas, were ready for commissioning, while steady progress was made on Phase III (tanks #11 and #17). The Central Hebei Pipeline Network Phase IV, the Erdos-Anping-Cangzhou and Beijing-Handan Line Baoding Southern Connection Line, and the Luquan-Jingxing Gas Transmission Pipeline were substantially completed. The Company's first gas-fired power plant project, Funing, commenced construction as scheduled, while the Sunid Left Banner compressed air energy storage demonstration project broke ground across all fronts, marking continued expansion of the Company's business footprint.

3. Enhancing efficiency through technological innovation to cultivate new engines of growth.

The Company's self-developed AI operations and maintenance platform, "Smart Xiaoxin," was officially launched, featuring capabilities such as intelligent fault analysis and interactive data visualization. The power marketing team rose to challenges and proactively broke new ground, achieving record-high total traded electricity for the year. Trading prices in certain provinces outperformed market averages, while prices in other regions maintained a leading position locally. In the 2025 national benchmarking exercise for wind power operational performance, 13 of the Company's wind farms were recognized as "Outstanding Wind Farms", including two rated 5A, placing the Company among the industry leaders in both the number and tier of awards received. The "National Synergistic Research and Development Centre for Hydrogen and Renewable Energy Technologies", co-established by the Company, successfully passed its interim evaluation. A jointly developed "Distributed Energy Storage DC-Coupled Grid-Forming Wind Turbine Equipment" was included in the National Energy Administration's catalog of major technological equipment (first set). In addition, the Company co-led the application for a national major R&D project titled "Ecological Safety Assurance Technologies and Demonstration for Offshore Wind and Solar Development".

4. Executing capital operations with meticulous precision to unlock new value creation.

The Company successfully issued the first tranche of 2025 green medium-term notes, totaling RMB1.5 billion, with an issuance rate reaching a new low in the perpetual credit bond market in Hebei Province. By precisely timing its bond issuances, replacing and prepaying existing high-cost loans, and adjusting the LPR reset cycle for loans, the Company effectively reduced financing costs by over RMB100 million. The H-share private placement was successfully completed, raising HKD1.514 billion and further optimizing the capital structure. An efficient divestment of photovoltaic projects was also advanced, effectively mitigating operational risks.

5. Continuously advancing risk prevention and control to build a new line of defense for safety.

A three-tier safety coordination and control network was established, the HSE performance appraisal mechanism was continuously refined, and the safety management system was steadily upgraded and enhanced. At the same time, the supervisory system and supporting mechanisms were strengthened, with an internal supervision coordination team formed. Specialized oversight was carried out at pilot units, creating a new paradigm of "integrated coordination and joint supervision".

2026 marks the first year of the "15th Five-Year Plan". We will focus on the following key tasks:

1. **To chart a new strategic landscape to open up the main growth channel.**

In the new energy business, we will take a coordinated approach to advance large-scale onshore energy bases and concentrated offshore wind development, reinforced by pumped storage and new-type energy storage to establish a new-type multi-energy complementary system. We will actively engage green power demand from high-end manufacturing, computing infrastructure, and other sectors to enhance local consumption. We will strategically advance wind power-based hydrogen production to extend the green hydrogen-to-ammonia-to-methanol value chain, opening up new scenarios for non-electric utilization. In the natural gas business, we will accelerate the "one body, two wings" transformation to build a new edge in integrated services. Leveraging the national pipeline network's injection infrastructure, we will intensify efforts to expand markets outside the province. We will expedite pipeline off-take projects, and actively pursue interconnectivity. We will proactively plan and optimize integration strategies for city gas companies, while vigorously promoting truck-to-tank reverse loading and proxy storage services to capture additional market share.

2. **To launch a project-focused offensive to forge engineering excellence.** For gas-fired power plant projects, we will prioritize "efficiency and compliance" to secure favorable tariff windows. For offshore wind power projects, we will focus on "technology and collaboration", steadily advancing into deep and distant offshore areas. For pumped storage projects, we will emphasize "coordination and quality" to set benchmarks in synergy. For new-type energy storage projects, we will stress "agility and profitability" to respond swiftly to market needs.

3. **To deepen the drive for operational excellence to strengthen safety as a cornerstone.** Leveraging both internal and external technical expertise, we will systematically enhance equipment performance and implement technological upgrades to maximize project returns. We will remove barriers between equipment monitoring, technical supervision, and operations and maintenance to establish an efficient production and operations decision-making mechanism, thereby improving overall management effectiveness. We will further advance the application of the AI operations and maintenance platform and intelligent early warning systems, while validating and deploying advanced equipment such as intelligent inspection robots, continuously reinforcing the foundation for safe production.

4. **To ignite the engine of innovation to cultivate core drivers of growth.** We will complete the final acceptance review of the national level R&D center. We will ensure compliance and efficiency by rigorously managing the full lifecycle of technology projects and R&D expenditures. We will go all out to advance the construction of three major demonstration projects, namely, a large-scale renewable energy hydrogen production validation platform, green hydrogen to protein synthesis via biological fermentation, and green hydrogen to green ammonia synthesis. We will also strengthen the cultivation and application efforts for major provincial science and technology projects and science and technology awards, thereby enhancing the overall effectiveness of the innovation system.

5. **To advance governance upgrade to unlock intrinsic organizational vitality.** We will accelerate the disposal of inefficient assets and the integration of key equity holdings. We will establish a market capitalization management system that integrates three core pillars: "fundamental improvement, capital operation empowerment, and investor relations optimization". We will expand low-cost financing channels, optimize the debt structure, and prudently engage in hedging activities. We will also deepen market-oriented mechanisms for talent selection and development, promoting the rejuvenation of management teams and the development of a skilled workforce in science and technology.

A new year begins, ushering in a fresh chapter. In the year ahead, the Company will continue to forge ahead with determination and unwavering commitment. On this new journey in a new era, we will continue to accelerate the development of new quality productive forces with the Company's characteristics, contributing to the development of a leading new energy province and promoting green growth in the economy and society.



Corporate Overview

China Suntien Green Energy Corporation Limited was established on 9 February 2010 by HECIC and HECIC Water, and was listed on the Main Board of the Hong Kong Stock Exchange and SSE on 13 October 2010 and 29 June 2020 respectively.

The Group is primarily engaged in the exploration and utilization of new energy and clean energy by operating the wind power business and the natural gas business.

The Group is engaged in the planning, development, operation, and sale of electricity from wind farms, with wind power projects in regions such as Hebei, Shanxi, Xinjiang, Shandong, Yunnan, Inner Mongolia, etc. Based in Hebei, the Group has invested and developed new energy projects across the country, and has actively sought suitable investment projects overseas. As at 31 December 2025, the Group had a wind power consolidated installed capacity of 7,777.97 MW, an installed capacity under management of 8,245.97 MW, and an attributable installed capacity of 7,206.70 MW. In 2025, wind power generation reached 14.85 billion kWh, with utilization hours of 2,236. In 2025, photovoltaic power generation amounted to 0.36 billion kWh, with utilization hours of 1,325.

The Group operates natural gas receiving, transmission and distribution facilities in Hebei Province, and sells natural gas externally. As at 31 December 2025, the Group owned 1 LNG terminal, 11 long-distance natural gas transmission pipelines, 22 high-pressure branch pipelines, 33 urban gas projects, 34 distribution stations, 19 gate stations, 5 CNG primary filling stations, 3 CNG secondary filling stations, 3 LNG filling (refilling) stations, and 1 L-CNG joint filling station. In 2025, the Group's natural gas transmission/sales volume was 5.255 billion cubic meters, of which the sales volume was 4.771 billion cubic meters.

CORPORATE OVERVIEW

I. SUMMARY OF THE CONSOLIDATED WIND POWER PROJECTS OF THE GROUP

1. Summary of the consolidated wind power projects of the Group

By region	Installed capacity (MW)
Northern China (Beijing, Tianjin, Hebei, Shanxi, Inner Mongolia)	6,329.57
Eastern China (Shanghai, Shandong, Jiangsu, Anhui, Zhejiang, Fujian, Jiangxi, Taiwan)	370.6
Northwestern China (Shaanxi, Ningxia, Xinjiang, Qinghai, Gansu)	331
Southwestern China (Sichuan, Yunnan, Chongqing, Guizhou, Tibet)	193.6
Central China (Henan, Hubei, Hunan)	156.2
Southern China (Guangdong, Guangxi, Hainan, Hong Kong and Macau)	150
Northeastern China (Liaoning, Jilin, Heilongjiang)	247
Total	7,777.97

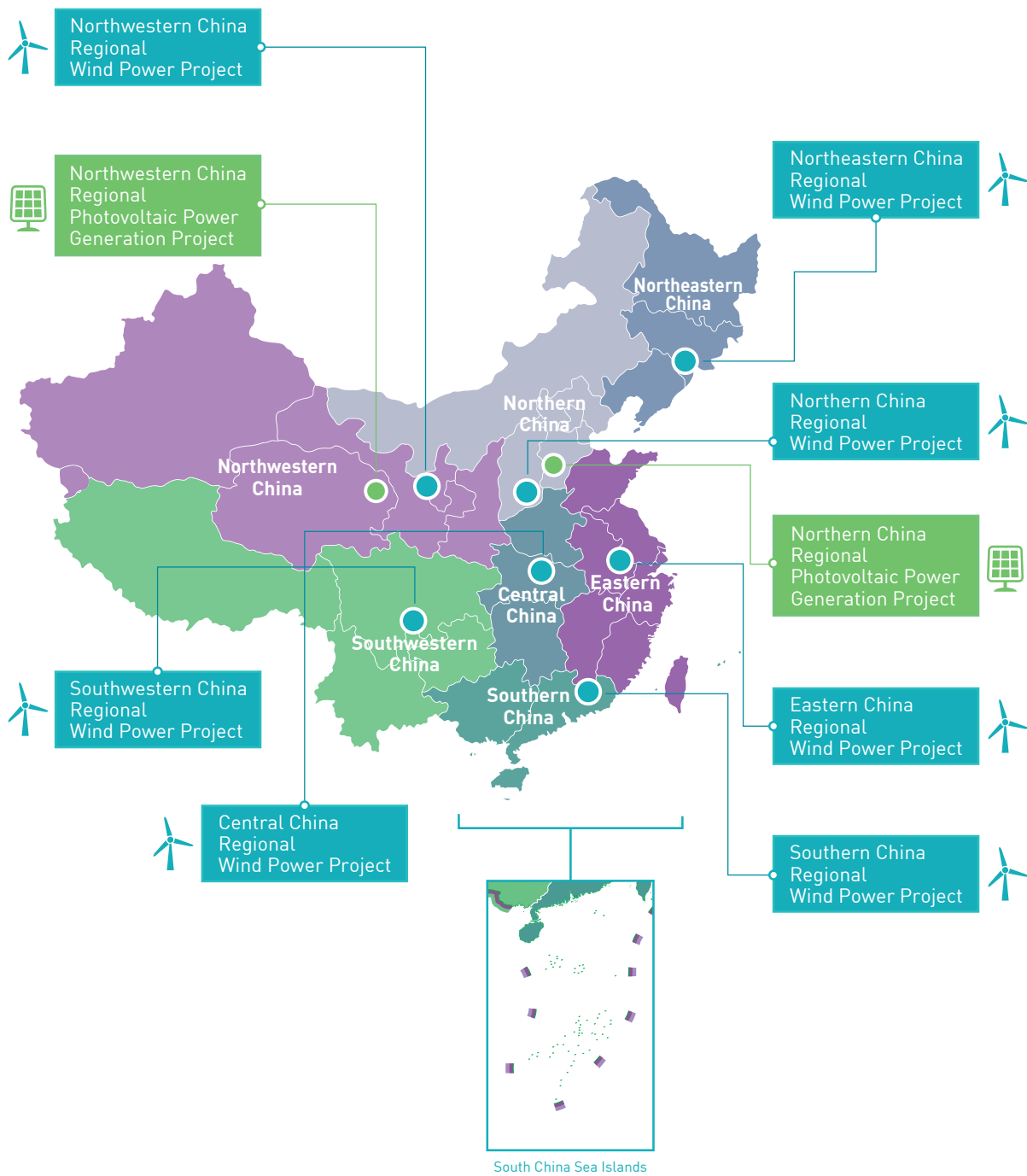
Note: 1. Wind farms in which the Group has shareholding have an installed capacity of 660 MW; 2. The wind farms managed and operated by the Group have an installed capacity of 468 MW.

2. Summary of the consolidated photovoltaic power projects of the Group

By region	Installed capacity (MW)
Northern China (Beijing, Tianjin, Hebei, Shanxi, Inner Mongolia)	334.79
Northwestern China (Shaanxi, Ningxia, Xinjiang, Qinghai, Gansu)	90
Total	424.79

Note: The photovoltaic power generation projects managed and operated by the Group have an installed capacity of 170 MW.

II. DISTRIBUTION OF THE WIND AND PHOTOVOLTAIC POWER PROJECTS OF THE GROUP



CORPORATE OVERVIEW

III. SUMMARY OF THE MAJOR NATURAL GAS PROJECTS OF THE GROUP

Project type	Project location	Ownership held by the Group	Project summary
LNG terminal	Caofeidian District, Tangshan City ¹	51%	Provides customers with comprehensive operation services for LNG terminals transmission pipeline
Long-distance transmission pipeline	Zhuozhou City to Handan City ²	100%	Transmits natural gas from the Group's natural gas suppliers to the Group's various branch pipelines and city gas pipeline networks
	Gaoyi County to Qinghe County ³	100%	Supplies natural gas by the Group's natural gas suppliers to pipelines from Gaoyi County to Qinghe County and surrounding cities
	Suning County to Shenzhou City ⁴	100%	Supplies natural gas by the Group's natural gas suppliers to pipelines from Suning County to Shenzhou City and surrounding cities
	Gaocheng District to Shenzhou City ⁵	100%	Supplies natural gas by the Group's natural gas suppliers to pipelines from Gaocheng District to Shenzhou City and surrounding cities
	Xingzhou Station of Chengde (承德興洲首站) to Chengde City ⁶	90%	Supplies natural gas to Chengde City by the Group's natural gas suppliers
	Qinghe County to Linxi County ⁷	60%	Supplies natural gas to Linxi County and Linqing City by the Group's natural gas suppliers
	Guantao County to Handan City ⁸	100%	Supplies natural gas by the Group's natural gas suppliers to pipelines from Guantao County to Handan City and surrounding cities
	Zhuozhou City to Yongqing County ⁹	100%	Supplies natural gas by the Group's natural gas suppliers to pipelines from Zhuozhou City to Yongqing County and surrounding cities
	Zhuozhou City to Baoding City ¹⁰	100%	Supplies natural gas by the Group's natural gas suppliers to pipelines from Zhuozhou City to Baoding City and surrounding cities
	Caofeidian District to Baodi District ¹¹	51%	Supplies natural gas by the Group's natural gas suppliers to pipelines from Caofeidian District to Baodi District and surrounding cities
	Baodi District to Yongqing County ¹²	51%	Supplies natural gas by the Group's natural gas suppliers to pipelines from Baodi District to Yongqing County and surrounding cities
City gas project	Shijiazhuang High-Tech Industrial Development Zone, Economic Development Zone, Chang'an District	100%	Distributes natural gas to retail customers of Shijiazhuang Economic and Technological Development Zone, High-Tech Industrial Development Zone and Chang'an District
	Shijiazhuang Recycling Chemical Industrial Zone	60%	Distributes natural gas to retail customers within Shijiazhuang Recycling Chemical Industrial Zone and in surrounding areas
	Industrial Zone of Southern Shijiazhuang	55%	Distributes natural gas to retail customers of the Industrial Zone of Southern Shijiazhuang
	Xinji City	100%	Distributes natural gas to retail customers in areas under the administration of Xinji City

CORPORATE OVERVIEW

Project type	Project location	Ownership held by the Group	Project summary
	Jinzhou City	100%	Distributes natural gas to retail customers in areas under the administration of Jinzhou City
	Gaoyi County East Industrial Park	100%	Distributes natural gas to retail customers within the area of the Gaoyi County East Industrial Park
	Baoding City	100%	Distributes natural gas to Baoding City
	Baoding Development Zone	17%	Distributes natural gas to retail customers of Baoding National High-Tech Industrial Development Zone
	Laiyuan County	100%	Distributes natural gas to retail customers in areas under the administration of Laiyuan County
	Anguo City	51%	Distributes the natural gas to retail customers under the administration of Anguo City
	Li County	60%	Distributes natural gas to retail customers under the administration of Li County
	Shahe City	100%	Distributes natural gas to Shahe City and retail customers in surrounding areas
	Qinghe County	80%	Distributes natural gas to retail customers in areas under the administration of Qinghe County
	Ningjin County	51%	Distributes natural gas to retail customers in areas under the administration of Ningjin County
	Dacaozhuang Management District	51%	Distributes natural gas to retail customers in areas under the administration of Dacaozhuang Management District
	Linxi County	60%	Distributes natural gas to retail customers under the administration of Linxi County
	Handan Development Zone	52.50%	Distributes natural gas to retail customers of Handan Economic and Technological Development Zone
	Feixiang County	52.50%	Distributes natural gas to retail customers of the area under the administration of Feixiang County
	Hengshui City	51%	Distributes natural gas to retail customers under the administration of Hengshui City
	Shenzhou City	100%	Distributes natural gas to retail customers in areas under the administration of Shenzhou City
	Raoyang County	60%	Distributes natural gas to retail customers under the administration of Raoyang County
	Anping County	100%	Distributes natural gas to retail customers within the area of Anping County
	Chengde City	90%	Distributes natural gas to retail customers in areas under the administration of Chengde City
	Luanping County	90%	Distributes natural gas to retail customers in areas under the administration of Luanping County
	Pingquan County	100%	Distributes natural gas to retail customers in areas under the administration of Pingquan County
	Lulong County	100%	Distributes natural gas to retail customers of Qinhuangdao Western Industrial Area Lulong Park
	Changli County	100%	Distributes natural gas to retail customers in areas under the administration of Qinhuangdao Western Industrial Park Changli Park (including Zhugezhuang Town)

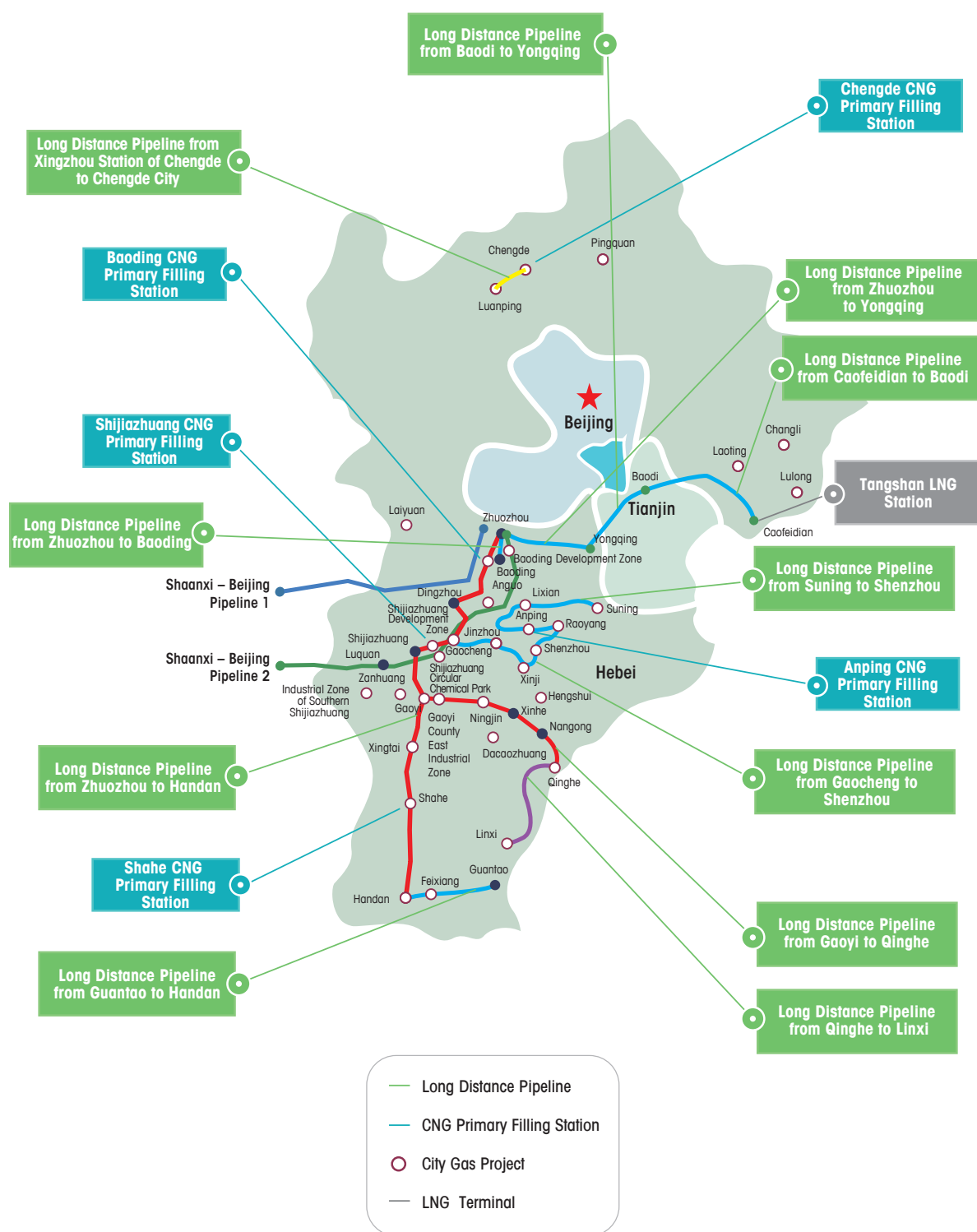
CORPORATE OVERVIEW

Project type	Project location	Ownership held by the Group	Project summary
	Laoting County	100%	Distributes natural gas to retail customers of Laoting New District
	Suning County	100%	Distributes natural gas to retail customers under the administration of Suning County
	Zanhuang County	100%	Distributes natural gas to retail customers under the administration of Zanhuang County
	Xingtai Economic Development Zone	67%	Distributes natural gas to the southern area of Xingtai Economic Development Zone
	Gaocheng District, Shijiazhuang City	80%	Distributes natural gas to retail customers in Gaocheng District
	Gaoyi County	60%	Distributes natural gas to retail customers within the area of Gaoyi County
CNG primary filling station	Shijiazhuang ¹³	100%	Shijiazhuang Development Zone
	Shahe ¹⁴	100%	Eastern Ring Road, Shahe City
	Chengde City ¹⁵	90%	Shuangluan District, Chengde City
	Baoding City ¹⁶	100%	Xinshi District, Baoding
	Anping County ¹⁷	100%	Madian Town, Anping County

Notes:

1. Designed receiving and unloading capacity of the Tangshan LNG Terminal was 12 million tons/year.
2. Specification of the long-distance transmission pipeline from Zhuozhou City to Handan City: 6.3 MPa standard pipeline of 375 km in length.
3. Specification of the long-distance transmission pipeline from Gaoyi County to Qinghe County: 6.3 MPa standard pipeline of 116 km in length.
4. Specification of the long-distance transmission pipelines from Suning County to Shenzhou City: 6.3 MPa standard pipeline of 125 km in length.
5. Specification of the long-distance transmission pipelines from Gaocheng District to Shenzhou City: 6.3 MPa standard pipeline of 101 km in length.
6. Specification of the long-distance transmission pipelines from Xingzhou Station of Chengde to Chengde City: 4.0 MPa standard pipeline of 32 km in length.
7. Specification of the long-distance transmission pipelines from Qinghe County to Linxi County: 4.0 MPa standard pipeline of 35 km in length.
8. Specification of the long-distance transmission pipeline from Guantao County to Handan City: 6.3 MPa standard pipeline of 81 km in length.
9. Specification of the long-distance transmission pipeline from Zhuozhou City to Yongqing County: 10.0 MPa standard pipeline of 83 km in length.
10. Specification of the long-distance transmission pipeline from Zhuozhou City to Baoding City: 10.0 MPa standard pipeline of 103 km in length.
11. Specification of the long-distance transmission pipeline from Caofeidian District to Baodi District: 10.0 MPa standard pipeline of 167 km in length.
12. Specification of the long-distance transmission pipeline from Baodi District to Yongqing County: 10.0 MPa standard pipeline of 102 km in length.
13. Total designed capacity of Shijiazhuang CNG primary filling station is 0.20 million m³ per day.
14. Total designed capacity of Shahe CNG primary filling station is 0.08 million m³ per day.
15. Total designed capacity of Chengde CNG primary filling station is 0.10 million m³ per day.
16. Total designed capacity of Baoding CNG primary filling station is 0.20 million m³ per day.
17. Total designed capacity of Anping CNG primary filling station is 0.05 million m³ per day.

IV. DISTRIBUTION OF THE NATURAL GAS PROJECTS OF THE GROUP



CORPORATE PROFILE AND PRINCIPAL FINANCIAL INDICATORS

I. COMPANY INFORMATION

Company name in Chinese	新天綠色能源股份有限公司
Abbreviation in Chinese	新天綠色能源
Company name in English	China Suntien Green Energy Corporation Limited
Abbreviation in English	China Suntien Green Energy
Legal representative of the Company	Tan Jian Xin

II. CONTACT PERSONS AND CONTACT METHODS

	Secretary to the Board	Securities Affairs Representative
Name	Wang Xue Qing	Yu Ping
Contact address	No. 9 Yuhua West Road, Shijiazhuang	No. 9 Yuhua West Road, Shijiazhuang
Telephone	86-311-85516363	86-311-85516363
Fax	86-311-85288876	86-311-85288876
Email	ir@suntien.com	ir@suntien.com

III. BASIC INFORMATION

Registered address of the Company	No. 9 Yuhua West Road, Shijiazhuang
Historical changes in the registered address of the Company	N/A
Office address of the Company	Block A, Yuyuan Plaza, No. 9 Yuhua West Road, Shijiazhuang
Postal code of the office address of the Company	050001
Company Website	www.suntien.com
Email	ir@suntien.com

IV. INFORMATION DISCLOSURE AND PLACE OF INSPECTION

Names of the media and websites for disclosing the annual report of the Company	"Shanghai Securities News" (www.cnstock.com), "China Securities Journal" (www.cs.com.cn), "Securities Times" (www.stcn.com), and "Securities Daily" (www.zqrb.cn)
Websites of stock exchanges for disclosing the annual report of the Company	www.sse.com.cn www.hkexnews.hk
Place of inspection of the annual report of the Company	Office of the Board of the Company at Block A, Yuyuan Plaza, No. 9 Yuhua West Road, Shijiazhuang

V. BASIC INFORMATION OF THE COMPANY'S SHARES

BASIC INFORMATION OF THE COMPANY'S SHARES				
Class of shares	Stock exchanges on which the shares are listed	Stock abbreviation	Stock code	Stock abbreviation before the change
A shares	SSE	新天綠能	600956	N/A
H shares	Hong Kong Stock Exchange	新天綠色能源(China Suntien)	00956	N/A

VI. OTHER RELEVANT INFORMATION

	Name	
Auditor appointed by the Company (domestic)	Office address	Ernst & Young Hua Ming LLP Level 15, Ernst & Young Tower, Oriental Plaza, No.1 East Chang An Ave., Dong Cheng District, Beijing, China
	Signing auditors	Wang Ning, Zhao Si Qi

CORPORATE PROFILE AND PRINCIPAL FINANCIAL INDICATORS

VII. PRINCIPAL ACCOUNTING DATA AND FINANCIAL INDICATORS FOR THE LAST THREE YEARS

(I) Principal accounting data

Unit: Yuan Currency: RMB

Principal accounting data	2025	2024	Increase/ decrease for the period as compared to the same period last year (%)	2023
Operating revenue	19,830,819,137.01	21,372,124,492.83	-7.21	20,281,788,883.53
Total profit	2,543,141,551.77	2,346,693,228.19	8.37	3,368,358,692.41
Net profit attributable to shareholders of the listed company	1,826,333,548.28	1,672,367,020.97	9.21	2,207,473,530.19
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses	1,663,795,023.39	1,637,492,526.83	1.61	2,169,460,836.09
Net cash flows from operating activities	7,296,692,201.57	3,720,788,835.78	96.11	4,851,683,579.95

	At the end of 2025	At the end of 2024	Increase/ decrease at the end of the period as compared to the end of last year (%)	At the end of 2023
Net assets attributable to shareholders of the listed company	25,518,253,460.63	21,693,349,600.74	17.63	21,876,733,637.92
Total assets	93,491,185,547.08	84,016,482,012.66	11.28	79,016,593,096.75

(II) Principal financial indicators

Principal financial indicators	2025	2024	Increase/ decrease for the period as compared to the same period last year (%)	2023
Basic earnings per share (Yuan/share)	0.43	0.40	7.50	0.51
Diluted earnings per share (Yuan/share)	0.43	0.40	7.50	0.51
Basic earnings per share after deducting non-recurring profit or loss (Yuan/share)	0.39	0.39	0.00	0.51
Weighted average net return rate of assets (%)	8.12	7.82	Increase of 0.30 percentage point	10.70
Weighted average return on net assets after deducting non-recurring gain or loss (%)	7.39	7.66	Decrease of 0.27 percentage point	10.51

Particulars of principal accounting data and financial indicators of the Company over the past three years preceding the end of Reporting Period

Net profit attributable to shareholders of the listed company and net profit attributable to shareholders of the listed company after deducting non-recurring profit or loss increased compared to the same period last year, mainly due to the increase in available hours of wind farms of the Group compared to the same period last year. Basic earnings per share, diluted earnings per share and weighted average return on net assets increased as compared with the corresponding period of last year, primarily due to the increase in the net profit of the Group for 2025 as compared with the corresponding period of last year. Basic earnings per share excluding non-recurring gains and losses remained flat as compared with last year. Weighted average return on net assets excluding non-recurring gains and losses decreased as compared with the corresponding period of last year, primarily due to the increase in non-recurring gains and losses as compared with the corresponding period of last year.

CORPORATE PROFILE AND PRINCIPAL FINANCIAL INDICATORS

- (III) Principal accounting data and financial indicators of the Company over the past five years preceding the end of the Reporting Period are as follows (excerpted from the financial statements prepared in accordance with the Chinese Accounting Standards for Business Enterprises):

Unit: Yuan Currency: RMB

Items	2025	2024	2023	2022 (Restated)	2021 (Restated)
INCOME STATEMENT HIGHLIGHT					
Operating revenue	19,830,819,137.01	21,372,124,492.83	20,281,788,883.53	18,560,522,731.81	16,137,769,830.60
Total profit	2,543,141,551.77	2,346,693,228.19	3,368,358,692.41	3,295,069,142.96	3,271,311,398.34
Income tax expenses	529,224,696.47	446,332,472.47	634,076,628.90	477,368,687.88	416,611,131.47
Net profit	2,013,916,855.30	1,900,360,755.72	2,734,282,063.51	2,817,700,455.08	2,854,700,266.87
Net profit attributable to owners of the parent company	1,826,333,548.28	1,672,367,020.97	2,207,473,530.19	2,292,630,759.66	2,295,057,264.37
Basic/diluted earnings per share	0.43	0.40	0.51	0.53	0.57
BALANCE SHEET HIGHLIGHTS					
Total assets	93,491,185,547.08	84,016,482,012.66	79,016,593,096.75	77,412,548,934.66	72,077,013,277.00
Total liabilities	61,988,553,350.03	56,903,738,159.25	52,275,823,528.51	52,231,291,874.48	48,153,452,750.53
Net assets	31,502,632,197.05	27,112,743,853.41	26,740,769,568.24	25,181,257,060.18	23,923,560,526.47
Net assets attributable to owners of the parent company	25,518,253,460.63	21,693,349,600.74	21,876,733,637.92	20,461,432,459.73	19,834,599,822.27

VIII. DISCREPANCIES OF ACCOUNTING DATA UNDER DOMESTIC AND FOREIGN ACCOUNTING STANDARDS

- (I) Discrepancies in the net profit and net assets attributable to shareholders of the listed company disclosed in the financial report prepared under both the International Accounting Standards and the Chinese Accounting Standards
☐ Applicable ☒ Not applicable
- (II) Discrepancies in the net profit and net assets attributable to shareholders of the listed company disclosed in the financial report prepared under both the Foreign Accounting Standards and the Chinese Accounting Standards
☐ Applicable ☒ Not applicable
- (III) Note on Discrepancies under the Domestic and Foreign Accounting Standards:
☐ Applicable ☒ Not applicable

IX. PRINCIPAL FINANCIAL DATA FOR 2025 BY QUARTERS

Unit: Yuan Currency: RMB

	First Quarter (January - March)	Second quarter (April - June)	Third Quarter (July - September)	Fourth Quarter (October - December)
Operating revenue	6,910,854,202.78	3,993,062,101.15	3,541,368,113.69	5,385,534,719.39
Net profit attributable to shareholders of the listed company	954,491,421.38	457,530,361.61	146,651,458.37	267,660,306.92
Net profit attributable to shareholders of the listed company after deducting non-recurring gain or loss	951,549,756.65	445,117,621.08	140,346,540.05	126,781,105.61
Net cash flows from operating activities	2,246,627,833.40	835,277,738.58	2,469,660,739.32	1,745,125,890.27

Explanation on the discrepancies between quarterly data and disclosed regular reporting data

☐ Applicable ☒ Not applicable

CORPORATE PROFILE AND PRINCIPAL FINANCIAL INDICATORS

X. NON-RECURRING GAIN OR LOSS ITEMS AND AMOUNTS

Unit: Yuan Currency: RMB

Non-recurring gain or loss items	Amount for 2025	Notes (if applicable)	Amount for 2024	Amount for 2023
Gain or loss on disposal of non-current assets, including the write-off portion of asset impairment provisions already provided for	-13,446.20		1,056,722.12	-6,902,336.63
Government subsidies included in profit or loss in the current period, but excluding those closely related to the Company's normal business operations, in line with national policies and regulations, received in accordance with specific standards and impacting the Company's gain or loss on a continuous basis	26,814,096.44		47,554,939.84	68,086,769.66
Gain or loss arising from changes in 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, except for effective hedging business related to the Company's normal business operations			4,463,555.80	8,601,062.69
Capital utilization fee received from non-financial enterprises and included in profit or loss for the period				
Gain or loss on entrusted investments or assets under management				
Gain or loss from external entrusted loans				
Losses of various assets due to force majeure factors such as natural disasters				
Reversal of impairment provisions for receivables subject to individual impairment test	14,432,839.24		14,503,718.99	
Gain on investments of subsidiaries, associates and joint ventures in which the investment cost was less than the interest in fair value of identifiable net assets of the investees at the time of acquisition				
Net gain or loss of subsidiaries from the beginning of the period to the consolidation date arising from the consolidation of enterprises under common control				
Gain or loss on exchange of non-monetary assets				
Gain or loss on debt restructuring				
One-off expenses incurred by the enterprise as a result of the discontinuation of the relevant business activities, such as staff settlement expenses, etc.				
One-off effect on profit or loss due to adjustments in taxation, accounting and other laws and regulations				
One-off share-based payment expenses recognized for cancellation and modification of equity incentive plans				
Gain or loss arising from changes in the fair value of remuneration payable to employees after the exercise date in respect of cash-settled share-based payments				
Gain or loss on changes in fair value of investment properties adopting fair value method for subsequent measurement				
Gain arising from transactions with the unfair transaction price				
Gain or loss on contingency items unrelated to the normal business operations of the Company				
Custody fee income received from custody operation				
Investment income from the disposal of associates and joint ventures	5,290.49			
Investment income from disposal of subsidiaries and businesses	1,059,507.11			
Gains on remeasurement at fair value of equity interests originally held by subsidiaries acquired in stages	69,511,037.02			
Other non-operating income and expenses apart from the aforesaid items	127,760,123.22		6,872,269.14	9,121,621.03
Other items of non-recurring gains or losses	987,202.93		4,787,341.15	10,826,295.86
Less: Effect of income tax	59,519,321.65		19,758,149.96	22,364,513.79
Effect of minority interests (after taxation)	18,498,803.71		24,605,902.94	29,356,204.72
Total	162,538,524.89		34,874,494.14	38,012,694.10

CORPORATE PROFILE AND PRINCIPAL FINANCIAL INDICATORS

Explanation on the reasons for the Company's identification of items not listed under the "Explanatory Announcement No. 1 on Information Disclosure for Companies Issuing Their Securities to the Public – Non-recurring Gain or Loss" as non-recurring gain or loss items with significant amount, and the identification of non-recurring gain or loss items listed in the "Explanatory Announcement No. 1 on Information Disclosure for Companies Issuing Their Securities to the Public – Non-recurring Gain or Loss" as recurring gain or loss items.

Unit: Yuan Currency: RMB

Item	Amount involved	Reason
Value-added tax (VAT) refund	368,135,168.36	Closely related to the Company's normal business operations
Reserve gas subsidy	276,037,735.85	Closely related to the Company's normal business operations

XI. COMPANIES WITH EQUITY INCENTIVE PLANS OR EMPLOYEE STOCK OWNERSHIP PLANS MAY CHOOSE TO DISCLOSE NET PROFIT AFTER DEDUCTING THE IMPACT OF SHARE-BASED PAYMENTS

☐ Applicable ☒ Not applicable

XII. ITEMS MEASURED AT FAIR VALUE

Unit: Yuan Currency: RMB

Items	Opening balance	Closing balance	Changes in current period	Amounts that affect the profit of the current period
Receivable financing	355,146,814.44	333,977,575.22	-21,169,239.22	0.00
Investment in other equity instruments	215,013,700.00	215,013,700.00	0.00	0.00
Other non-current financial assets	8,800,000.00	13,200,000.00	4,400,000.00	0.00
Total	578,960,514.44	562,191,275.22	-16,769,239.22	0.00

XIII. OTHERS

As at the end of the Reporting Period, principal accounting data of the Company over the past five years are as follows:

Items	2025	2024	2023	2022	2021
Wind power consolidated installed capacity (unit: MW)	7,777.97	6,587.35	6,293.75	5,811.85	5,673.85
Wind power consolidated net power delivered to grid (unit: MWh)	14,495,412.74	13,573,898.06	13,760,915.38	13,707,883.95	12,999,682.6
Natural gas sales volume (unit: 100 million cubic metres)	47.71	51.58	45.03	38.85	38.079

MANAGEMENT DISCUSSION AND ANALYSIS

I. DESCRIPTION OF BUSINESS ENGAGEMENT OF THE COMPANY DURING THE REPORTING PERIOD

The Company is a leader in the development and utilisation of new energy and clean energy in northern China. With the abundant new energy resources in Hebei Province, more than 10 years of experience in the management of project construction and extensive project resources reserve, the Company's business is based in Hebei, radiating across China. The Company's principal business focuses on two segments: new energy generation and sale of natural gas. The other businesses in the principal business are ancillary or extended businesses that the Company develops by making use of its resources and technical advantages in the wind power and natural gas sectors.

1. New energy business

The Company's new energy generation business mainly involves the construction, operation and management of wind farms, sale of electricity to downstream power grid customers and other aspects.

(1) *The construction, operation and management of wind farms*

In the early stage of the construction of a wind farm, the location of the project shall be selected, which shall have abundant and stable wind energy resources, and be suitable for power generation and convenient for connecting to power grids. Preliminary research and feasibility studies and other related work shall be carried out, and approvals or replies from development and reform, environmental protection and natural resources departments and other regulatory authorities shall be obtained before the commencement of construction. In addition, it is also necessary to obtain the connection permit of the power grid company to be connected. After the project construction and completion acceptance, according to industry regulations, wind farms need to go through trial operation before they can be transferred to commercial operation.

(2) *Sale of electricity*

At present, the Company's wind power sales have fully transitioned to a new model led by market-oriented trading. With the preliminary establishment of a nationally unified electricity market, market-oriented trading in most provinces has shifted from pilot programs to routine operations, becoming the main channel for electricity consumption. Under this framework, although some electricity volumes still benefit from regional benchmark tariffs, the proportion continues to shrink. Most electricity volumes participate in the market through a combination of "medium- and long-term contracts to secure basic revenue + spot trading to capture marginal prices", where trading electricity prices are entirely determined by supply and demand relationships. Market volatility has significantly increased, and the coexistence of risks and rewards has become more prominent. As the power system reform deepens and the scale of guaranteed electricity volumes shrinks year by year, the proportion of the Company's market-oriented trading electricity is expected to continue rising, and power sales are accelerating toward full marketization.

In response to the rapidly evolving policy and market environment, the Company actively built an adaptable and agile trading system, closely monitored national and local electricity market policy dynamics, conducted in-depth research on changes in trading rules and market price mechanisms, and actively participated in cross-provincial and cross-regional trading, as well as green electricity trading. By strengthening market analysis and forecasting capabilities, the Company focused on implementing refined management in trading timing, electricity volume structure and contract portfolios. It balanced the relationship between electricity volume and price while ensuring basic consumption, striving to improve the average trading price.

MANAGEMENT DISCUSSION AND ANALYSIS

2. Natural gas business

The operation of the natural gas business mainly involves the purchase of gas from upstream companies, LNG terminal services, the construction, operation and management of long-distance pipelines, and the sale of natural gas to downstream customers. The Company's current principal business is in the middle and lower reaches of the natural gas industry, involving the comprehensive operation services for LNG terminals, the construction, operation and management of natural gas long-distance pipelines, sale of natural gas and other aspects.

(1) Comprehensive operation services for LNG terminals

The core business of LNG terminals involves provision of services such as LNG loading and discharging, storage, gasification and processing, outbound transmission in liquified form and gas pipeline transmission, etc., and collection of the corresponding fees for gasification services, LNG loading fees and pipeline transmission fees.

The LNG terminal is an important infrastructure for the natural gas industry chain and also a key component of the natural gas production, supply, storage and marketing system. LNG terminals play an important role in broadening the source of gas supply, strengthening the regional natural gas emergency load shifting and supply security capacity, improving the energy structure and promoting air quality management.

(2) Construction, operation and management of natural gas long-distance pipelines

The natural gas long-distance pipeline project must go through the stages of feasibility study, preparation of project application report, obtainment of external approval, preliminary design, construction drawing design, construction, and completion acceptance. The project shall pass the completion acceptance conducted by relevant government departments before it can be put into production and operation.

At the feasibility study stage of the project, the Company will determine the gas source according to the supply of natural gas; after the construction of natural gas long-distance pipeline is completed, it will connect with downstream users through various stations. The Company will supply gas to downstream users in accordance with gas supply contracts entered into with downstream users. After the completion of the long-distance pipeline, the natural gas pipeline transmission price will be determined by the provincial authority in charge of commodity price by taking into consideration the construction costs and other factors.

(3) Sale of natural gas

Sale of natural gas mainly refers to the distribution of gas sources purchased from upstream producers to downstream end consumers. The revenue from sale of natural gas mainly includes pipeline transmission income and urban gas distribution income. The unit profit rate of this business is relatively stable. The increase in revenue and total profit is mainly due to an increase in sales volume of natural gas.

DESCRIPTION OF NEW SIGNIFICANT NON-PRINCIPAL BUSINESSES OF THE COMPANY DURING THE REPORTING PERIOD

☐ Applicable ☒ Not applicable

II. CONDITION OF THE INDUSTRIES IN WHICH THE COMPANY OPERATED DURING THE REPORTING PERIOD

1. New energy segment

(1) Vigorously advancing the clustered and scaled development of new energy

In order to fully implement the spirit of the 20th National Congress of the Communist Party of China, accelerate the green transformation of the development mode, actively and steadily promote carbon peak and carbon neutrality, and further promote the development of high quality energy, China has clearly mandated that renewable energy will be vigorously developed as the main momentum to drive the future energy consumption, and has repeatedly and publicly emphasized that wind power and photovoltaic base construction is the top priority of new energy development in the "14th Five-Year Plan". In January 2025, the NEA issued the Focus of Energy Supervision Work in 2025 (《2025 年能源監管工作要點》), proposing to strengthen the supervision of the construction progress of new energy bases in "sandy, gobi, and desert areas" and strive for on-time grid connection of the projects.

(2) Coordinating and further advancing the scaled development of offshore wind power

China's offshore wind energy resources are abundant. Within 200 kilometres offshore, China's offshore and deep-sea have a potential capacity of about 2.25 billion kW of wind energy resources for development. In January 2025, the Ministry of Natural Resources issued the Notice of the Ministry of Natural Resources on Further Strengthening the Management of Marine Space for Offshore Wind Projects (《自然資源部關於進一步加強海上風電項目用海管理的通知》), proposing the encouragement of the integrated "wind power plus" multi-purpose sea use and supporting composite development in oil and gas zones and aquaculture areas. In February 2025, the NEA released the Guiding Opinions on Energy Work for 2025 (《2025 年能源工作指導意見》), aiming for offshore wind power installed capacity to exceed 10 million kW, advancing nearshore large-scale development and deep-sea demonstration projects, and planning five deep-sea demonstration projects in regions such as Shandong and Jiangsu. In November 2025, the NDRC and the NEA issued the Guidance Opinions on Promoting New Energy Consumption and Regulation (《關於促進新能源消納和調控的指導意見》), proposing coordinated development of nearshore and deep-sea areas, intensive planning of cable corridors and landing points, optimization of offshore transmission networks, and centralized base transmission with localized coastal consumption. The government provides comprehensive support across planning, sea use and consumption to drive the transition of offshore wind power toward deep-sea, intensive and market-oriented development. The Hebei Province Offshore Wind Power Development Plan has been approved, which lays a solid foundation for the development and construction of offshore wind power projects in Hebei Province, promoting the rapid development of offshore new energy industry in Hebei Province and further facilitating the adjustment of the energy structure of Hebei Province.

(3) Embracing a period of rapid development of the wind power industry under the policy of "repowering"

The General Office of the NDRC and the General Department of the NEA jointly issued the Implementation Plan for Large-Scale Equipment Renewal in Key Energy Fields (《能源重點領域大規模設備更新實施方案》), which proposed that by 2027, the scale of equipment investment in key energy fields will increase by more than 25% compared with 2023. The plan focuses on promoting energy-saving renovations, heating renovations, and flexibility upgrades for coal-fired power units, as well as achieving equipment renewal and technical transformation in power transmission and distribution, wind power, photovoltaic, hydropower, and other sectors. In addition, the plan encourages renovations and upgrades on wind farms that have been connected to the grid for more than 15 years or have a single unit capacity of less than 1.5 MW. The Guiding Opinions on Energy Work for 2025 (《2025 年能源工作指導意見》) propose advancing the renovation and upgrading of aging wind farms, enhancing power generation efficiency through the "repowering" initiative. The guidelines encourage retiring small-capacity, low-efficiency old units and replacing them with high-capacity, high-reliability models, giving them priority inclusion in annual development plans. In October 2025, the NEA issued the Guidelines on Promoting the Integrated Development of New Energy (《關於促進新能源集成融合發展的指導意見》), which supports the "replacing smaller units with larger ones" transformation of aging wind power bases and promotes the adoption of large-capacity, long-blade and intelligent units. Priority is given to including these renovation projects in the responsibility weight for new energy consumption, ensuring grid integration and consumption. Through policies that encourage retrofitting, market incentives and consumption guarantees, the government aims at driving the retirement of outdated equipment in the wind power industry and expand the installation of efficient capacity, thus strongly supporting the construction of a new energy system, promoting the application of new technologies in the new energy sector to enhance work efficiency, and taking it as an effective means to drive green transformation.

(4) Actively promoting development models such as distributed wind power and direct green power connection

Distributed wind power projects have the advantages of not being included in the annual construction target, saving the construction cost of transmission equipment and facilitating consumption. The National "14th Five-Year Plan" for Renewable Energy Development (《"十四五" 可再生能源發展規劃》) clearly proposes to advance the "Thousands of Villages Wind Power Coverage Action (千鄉萬村風電行動)". It vigorously promotes the construction of rural wind power construction on a county basis, and boosts the construction of 10,000 administrative villages with wind power. The Guiding Opinions on Energy Work for 2025 (《2025 年能源工作指導意見》) propose encouraging the coordinated development of distributed wind power and distributed photovoltaics, promoting the "local development and nearby consumption" of energy in scenarios such as rural areas, industrial parks, and mining zones, streamlining the approval process for distributed wind power projects, and prioritizing grid connection and consumption. In May 2025, the NDRC and the NEA issued the Notice on Matters Related to Promoting the Orderly Development of Direct Green Power Connection (《關於有序推動綠電直連發展有關事項的通知》), which allows distributed wind power to supply green electricity to a single user through direct connection lines, thereby promoting the consumption of distributed wind power. The Guidelines on Promoting the Integrated Development of New Energy (《關於促進新能源集成融合發展的指導意見》) propose advancing the integrated development of distributed wind power in various fields such as transportation, construction, and rural areas. The government is empowering distributed wind power by easing restrictions and providing support in areas such as planning, approval, grid connection, consumption, and development scenarios, driving its large-scale, market-oriented and integrated development.

MANAGEMENT DISCUSSION AND ANALYSIS

(5) Pumped storage and new energy storage will become an important support for the construction of new power systems

China attaches great importance to the development of the pumped storage industry, and has launched a series of supportive policies. Since the Pumped Storage Medium- and Long- Term Development Plan (2021-2035) (《抽水蓄能中長期發展規劃 (2021-2035 年)》) was released and implemented, the pumped storage planning and construction has been remarkably productive, entering a new stage of development, and will become an important support for the construction of a new power system. In January 2025, the NDRC and the NEA issued the Interim Measures for the Development and Construction Management of Pumped Storage Power Stations (《抽水蓄能電站開發建設管理暫行辦法》), which serves as the top-level framework for managing the development and construction of pumped storage power stations, covering general provisions, resource surveys, planning management, organization and implementation, approval management, construction management, operation management, supervision management, and other aspects. They encompass all stages of the entire lifecycle of pumped storage power station development and construction, clarify the responsibilities of relevant government departments at all levels, investment entities, grid enterprises, survey and design units, and others, and specify that pumped storage projects are generally divided into two categories: those serving the power system and those serving specific power sources. This establishes a comprehensive, logically coherent, clearly defined, and responsibility-specific management system, providing crucial guidance for the development of pumped storage energy.

The development of new energy storage is an important component and key support for the construction of a new energy system in China, which is of great significance in ensuring the safe and stable operation of the new power system and promoting the green and low-carbon transformation. In August 2025, the NDRC and the NEA issued the Special Action Plan for the Scalable Development of New-type Energy Storage (2025-2027) (《新型儲能規模化建設專項行動方案 (2025 - 2027 年)》). It proposed that by 2027, the installed capacity of new energy storage should exceed 60 million kW, with an increased proportion of long-duration storage. The plan also emphasized advancing demonstrations in three areas – grid-side, power source-side, and user-side – improving market mechanisms and price transmission mechanisms, supporting grid-forming energy storage and safety technology innovation, and strengthening grid integration, dispatch, and safety supervision. In November 2025, the NDRC and the NEA issued the Guidance Opinions on Promoting New Energy Consumption and Regulation (《關於促進新能源消納和調控的指導意見》), which encouraged the integration of new energy storage with virtual power plants and new energy sources to enhance regulation capacity, optimize grid planning, ensure grid integration and consumption of energy storage, and improve the auxiliary service compensation mechanism. These policies work together from the perspectives of top-level design, industrial upgrading, and market mechanisms, driving the transition of energy storage from scale expansion to a focus on both quality and value, thereby supporting the construction of a new power system. In recent years, the NDRC issued policies and notices such as the Notice on Matters Concerning the Formulation of Pioneering and Pilot Tariff Policies to Support the Development of Independent Energy Storage (《關於制定支持獨立儲能發展先行先試電價政策有關事項的通知》), the Notice on Matters Concerning Promoting the Accelerated Development of Independent Energy Storage (《關於促進獨立儲能加快發展有關事項的通知》), and the Notice on Matters Related to Improving the Price Policy for Independent Energy Storage Pilots (《關於完善獨立儲能先行先試電價政策有關事項的通知》), establishing an incentive mechanism for independent energy storage capacity tariff, clarifying the pricing policy of "capacity leasing + peak-valley price difference" for independent energy storage power stations, further enhancing the profitability of independent energy storage projects in Hebei Province, and helping to accelerate the development and construction process of energy storage power stations in the province.

(6) Full market entry of new energy projects

In January 2025, the NDRC issued the Notice on Market-oriented Reform of New Energy Feed-in Tariffs and Promoting the High-quality Development of New Energy (Fa Gai Jia Ge [2025] No. 136) (《關於深化新能源上網電價市場化改革促進新能源高質量發展的通知》(發改價格 [2025]136 號)), proposing to accelerate the full market participation of new energy projects. The policy establishes a differential settlement mechanism for electricity prices in the settlement phase and designates grid connection by 1 June 2025, as the threshold for distinguishing between existing and new projects. This policy provides "guaranteed acquisition" in a market-oriented context, reducing the volatility of returns for new energy projects.

(7) The industrialisation of green hydrogen is expected to accelerate

Hydrogen energy has been defined as an important part of the future national energy system and a key development direction of strategic emerging industries. Terminal energy consumption will gradually shift from being primarily electricity-based to a more diversified mix, incorporating electricity, hydrogen, and ammonia. Three departments including the NDRC issued the Implementation Plan for Accelerating the Application of Clean and Low-Carbon Hydrogen in the Industrial Sector (《加快工業領域清潔低碳氫應用實施方案》), proposing that by 2027, positive progress will be made in the support and technology promotion of clean and low-carbon hydrogen application equipment in the industrial sector. In addition, clean and low-carbon hydrogen will be applied on a large scale in industries such as metallurgy, synthetic ammonia, synthetic methanol, and refining. Demonstration applications will be realised in industrial green microgrids, ships, aviation, rail transit, and other fields, forming a batch of commercial application models for hydrogen energy transportation, power generation, and energy storage. In January 2025, the Energy Law of the People's Republic of China (《中華人民共和國能源法》) came into effect, officially incorporating hydrogen energy into the national energy

management system for the first time, breaking down approval barriers related to hazardous chemicals, and providing a compliance basis for the entire hydrogen industry chain, including hydrogen production, storage and transportation, and hydrogen refueling station construction. The Guiding Opinions on Energy Work for 2025 (《2025 年能源工作指導意見》) propose the steady development of renewable energy-based hydrogen production and sustainable fuel industries, promoting fuel cell vehicle pilot projects, establishing a hydrogen energy information platform, and exploring pilot projects for hydrogen pipeline transportation. The Guidance Opinions on Promoting New Energy Consumption and Regulation (《關於促進新能源消納和調控的指導意見》) clarify the triple role of green hydrogen as a “flexible load, energy storage carrier, and cross-industry integration medium”, encourage the synergy between green hydrogen and new energy bases, promote the development of large-scale green hydrogen bases in western regions, and explore participation in the electricity market. From the aspects of legal status, pilot promotion and consumption mechanisms, these efforts aim to drive hydrogen energy from demonstration to large-scale application, supporting the energy transition and the dual carbon goals.

2. Gas segment

(1) *Development of natural gas power generation industry promoted by energy structure transformation*

The “dual carbon” goals have profoundly impacted the adjustment of China’s energy structure, creating a huge demand for enhancing load shifting capacity. In 2025, driven by the continuous transformation of the energy structure, the domestic natural gas power generation industry steadily moved ahead. Due to the high efficiency, quick start-stop, flexible operation and other advantages of natural gas power generation, gas-electricity load shifting, as an important part of the construction of a new power system based on new energy sources, is expected to be one of the important directions of energy development in the future. The NEA’s Guiding Opinions on Energy Work (《能源工作指導意見》) and the NDRC’s Measures for the Management of Natural Gas Utilisation (《天然氣利用管理辦法》) serve as key supporting policies for the current development of natural gas power generation. They explicitly call for reasonable planning and construction of load shifting in the areas with guaranteed gas sources, affordable gas prices, and high demand for load shifting, continuously advancing the application of clean energy in key areas, and prioritizing natural gas utilization in the fields of natural gas peak load-regulating power stations, gas-fired combined heat and power generation and more. The importance of gas-fired load shifting is increasing in the development of a new power system, with new energy as the primary source. In this context, the Company leveraged the synergistic effects of its two main business segments – new energy and natural gas – to establish a “gas-power integration” revenue model, achieving deep integration between the new energy and natural gas sectors. Green electricity sources, such as wind power, directly supply clean energy to major users and industrial bases, while natural gas serves as a stabilizer and regulator for new energy power generation, effectively smoothing out fluctuations by balancing peak and off-peak demands.

(2) *Sustained improvement of upstream and downstream natural gas price linkage mechanism*

Currently, the marketisation of upstream natural gas prices in China is relatively more open, with frequent price fluctuations. The LNG resources in Hebei Province primarily come from LNG receiving terminals in Tianjin and Tangshan. In the first half of 2025, due to the situation in the Middle East and Sino-U.S. tariff disputes, the spot landing prices at the receiving terminals showed an upward trend. In the second half of 2025, however, the accelerated release of new LNG production capacities in regions such as North America drove global supply growth, leading to a gradual decline in prices compared to the first half of the year. By the end of the year, prices stabilized at relatively low levels with narrow fluctuations. As a key component of the natural gas market reform, the mechanism linking upstream and downstream natural gas prices is being rapidly improved. Considering the price affordability of downstream gas users, Hebei Province has introduced relevant policies and established a linkage mechanism for the sales price of pipeline natural gas. This mechanism adjusts natural gas prices upstream and downstream in response to changes in upstream gas prices, precisely addressing the issue of the natural gas price increase and promoting the healthy and sustainable development of the natural gas industry.

(3) *One network boosting new business formats with more apparent diversification of gas source choices*

The Measures for the Management of Natural Gas Utilisation (《天然氣利用管理辦法》) state that for the utilisation of natural gas, we shall adhere to the synergy of the production, supply, storage and marketing systems, and the balanced and orderly development of supply and demand. We shall insist on adopting measures tailored to the local conditions and based on actual circumstances, so as to safeguard people’s livelihood, priorities and development. In view of the uneven distribution of natural gas resources, cross-regional deployment is essential in fully utilising natural gas resources. Under the unified direction of the NDRC, and in line with the national natural gas price reform’s overall approach of “liberalising both ends and controlling the middle”, the gate station price reform policy and upstream price policies are steadily progressing toward marketisation. In the era of “X+1+X”, it will be a top priority to constantly advance the construction of connected projects, realise the multi-channel availability of gas sources, and enhance the ability to guarantee the supply of resources.

MANAGEMENT DISCUSSION AND ANALYSIS

III. BUSINESS DISCUSSION AND ANALYSIS

(I) Operating Environment

In 2025, the national economy forged ahead under pressure, moving toward innovation and excellence. New achievements were made in high-quality development, the main targets and tasks for economic and social development were successfully accomplished, and the "14th Five-Year Plan" was concluded. However, it should also be noted that the impacts of changes in the external environment have deepened, the imbalance between strong domestic supply and weak demand has become prominent, and numerous longstanding issues and new challenges persist in economic development. Preliminary calculations show that the annual GDP reached RMB140.1879 trillion, a year-on-year increase of 5.0% in constant prices.

Preliminary estimates indicate that the total energy consumption in 2025 increased by 3.5% compared to the previous year. After deducting energy used as raw materials and non-fossil energy consumption, energy consumption per unit of GDP decreased by more than 5% year-on-year.

In February 2025, the NEA released the Guiding Opinions on Energy Work for 2025 (《2025 年能源工作指導意見》) (herein after referred to as the "Guiding Opinions"), laying a solid foundation for successfully achieving the goals of the 14th Five-Year Plan and ensuring a strong start to the 15th Five-Year Plan. The Guiding Opinions emphasize the active and steady advancement of the green and low-carbon transition in energy, the proactive development of the second and third batches of large-scale wind and photovoltaic bases in "sandy, gobi and desert" areas, as well as integrated wind, solar and hydropower bases in major river basins, and the active promotion of offshore wind power project development and construction. The goal is to increase the installed capacity of pumped storage to over 62 million kW. At the same time, the Guiding Opinions stress the continuous deepening of reforms in the oil and gas pipeline network mechanism and the optimization of pipeline network construction and operation mechanisms.

1. Operating environment for the wind power industry

According to the statistics published by the NEA, China's electricity consumption rose by 5.0% year-on-year to 10.3682 trillion kWh in 2025. As at the end of December 2025, the national accumulated installed power generation capacity was approximately 3.89 billion kW, a year-on-year increase of 16.1%. Among these, the installed capacity of wind power was approximately 640 million kW, a year-on-year rise of 22.9%.

In January 2025, the NDRC and the NEA issued the Notice on Market-oriented Reform of New Energy Feed-in Tariffs and Promoting the High-quality Development of New Energy (《關於深化新能源上網電價市場化改革促進新能源高質量發展的通知》) (the "Notice"). The Notice pointed out that efforts should be made to fully establish the market-based formation of on-grid electricity prices for new energy. In principle, all electricity generated from new energy projects (wind power, solar power, etc., hereinafter the same) should enter the electricity market, with on-grid electricity prices determined through market transactions. Measures should be taken to improve the spot market trading and pricing mechanisms, as well as enhance the medium- and long-term market trading and pricing mechanisms. The Notice adapts to the demands of large-scale new energy development, implements reforms based on market-oriented price formation, promotes the full participation of new energy in market transactions, improves trading and pricing mechanisms, and facilitates fair competition for new energy in the electricity market.

In September 2025, the HBDRC issued the Implementation Plan for Deepening the Market-Oriented Reform of New Energy Feed-in Tariffs in the Southern Hebei Grid (《河北南網深化新能源上網電價市場化改革實施方案》) and the Implementation Plan for Deepening the Market-Oriented Reform of New Energy Feed-in Tariffs in the Northern Hebei Grid (《冀北電網深化新能源上網電價市場化改革實施方案》) (collectively referred to as the "Plans"). According to the Plans, existing new energy projects that achieve full-capacity grid connection before 1 June 2025, will have their mechanism tariff level set at the national policy upper limit after participating in market transactions. Specifically, the tariff is set at RMB0.3644 per kWh (including tax, the same below) for the Southern Hebei Grid and RMB0.3720 per kWh for the Northern Hebei Grid. For incremental new energy projects achieving full-capacity grid connection from 1 June 2025, the HBDRC will define the mechanism electricity volume, and the mechanism tariff level will be determined through price competition. The implementation period is tentatively set at 10 years for wind power, 12 years for photovoltaic power, and 14 years for offshore wind power and offshore photovoltaic power. The bidding results for the mechanism tariffs of incremental new energy projects in 2025–2026 are as follows: For the Southern Hebei Grid, wind power projects have a mechanism electricity volume of 14.201 billion kWh with a mechanism tariff of RMB0.3530 per kWh (including tax, the same below), while photovoltaic projects have a mechanism electricity volume of 1.401 billion kWh with a mechanism tariff of RMB0.3344 per kWh. For the Northern Hebei Grid, wind power projects have a mechanism electricity volume of 10.37 billion kWh with a mechanism tariff of RMB0.3470 per kWh, while photovoltaic projects have a mechanism electricity volume of 3.613 billion kWh with a mechanism tariff of RMB0.3520 per kWh. The Plans aim to advance the strategy of building a strong province in new energy, implement national reform requirements, and promote the full integration of new energy feed-in electricity into the market, with tariffs fully determined by market mechanisms.

2. *Operating environment for the natural gas industry*

According to the statistics disclosed by the NDRC and the NEA, the industrial output of natural gas above the designated size reached 261.9 billion cubic meters in 2025, a year-on-year increase of 6.2%. According to data released by the General Administration of Customs of China, the import of natural gas was 127.87 million tons in 2025, up by -2.8% year on year. In 2025, the national apparent consumption of natural gas amounted to 426.55 billion cubic meters, a year-on-year growth of 0.1%.

In July 2025, to implement the decisions and arrangements on deepening the reform of the oil and gas market system and improving the price governance mechanism, strengthen price regulation in natural monopoly sectors, and enhance the efficiency of natural gas pipeline transportation, the NDRC and the NEA issued the Guiding Opinions on Improving the Pricing Mechanism for Intra-provincial Natural Gas Pipeline Transmission to Promote High-Quality Development of the Industry (《關於完善省內天然氣管道運輸價格機制促進行業高質量發展的指導意見》). The Guiding Opinions mark the first time that guidelines have been issued to unify and standardize the pricing mechanisms for provincial natural gas pipeline transportation across different provinces. They also outline the reform direction and requirements for determining provincial pipeline transportation prices, explicitly urging all provinces to formulate and improve management measures for provincial natural gas pipeline transportation pricing as soon as possible, clarify the transition period and methods for the price mechanism reform, and implement the changes in a steady and orderly manner.

In October 2025, the NDRC issued the Measures for Planning, Construction and Operation Management of Oil and Gas Infrastructure (《石油天然氣基礎設施規劃建設與運營管理辦法》), marking the first time that rigid institutional constraints were imposed at the national level for the vision of a "national single grid". The economies of scale and network effects of pipeline infrastructure became more pronounced, laying the groundwork for more efficient and flexible nationwide flow of natural gas.

(II) Business Review

1. *Business review of the wind power business*

(1) *Steady growth in installed capacity*

In 2025, the Group newly added 1,339.02 MW of wind power installed capacity under management, with a cumulative installed capacity under management of 8,245.97 MW. The new consolidated wind power installed capacity was 1,270.52 MW, with all wind turbines of projects including the Hademen Phase I, Lao Zhanghe Phase II, Acheng, Xishuiquan, Qingyazi, Daming, Yongnian, Jinzhou, Ningjin, and Changli being connected to the grid for power generation. The acquisition of the 100 MW wind power project in Gao'an, Yichun City, Jiangxi Province was completed. As of the end of 2025, the Group's cumulative consolidated installed capacity of wind power was 7,777.97 MW. The additional attributable installed capacity of wind power was 1,265.04 MW, with a cumulative attributable installed capacity of 7,206.70 MW. During the year, the commercial operation project capacity increased by 610 MW, with a cumulative commercial operation project capacity of 6,783.15 MW.

As at 31 December 2025, the total designed capacity of the consolidated wind power projects under construction of the Group was 1,298.07 MW. The Shuangcheng Phase II and Zhangbei Zhanhai projects received the 2025 Anji Cup Award for Construction Projects in Hebei Province. Additionally, the Jinzhou and Yongnian wind power projects won the third prize and the excellence award, respectively, in the 2025 Hebei Province Project Management Digital Competition.

(2) *The utilisation hours of wind farms remained at a relatively high level*

In 2025, the average utilisation hours of the Group's consolidated wind farms was 2,236 hours, an increase of 10 hours as compared with the same period of the previous year, which was 257 hours higher than the national average wind power utilisation hours announced by the China Electricity Council. The increase in average utilisation hours was mainly due to the increase in average wind speed. The consolidated wind farms of the Group achieved the power generation of 14.85 billion kWh, representing an increase of 6.78% as compared with the same period last year, which was mainly attributable to the increase in average wind speed. The average wind turbine availability rate was 97.58%.

(3) *Accelerating wind resource reserves*

In 2025, the Group newly added 1,132 MW of approved wind power capacity, with a cumulative total of 3,544.57 MW of effectively approved project capacity yet to be commissioned. An additional 280 MW of wind power projects were included in the government's development and construction program, and the Group's cumulative capacity included in the development and construction programs of various regions reached 13,503.03 MW, which are located in a number of provinces, including Hebei, Inner Mongolia, Heilongjiang, Xinjiang, Yunnan, Shanxi and Jiangsu.

During the Reporting Period, the Group added 4,350 MW of agreed wind power capacity, totaling 14,531.25 MW of effective agreed wind power capacity, which are located in a number of provinces, including Hebei, Heilongjiang, Xinjiang, Inner Mongolia, Shanxi, Hunan and Jiangsu.

MANAGEMENT DISCUSSION AND ANALYSIS

2. Business review of the natural gas business

(1) Slight year-on-year decrease in sales volume of natural gas

During the Reporting Period, the Group's total transmission/sales volume of the natural gas business was 5.255 billion cubic meters, representing a decrease of 10.71% as compared with the same period of the previous year, primarily due to weakening market demand. The sales volume amounted to 4.771 billion cubic meters, representing a decrease of 7.47% as compared with the same period of the previous year, including (i) wholesale volume of 1.866 billion cubic meters, representing a decrease of 7.26% as compared with the same period of the previous year; (ii) a retail sales volume of 1.784 billion cubic meters, representing a decrease of 7.93% as compared with the same period of the previous year; (iii) CNG sales volume of 61 million cubic meters, representing a decrease of 28.64% as compared with the same period of the previous year; (iv) LNG sales volume of 1,059 million cubic meters, representing a decrease of 5.43% as compared with the same period of the previous year; and the gas transmission volume for its clients amounted to 484 million cubic meters, representing a decrease of 33.63% as compared with the same period of the previous year.

(2) Active promotion of the construction of infrastructural projects

During the Reporting Period, projects including the Central Hebei Pipeline Network Phase IV Project, the South Baoding Connection Line Project for Erdos-Anping-Cangzhou and Beijing- Handan Line, and the Luquan-Jingxing Gas Transmission Pipeline Project have been largely completed, while the Qinhuangdao-Fengnan Coastal Gas Transmission Pipeline Project has achieved a welding completion rate of 94.5%.

The warm seawater utilization project at the Tangshan LNG terminal has completed its final acceptance inspection. For the Tangshan LNG Project-Terminal Phase II (Process Area Section I), the sections supporting the commissioning of tanks #9, #10, #15, and #16, as well as the IFV equipment, have completed mechanical completion acceptance. The Tangshan LNG Project-Terminal Phase III (Tanks 11# and 17#) has completed the air lift operation and reached 51.31% of the overall progress. During the Reporting Period, the Tangshan LNG Terminal Outbound Pipeline Project in Hebei Province was awarded the second prize in petroleum industry design of the National Excellent Engineering Survey and Design Award.

(3) Continuing to develop the natural gas end-user market

During the Reporting Period, the Group, relying on the operation of new pipelines, made great efforts to acquire natural gas end users, and its newly added users hit 56,377. As of 31 December 2025, the Group had an aggregate of 778,538 users.

(4) Further improving transmission network

The Group's natural gas pipelines increased by 176.03 kilometres in 2025. As at 31 December 2025, the Group operated pipelines of a total of 10,026.33 kilometres, including 1,549.16 kilometres of long-distance transmission pipelines and 8,477.17 kilometres of city gas pipelines. It operated a total of 34 distribution stations and 19 gate stations.

During the Reporting Period, the Group actively participated in the construction of transmission pipelines and made effort in improving its midstream transmission network. The pipeline openings and gas supply capacities for key customers along the Tangshan LNG outbound pipelines have begun to take shape, creating favorable conditions for expanding the regional downstream market. The construction of the provincial main pipeline network is progressing in an orderly manner, with new transfer points added to the Mengxi Pipeline and the Erdos-Anping-Cangzhou Pipeline, forming a resource supply pattern that combines multi-point transfer and coordinated regulation.

(5) Continuously expanding the despatch and sales business

During the Reporting Period, leveraging two offtake stations, the Yongqing Station of Shaanxi - Beijing Pipeline 2 and the Baoding Station of the Erdos-Anping-Cangzhou Pipeline, the Group overcame pipeline network and regional constraints and capitalized on its gas supply advantages to continuously expand cross-province upload sales, thereby increasing the scale of gas sales.

(6) Steadily operating urban CNG and LNG businesses

During the Reporting Period, the Group steadily operated its urban CNG and LNG businesses. As at 31 December 2025, the Group operated a total of five CNG primary filling stations, three CNG secondary filling stations, three LNG refilling stations and one L-CNG joint filling station.

3. Other businesses

(1) Photovoltaic business

During the Reporting Period, the Group newly added 158.93 MW of photovoltaic installed capacity under management, of which the new consolidated installed capacity was 158.93 MW. As of the end of 2025, the Group had a cumulative photovoltaic consolidated installed capacity of 424.79 MW, a cumulative installed capacity under management of 594.79 MW and a cumulative consolidated operating capacity of 134.79 MW, in each case excluding the photovoltaic projects that had already been transferred. The capacity of consolidated photovoltaic projects under construction was 10 MW. According to the Company's business strategy adjustment, in order to further focus on the core business and concentrate resources on wind power generation and natural gas-related industries, the Company will no longer invest in the development of photovoltaic power generation business separately, except for certain investees that must be retained. Therefore, after the completion of the projects, the Company plans to gradually sell or transfer the existing photovoltaic business with its holdings. As at the end of the Reporting Period, all of the Company's photovoltaic projects located in Xinjiang, Heilongjiang and Liaoning provinces, as well as certain projects in Hebei province, were divested.

(2) Energy storage business

The Group participated in an equity investment for the construction of Hebei Fengning Pumped Storage Power Station Project (河北豐寧抽水蓄能電站項目), the designed total installed capacity of which amounted to 3,600 MW, which would be developed in two phases with installed capacity of 1,800 MW each for pumping and water storage functions such as load shifting and valley filling. As at 31 December 2025, all 12 units of the Hebei Fengning Pumped Storage Power Station Project have been put into operation. The capacity tariff for the Fengning Phase I Project is RMB547.07/kW and the capacity tariff for Phase II is RMB510.94/kW.

During the Reporting Period, the Group added a quota for an 800MW/2000MWh independent energy storage power station and an independent energy storage filed capacity of 600MW/1400MWh, with a cumulative effective registered capacity of 1000MW/3000MWh. During the Reporting Period, the Sonid Left Banner Compressed Air Energy Storage Demonstration Project entered full-scale construction. The Group will try to invest in new energy storage projects in and beyond the province, and step up its efforts in studying the energy storage technical plan and economic benefits to seek support for grid connection and dispatch.

(3) Gas-fired power plant business

Gas-fired power plants, with their clean and efficient power generation methods and excellent load shifting capabilities, will play an important supporting role in accelerating the construction of a new energy system based on new energy sources in the future, which will help to effectively reduce carbon emissions and promote energy transition. The Group is actively exploring the development mode of the natural gas power generation industry to promote the development of clean energy, create innovation-driven productivity and contribute to the realisation of the strategic goal of carbon peak and carbon neutrality.

During the Reporting Period, the Group newly added 980 MW of approved gas turbine capacity, which pertains to the Shijiazhuang Xinle Gas Power Plant Project, with a cumulative approved capacity reached 3,860 MW. During the Reporting Period, the Company's first Gas Power Plant, the Funing Project, commenced construction as scheduled.

4. Digital intelligence development and technological innovation

During the Reporting Period, the Group steadily promoted digital intelligence development and technological innovation and steadily improved the level of intelligent production by strengthening top-level design and actively promoting the application and transformation of new technologies and processes.

First of all, it persistently strengthened the digital and intelligent development of production management. With the core objectives of "grounding in independent innovation, empowering safe production, and enhancing operational efficiency", the focus is on system development in areas such as CMS, smart stations, safety production management and power trading. By leveraging "production data analysis and application" and "intelligent maintenance" as key drivers, the digital and intelligent advancement of operations and maintenance will be steadily promoted, helping the Company build a smart operations and maintenance management system.

Secondly, a unified AI plan was formulated, confirming the unified AI technical architecture. Pilot projects were launched in the vertical field of wind power operation and maintenance and the field of business management, focusing on constructing the technical foundation, developing AI agents, building data assets, and establishing information systems. The deployment of three AI agents – intelligent Q&A, intelligent maintenance, and intelligent data query – was completed. Efforts were made to organize the data asset catalog, implement digital intelligence scenarios, and complete the deployment of a data management platform and a unified knowledge base. Additionally, the iterative development of systems such as the Suntien unified mobile app was carried out. These initiatives deepened the integration of AI with business operations, enhanced data assets and information technology infrastructure, and continuously improved management coordination efficiency.

MANAGEMENT DISCUSSION AND ANALYSIS

Thirdly, the Group has independently developed the upper tower crane (UTC) intelligent robot. Our subsidiary, Shanghai Geluoli Company, has independently developed the UTC intelligent robot for the replacement of major components such as gearboxes and generators for various brands of wind turbines. The product has received the new product technology certification issued by the China Electricity Council and passed the technical evaluation and certification of the China General Certification Center. The overall technical performance of the product has reached internationally leading standards.

Fourthly, the Group persistently advanced the construction of technological innovation around R&D platforms and scientific research projects. The mid-term evaluation on the "National Synergistic Research and Development Centre for Hydrogen and Renewable Energy Technologies" has been completed in March 2025. The "Distributed Energy Storage DC-Coupled Grid-Forming Wind Turbine Equipment" was awarded the title of the fourth batch of Major Technological Equipment (First Set) in the energy sector by the NEA in January 2025. The "Key Technologies and Applications of Large-Scale Renewable Energy Coupling Hydrogen Production Based on DC Networking" has passed the final review of the Hebei Province Science and Technology Progress Award and was recommended for the first prize of the Hebei Province Science and Technology Progress Award. The Hebei Provincial Central Government-Guided Local Science and Technology Development Fund Project, "Research and Application of Key Technologies for Grid-Forming Wind Turbine Equipment", has received special government funding support for science and technology projects.

As of 31 December 2025, the Company has obtained a total of 95 authorised invention patents, 423 utility model patents, 200 software copyrights, and published and presented 182 papers in national journals and conferences.

(III) Operating Performance Discussion and Analysis

1. Overview

According to the audited consolidated financial statements for 2025, the Group recorded a total profit of RMB2.543 billion, representing a year-on-year increase of 8.37%; a net profit of RMB2.014 billion, representing a year-on-year increase of 5.98%, of which net profit attributable to shareholders of the listed company amounted to RMB1.826 billion, representing a year-on-year increase of 9.21%, which was mainly due to the increase in available hours of wind farms of the Group compared to the same period last year.

2. Revenue

In 2025, the Group recorded operating revenue of RMB19.831 billion, representing a year-on-year decrease of 7.21%, of which:

- (1) the operating revenue of wind/photovoltaic business segment amounted to RMB6.228 billion, representing a year-on-year increase of 3.04%, accounting for 31.40% of the total operating revenue of the Group. The increase in revenue was mainly due to the increase in available hours of wind farms of the Group compared to the same period last year.
- (2) the operating revenue of the natural gas business segment amounted to RMB13.594 billion, representing a year-on-year decrease of 11.25%, accounting for 68.55% of the total operating revenue of the Group. The decrease in revenue was mainly due to the decrease in the transmission and sales volume of natural gas as compared to the same period last year.

3. Net profit

During the Reporting Period, the Group recorded a net profit of RMB2.014 billion, representing a year-on-year increase of 5.98%. During the Reporting Period, the wind power/photovoltaic segment reported an increase in revenue from electricity sales and recorded a net profit of RMB1.612 billion, representing an increase of 11.95% year-on-year, mainly due to the increase in available hours compared to the same period last year. The natural gas business segment recorded a net profit of RMB0.358 billion, representing a year-on-year decrease of 25.01%, mainly due to the decrease in the transmission and sales volume of natural gas as compared to the same period last year.

4. Net profit attributable to shareholders of the listed company

During the Reporting Period, the net profit attributable to shareholders of the listed company was RMB1.826 billion, representing an increase of RMB0.154 billion as compared with RMB1.672 billion in the same period last year, which was mainly due to the increase in the Group's net profit as compared to the same period last year.

Basic earnings per share attributable to shareholders of the Company were RMB0.43.

5. Gain or loss attributable to minority interests

During the Reporting Period, net profit attributable to minority interests of the Company amounted to RMB188 million, representing a decrease of RMB40 million as compared with RMB228 million in the same period last year, which was mainly due to the decrease in the Group's net profit from the natural gas business segment as compared to the same period last year.

MANAGEMENT DISCUSSION AND ANALYSIS

6. *External equity investments*

During the Reporting Period, the Group's investment income from joint ventures and associates was RMB239 million, representing an increase of RMB103 million as compared with RMB136 million in the same period last year, mainly due to the increase in profit from joint ventures and associates as compared to the same period last year.

During the Reporting Period, the Group's external investments amounted to RMB96 million, representing a decrease of RMB18 million as compared with RMB114 million in the same period last year, mainly due to the decrease in investments in joint ventures and associates as compared to the same period last year.

7. *Contingent liabilities*

As at 31 December 2025, the Group was subject to certain pending litigations/arbitrations with its suppliers, etc., involving RMB2.3835 million. The cases are still under trial.

8. *Cash flows*

As of 31 December 2025, the Group's net current liabilities were RMB10.066 billion, and the net increase in cash and cash equivalents was RMB1.789 billion. The Group has obtained credit facilities of a total amount of RMB115.629 billion from various domestic banks, of which an amount of RMB41.827 billion has been utilised.

The majority of the Group's revenue and expenses are denominated in Renminbi. Currently, the Group's imports of LNG are mainly settled in U.S. dollars, which exposes the Company to exchange rate fluctuations. In view of the continued risk of exchange rate fluctuations of RMB against the US dollar, the Group will continue to pay close attention to the trend of the foreign exchange market and adopt relevant financial instruments in a timely manner to minimise its impact on the Company's operations.

9. *Capital expenditure*

During the Reporting Period, capital expenditures mainly included project construction costs for new wind power projects, natural gas pipelines, additions to plants and equipment, and prepayment for leased lands. Capital resources mainly included self-owned capital, bank borrowings and cash flows from the Group's operating activities. During the Reporting Period, the Group's capital expenditure was RMB10.663 billion, representing an increase of 67.08% as compared with RMB6.382 billion in the same period last year. A breakdown of capital expenditures is as follows:

	2025 (RMB'000)	2024 (RMB'000)	Change (%)
Natural gas	1,973,995.45	3,237,723.57	-39.03
Wind power and solar energy	8,664,179.39	3,122,458.80	177.48
Unallocated capital expenditures	24,836.94	21,829.00	13.78
Total	10,663,011.78	6,382,011.37	67.08

10. *Borrowings*

As at 31 December 2025, the Group's long-term and short-term borrowings totaled RMB47.328 billion, representing an increase of RMB3.227 billion as compared with the end of 2024. Among all borrowings, the short-term borrowings (including long-term loans due within one year) aggregated to RMB11.779 billion, and the long-term borrowings amounted to RMB35.549 billion.

During the Reporting Period, the Group actively expanded its financing channels and strengthened its capital management to guarantee the smooth operation of capital chain and to reduce finance cost. Firstly, the Group replaced existing high-interest-rate loans, and managed to get the prime rate for new loans. Secondly, the Group strengthened the capital management to improve efficiency of the use of funds and to reduce the chance of fund precipitation.

11. *Debt-to-asset ratio*

As at 31 December 2025 the Group's debt-to-asset ratio (the ratio of total liabilities divided by total assets) was 66.30%, representing a decrease of 1.43 percentage points from 67.73% as at 31 December 2024, mainly due to the increase in other equity instruments during the period.

12. *Material asset pledge*

The Group had no material asset pledge during the year.

13. *Significant acquisitions and disposals*

The Group had no significant acquisitions and disposals during the year.

MANAGEMENT DISCUSSION AND ANALYSIS

IV. ANALYSIS ON THE CORE COMPETITIVENESS DURING THE REPORTING PERIOD

Through years of development and accumulation, the Company has established a professional team in the wind power segment and the natural gas segment, and has accumulated rich experience in management, operation, technology, and talents, to provide development momentum for the future. Meanwhile, the Company has established a set of efficient management mechanism suitable for its future development, and makes continuous efforts to improve it, striving to get a favourable position in the fierce market competition in the future. During the Reporting Period, the Company's core competitiveness did not undergo major changes.

1. The Company is a leading clean energy company in northern China, currently with its major businesses within Hebei Province while steadily advancing its presence establishment nationwide. As it has been a long-standing player engaging in the clean energy sector in the Hebei Province, the Company has a strong competitive edge in terms of policy support, technologies, customers and brand recognition. It is actively developing the market in the provinces yet to be explored and perfecting its business coverage while maintaining its advantages in North China.
2. The Company's management team has been engaged in the clean energy industry for many years and has extensive management experience in the wind power and natural gas fields. The Company has established a team consisting of several hundreds of production and technical service personnel with high-level professional knowledge and relevant technical qualifications, and strong professional operation and maintenance capabilities. The Company has built a smart digital manufacturing platform at group-level based on its internet of things, big data and cloud computing technology, and fully implemented the management model of "remote centralised control, unattended operation (minimal manpower)" so as to continuously improve operational maintenance, cost reduction and efficiency enhancement measures and refine management capabilities.
3. The Company's wind power and natural gas businesses support each other, forming a benign complement. At the same time, leveraging the synergistic advantages of gas turbines and natural gas, the Company engaged in the competition track in emerging industries such as hydrogen energy and energy storage, actively promoting the integrated development of multiple energy sources. These efforts not only enriched the Company's business structure, but also effectively mitigated the adverse fluctuations that a single business could cause, reasonably diversifying operational risks.
4. The Company has established a robust natural gas production, supply, storage and marketing system. The diversified supply of resources has been continuously strengthened, the construction of natural gas transmission pipeline network has been accelerated, the capacity of gas storage and load shifting has been steadily improved, the advantages of resources, pipeline network, price and other favourable factors have been given full play to actively explore the downstream market, and research on and deployment of gas power plant projects have been carried out. Meanwhile, we have also expanded our high-quality natural gas urban gas projects by means of cooperation and through mergers and acquisitions to capture greater share in the end-user market.
5. The Company has established a sound and effective sustainable development management system with emphasis on environmental, social and governance management. The Company has been focusing on ESG issues since 2014 and has been disclosing ESG reports year by year. The Company has established an internal control governance structure and a comprehensive risk management system. The Company continuously promotes environmental protection and rural revitalisation to fulfil its commitment to sustainable development through practical actions.
6. The Company actively carries out technological innovation and expands into the digital intelligence field, striving to build the "Digital Suntien". In order to further reduce costs and increase efficiency, the Company has been stepping up its efforts in "digital intelligence" research and development and technological innovation. It continues to optimize business processes based on the enterprise structure with the help of data and technology, so as to continuously improve the Company's business management and production operation and maximise its organisational efficiency.

MANAGEMENT DISCUSSION AND ANALYSIS

V. MAJOR OPERATIONS DURING THE REPORTING PERIOD

Major operations during the Reporting Period are as follows:

(I) Analysis of principal business

1. Analysis of changes in relevant items of income statement and statement of cash flows

Unit: Yuan Currency: RMB

Items	Amount for the Reporting Period	Amount for the same period of last year	Percentage of change (%)
Operating revenue	19,830,819,137.01	21,372,124,492.83	-7.21
Operating costs	15,711,806,536.82	17,167,814,753.55	-8.48
Selling expenses	5,853,918.67	6,035,235.93	-3.00
Administrative expenses	800,771,388.40	706,355,014.81	13.37
Finance costs	1,055,143,991.64	1,217,544,413.61	-13.34
R&D expenses	269,983,422.37	376,608,371.90	-28.31
Net cash flows from operating activities	7,296,692,201.57	3,720,788,835.78	96.11
Net cash flows from investment activities	-8,796,770,801.38	-6,942,081,894.22	-26.72
Net cash flows from financing activities	3,293,586,777.00	2,890,126,221.06	13.96

Explanation on reasons for changes in operating revenue: during the Reporting Period, the Group's operating revenue decreased by 7.21% as compared with the same period last year, mainly due to the decrease in the transmission and sales volume of natural gas as compared to the same period last year.

Explanation on reasons for changes in operating costs: during the Reporting Period, the Group's operating costs decreased by 8.48% as compared with the same period last year, mainly due to the decrease in the purchase volume of natural gas as compared to the same period last year.

Explanation on reasons for changes in selling expenses: during the Reporting Period, the Group's selling expenses were RMB5.8539 million, representing a year-on-year decrease of 3.00%, mainly due to the decrease in the number and remuneration of sales personnel as compared to the same period last year.

Explanation on reasons for changes in administrative expenses: during the Reporting Period, the Group's administrative expenses were RMB801 million, representing a year-on-year increase of 13.37%, mainly due to the increase in repair expenses, employees' remuneration and depreciation and amortisation expenses compared with the same period last year.

Explanation on reasons for changes in finance costs: during the Reporting Period, the Group's finance costs were RMB1,055 million, representing a year-on-year decrease of 13.34% from RMB1,218 million for the same period last year, mainly due to the decrease in financing interest rate compared with the same period last year.

Explanation on reasons for changes in R&D expenses: during the Reporting Period, the Group's R&D expenses were RMB270 million, representing a year-on-year decrease of 28.31% for the same period last year, mainly due to the decrease in depreciation and amortisation expenses as compared to the same period last year.

Explanation on reasons for changes in net cash flows from operating activities: in 2025 and 2024, the net cash flows from operating activities of the Company were RMB7,297 million and RMB3,721 million, respectively, representing a year-on-year increase of 96.11%. The net cash inflow from operating activities increased significantly compared to the same period last year, primarily due to a substantial decrease in cash paid for purchases of goods and receipt of services compared to the previous year. In 2025 and 2024, the cash inflows from operating activities of the Company were mainly the cash received from sales of goods and rendering of services, accounting for 96.06% and 96.58% of the cash inflows from operating activities, respectively. The cash outflows from operating activities of the Company were mainly the cash paid for purchases of goods and receipt of services, accounting for 85.88% and 87.49% of the cash outflows from operating activities in 2025 and 2024, respectively.

MANAGEMENT DISCUSSION AND ANALYSIS

Explanation on reasons for changes in net cash flows from investment activities: in 2025 and 2024, the net cash flows from investment activities of the Company were negative RMB8,797 million and negative RMB6,942 million, respectively, representing a year-on-year decrease of 26.72%. The investment activities of the Company were mainly the cash paid for purchases and construction of fixed assets, intangible assets and other long-term assets. The cash inflows from investment activities of the Company in 2025 were mainly the net cash received from disposal of subsidiaries and other business units and the cash received from investment income, accounting for 95.36% of the cash inflows from investment activities. The cash inflows from investment activities in 2024 were mainly the cash received from disinvestments and investment returns, accounting for 96.31% of the cash inflows from investment activities. Cash outflows were mainly the cash paid for purchases and construction of fixed assets, intangible assets and other long-term assets and the cash paid for investments, accounting for 97.73% and 99.82% of the cash outflows from investment activities in 2025 and 2024, respectively.

Explanation on reasons for changes in net cash flows from financing activities: in 2025 and 2024, the net cash flows generated from the Company's financing activities were RMB3,294 million and RMB2,890 million, respectively, representing a year-on-year increase of 13.96%. The increase in net cash inflow from financing activities as compared to the same period last year was mainly due to the increase in cash received from the issue of other equity instruments in the period compared to the previous year. The cash inflows from the Company's financing activities were mainly the cash received from borrowings, accounting for 82.69% and 95.32% of the cash inflows from financing activities in 2025 and 2024, respectively. The cash outflows from the Company's financing activities were mainly the cash paid for repayment of debt and distribution of dividend and profit or interest payment, accounting for 87.17%, 12.14%, and 72.64%, 17.45% of the cash outflows from financing activities in 2025 and 2024, respectively.

Explanation on major changes in the type of business, composition or source of profit of the Company during the current period

☐ Applicable ☒ Not applicable

2. Analysis of revenue and costs

Analysis of revenue and costs is as follows:

(1). Analysis of principal business by industry, product, region and sales model

Unit: Yuan Currency: RMB

Principal business by product						
By product	Operating revenue	Operating costs	Gross profit margin (%)	Increase/decrease in operating revenue as compared with last year (%)	Increase/decrease in operating costs as compared with last year (%)	Increase/decrease in gross profit margin as compared with last year (%)
Revenue from natural gas sales	13,334,683,336.71	12,761,934,824.44	4.30	-11.13	-11.84	Increase by 0.78 percentage point
Revenue from wind/photovoltaic power generation	6,125,859,065.51	2,785,283,857.89	54.53	2.92	12.02	Decrease by 3.69 percentage points
Connection and construction of natural gas pipelines	117,328,744.88	50,368,623.12	57.07	-24.55	-48.25	Increase by 19.66 percentage points
Revenue from leasing and equipment usage services	34,505,474.23	19,680,572.46	42.96	77.66	90.65	Decrease by 3.89 percentage points
Others	218,442,515.68	94,538,658.91	56.72	-9.25	-2.58	Decrease by 2.96 percentage points

MANAGEMENT DISCUSSION AND ANALYSIS

Explanations on principal business by industry, product, region and sales model

During the Reporting Period, the Group recorded operating revenue of RMB13.335 billion from its natural gas sales business. In particular, the pipeline wholesale business recorded sales revenue of RMB5.221 billion, accounting for 39.15% of the Group's revenue from its natural gas sales business; the retail business, such as city gas, recorded sales revenue of RMB4.984 billion, accounting for 37.38% of the Group's sales revenue from its natural gas business; the LNG business recorded sales revenue of RMB2.963 billion, accounting for 22.22% of the Group's sales revenue from its natural gas business; and the CNG business recorded sales revenue of RMB0.167 billion, accounting for 1.25% of the Group's sales revenue from its natural gas business.

More than 90% of the Group's revenue was derived from Northern China, which is managed in a unified and centralised manner by the management. Therefore, the Group had only one regional segment.

(2). Table of production and sales analysis

☐ Applicable ☒ Not applicable

(3). Performance of material procurement contracts and material sales contracts

☐ Applicable ☒ Not applicable

(4). Cost analysis table

Unit: Yuan Currency: RMB

By product	Cost component	Amount for the period	Breakdown by product		Percentage of total costs for the same period of the previous year (%)	Year-on-year Change (%)	Explanation
			Percentage of total costs for the period (%)	Amount for the same period of the previous year			
Natural gas	Operating costs	12,850,644,826.07	81.78	14,608,830,848.10	85.09	-12.04	Nil
Wind and photovoltaic power generation	Operating costs	2,857,223,300.00	18.19	2,554,039,681.66	14.88	11.87	Nil
Others	Operating costs	3,936,410.75	0.03	4,944,223.79	0.03	-20.38	Nil

Cost analysis and explanation

During the Reporting Period, the operating costs of the Group's natural gas business amounted to RMB12.851 billion, representing a year-on-year decrease of 12.04% from RMB14.609 billion for the previous year. This was mainly due to the decrease in the purchase volume of gas compared to the same period last year.

During the Reporting Period, the operating costs of the Group's wind power and photovoltaic business were RMB2.857 billion, representing a year-on-year increase of 11.87%, mainly due to the increase in the depreciation expenses compared to the same period last year.

(5). Changes in the scope of consolidation as a result of changes in shareholdings of major subsidiaries during the Reporting Period

☐ Applicable ☒ Not applicable

(6). Material changes or adjustments to the Company's business, products or services during the Reporting Period

☐ Applicable ☒ Not applicable

MANAGEMENT DISCUSSION AND ANALYSIS

(7). Information on major customers and major suppliers

A. Information on major customers and major suppliers

Sales to the top five customers amounted to RMB8,718.6638 million, accounting for 43.97% of the total sales for the year, of which sales to related parties were RMB0.00 million among the sales to the top five customers, accounting for 0.00% of the total sales for the year.

Purchases from the top five suppliers were RMB11,579.8891 million, accounting for 75.50% of the total purchases for the year, of which purchases from the largest supplier accounted for 46.68% of the total purchases for the year; and purchases from related parties were RMB0.00 million among the purchases from the top five suppliers, accounting for 0.00% of the total purchases for the year.

B. Analysis of whether the proportion of sales to a single customer exceeded 50% of the total amount, there were new customers among the top five customers or there was significant reliance on a small number of customers during the Reporting Period

Unit: '0,000 Yuan Currency: RMB

No.	Name of customer	Sales	Percentage of total annual sales (%)
1	No. 1	583,982.81	29.45%
2	No. 2	120,535.47	6.08%
3	No. 3	75,189.55	3.79%
4	No. 4	48,101.95	2.43%
5	No. 5 (new)	44,056.60	2.22%

Note: The Company is not significantly dependent on a limited number of customers.

Analysis of whether purchases from a single supplier exceeded 50% of the total amount, there were new suppliers in the top five suppliers or there was heavy reliance on a small number of suppliers during the Reporting Period

☐ Applicable ☒ Not applicable

Other explanations: Greatwall Life Insurance Co., Ltd. (長城人壽保險股份有限公司), a shareholder holding 5.0027% of the Company's issued shares, holds 0.0013% of the issued shares of the fifth largest customer of the Company. Save for that, so far as the Directors are aware, none of the Directors of the Company or their respective close associates, or any shareholders holding more than 5% of the Company's issued shares had any interests in the Group's top five suppliers or top five customers.

C. During the Reporting Period, the Company's stock was subject to a delisting risk warning or other risk warnings

Top five customers

☐ Applicable ☒ Not applicable

Top five suppliers

☐ Applicable ☒ Not applicable

MANAGEMENT DISCUSSION AND ANALYSIS

D. Revenue from trading business for the Reporting Period

Unit: '0,000 Yuan Currency: RMB

	Operating revenue for the period	Operating revenue for previous period	Increase/ decrease in operating revenue for the period as compared with last year (%)
Trading business development			
Natural gas sales business	401,890.42	382,146.43	5.17

The top five customers whose trading business accounts for more than 10% of operating revenue

Unit: '0,000 Yuan Currency: RMB

No.	Name of customer	Sales	Percentage of total annual sales (%)
1	Tianjin Binhai Xin'ao Energy Trading Co., Ltd. (天津濱海新奧能源貿易有限公司)	70,125.38	3.54
2	Senton Energy Co., Ltd. (勝通能源股份有限公司)	39,275.09	1.98
3	Hebei Xingheng Transportation Co., Ltd. (河北興恆運輸有限公司)	36,287.55	1.83
4	Tianjin Jinkairui Technology Development Co., Ltd. (天津市金凱瑞科技發展有限公司)	33,058.46	1.67
5	CIMC New Energy (Shenzhen) Technology Co., Ltd. (中集新能(深圳)科技有限公司)	30,009.41	1.51
	Total	208,755.89	10.53

The top five suppliers whose trading business accounts for more than 10% of operating revenue

Unit: '0,000 Yuan Currency: RMB

No.	Name of supplier	Purchases	Proportion of total annual purchases (%)
1	QatarEnergy LNG N(2)	270,659.31	17.65%
2	PetroChina International (Singapore) Pte. Ltd.	28,548.46	1.86%
3	Shanxi Huaxin Gas Sales Co., Ltd. (山西華新燃氣銷售有限公司)	20,023.42	1.31%
4	Shaanxi Yanchang Petroleum Tongchuan Petrochemical Trading Co., Ltd. (陝西延長石油銅川石化貿易有限公司)	6,071.40	0.40%
5	Shanghai Branch of Top Resource Energy Co., Ltd. (天壕能源股份有限公司上海分公司)	4,086.02	0.27%
	Total	329,388.61	21.48%

Other explanations:

Nil

MANAGEMENT DISCUSSION AND ANALYSIS

3. Expenses

- (1) During the Reporting Period, the Group's selling expenses were RMB5,8539 million, representing a year-on-year decrease of 3.00%, mainly due to the decrease in the number and remuneration of sales personnel compared to the same period last year.
- (2) During the Reporting Period, the Group's administrative expenses were RMB801 million, representing a year-on-year increase of 13.37%, mainly due to the increase in repair expenses, employees' remuneration and depreciation and amortisation expenses compared to the same period last year.
- (3) During the Reporting Period, the Group's finance costs were RMB1,055 million, representing a year-on-year decrease of 13.34% from RMB1,218 million for the same period last year, mainly due to the decrease in financing interest rate as compared to the same period last year.
- (4) During the Reporting Period, the Group's R&D expenses were RMB270 million, representing a year-on-year decrease of 28.31%, mainly due to the decrease in depreciation and amortisation expenses compared to the same period last year.

4. R&D investment

(1). Table of R&D investment

Unit: Yuan Currency: RMB

Expensed R&D expenses for the period	269,983,422.37
Capitalised R&D investments for the period	7,349,327.61
Total R&D investment	277,332,749.98
Percentage of the total R&D investment to operating revenue (%)	1.40
Percentage of R&D expenditure capitalised (%)	2.65

(2). Table of R&D personnel

Number of R&D personnel in the Company	230
Percentage of R&D personnel in the total number of employees in the Company (%)	7.5
Education background of R&D personnel	
Education level	Number
Doctoral graduates	2
Postgraduate	110
Undergraduate	118
Diploma	0
High school or below	0
Age group of R&D personnel	
Age groups	Number
30 or below (excluding 30)	68
30-40 (including 30 while excluding 40)	121
40-50 (including 40 while excluding 50)	35
50-60 (including 50 while excluding 60)	6
60 or above	0

MANAGEMENT DISCUSSION AND ANALYSIS

(3). Explanation

☐ Applicable ☒ Not applicable

(4). Reasons for the material changes in the composition of the R&D personnel and the impact on the future development of the Company

☐ Applicable ☒ Not applicable

5. *Cash flow*

For details of cash flows during the Reporting Period, please refer to the relevant information as set out in "(I) Analysis of Principal Business – 1. Analysis of changes in relevant items of income statement and statement of cash flows".

(II) Major changes in profits caused by non-principal businesses

☐ Applicable ☒ Not applicable

MANAGEMENT DISCUSSION AND ANALYSIS

(III) Analysis of assets and liabilities

1. Assets and liabilities

Unit: Yuan Currency: RMB

Item	Balance as at the end of the Reporting Period	Balance as at the end of the Reporting Period as a percentage of total assets (%)	Balance as at the end of the same period of last year	Balance as at the end of the same period of last year as a percentage of total assets (%)	Change in balance as at the end of the Reporting Period as compared with balance as at the end of the same period of last year (%)	Explanation
Cash	4,843,375,231.92	5.18	3,056,262,802.26	3.64	58.47	This was due to the receipt of the proceeds from the private placement of H shares during the period
Including: Deposits with finance companies	2,009,469,982.02	2.15	1,486,238,704.28	1.77	35.21	This was due to the increase in deposits with the finance companies during the period
Bills receivable	23,621,966.45	0.03	7,270,567.46	0.01	224.90	This was due to the decrease in endorsement transfers or collections at maturity of bank acceptance bills as at the end of the period compared to the end of last year
Prepayments	926,275,663.07	0.99	677,401,054.31	0.81	36.74	This was due to the increase in prepayment for gas compared to the same period last year
Dividend receivables	43,143,902.71	0.05	73,206,109.53	0.09	-41.07	This was due to the increase in the recovery of dividends from associates and joint ventures for the period compared to the same period last year
Non-current assets due within one year	0.00	0.00	1,736,578.83	0.00	-100.00	Non-current assets were due within one year
Other non-current financial assets	13,200,000.00	0.01	8,800,000.00	0.01	50.00	This was due to additional investment in other non-current financial assets during the period
Construction in progress	14,404,527,917.67	15.41	8,405,224,853.57	10.00	71.38	The new projects under construction during the period and the additional investment in the original projects under construction were not completed
Development expenses	8,797,028.04	0.01	16,042,592.82	0.02	-45.16	This was mainly due to the decrease in capitalised R&D expenditures during the period compared to the same period last year
Goodwill	271,385,299.63	0.29	166,033,484.07	0.20	63.45	This was mainly due to the goodwill arising from the acquisition of Gao'an Jing'an, Chongli HECIC and Zhangbei HECIC during the period
Deferred income tax assets	505,179,375.80	0.54	275,148,991.21	0.33	83.60	This was mainly due to the increase in deferred income tax assets arising from deductible losses compared to the end of last year
Other non-current assets	2,831,411,622.06	3.03	2,162,288,594.56	2.57	30.95	This was mainly due to the increase in input VAT to be deducted compared to the end of the previous year
Bills payable	0.00	0.00	3,047,841.53	0.00	-100.00	This was mainly due to the maturity of the bills payable
Accounts payable	879,331,209.42	0.94	537,611,223.42	0.64	63.56	This was mainly due to the increase in payables for construction and equipment compared to the end of last year
Taxes payable	369,959,746.38	0.40	178,780,923.20	0.21	106.93	This was mainly due to the increase in corporate income taxes payable during the period compared to the end of last year
Other payables	8,202,118,905.97	8.77	5,858,360,663.49	6.97	40.01	This was due to the fact that the ultra-long term government bonds during the period were reclassified from long-term payable to other accounts payable
Dividend payable	113,398,051.13	0.12	79,820,022.02	0.10	42.07	This was mainly due to the increase in the declared and unpaid dividends during the period compared to the end of the previous year
Other current liabilities	1,488,954,104.19	1.59	598,146,204.32	0.71	148.93	This was mainly due to the issuance of new super short-term commercial papers during the period
Deferred income tax liabilities	91,940,086.02	0.10	67,658,096.52	0.08	35.89	This was mainly due to the appreciation of asset evaluation of subsidiaries acquired during the period
Other equity instruments	1,516,512,328.78	1.62	0.00	0.00	/	This was mainly due to the issuance of green medium-term notes during the period
Perpetual bonds	1,516,512,328.78	1.62	0.00	0.00	/	This was mainly due to the issuance of green medium-term notes during the period

MANAGEMENT DISCUSSION AND ANALYSIS

Other explanations:

Nil

2. Overseas assets

(1). Size of assets

Of which: foreign assets amounted to RMB741 million, representing 0.79% of the total assets.

(2). Explanation of the high proportion of foreign assets

☐ Applicable ☒ Not applicable

3. Restrictions on main assets as of the end of the Reporting Period

Unit: Yuan Currency: RMB

Item	Closing carrying value	Reasons for restriction
Cash	110,671,603.89	Deposits, judicial freeze
Accounts receivable	5,393,008,281.07	Pledged
Fixed assets	210,452,936.47	Secured
Intangible assets	3,021,481.27	Pledged
Bills receivable	15,021,966.45	Discounted/endorsed
Inventory	949,330,252.62	Under supervision
Total	6,681,506,521.77	

4. Other explanations

☐ Applicable ☒ Not applicable

(IV) Analysis on operational information in the industry

☐ Applicable ☒ Not applicable

(V) Analysis of investment status

General analysis of external equity investments

During the Reporting Period, the Group's external investments amounted to RMB96 million, representing a decrease of RMB18 million compared to RMB114 million for the same period last year, mainly due to the decrease in investments in joint ventures and associates compared to the previous year.

1. Material equity investments

☐ Applicable ☒ Not applicable

2. Material non-equity investments

☐ Applicable ☒ Not applicable

MANAGEMENT DISCUSSION AND ANALYSIS

3. Financial assets measured at fair value

Unit: Yuan Currency: RMB

Type of asset	Opening balance	Gains and losses on change in fair value during the period	Cumulative change in fair value included in equity	Provisions for impairment during the period	Amount of acquisition during the period	Amount of disposal/redemption during the period	Other changes	Closing balance
Receivable financing	355,146,814.44						-21,169,239.22	333,977,575.22
Investment in other equity instruments	215,013,700.00							215,013,700.00
Other non-current financial assets	8,800,000.00				4,400,000.00			13,200,000.00
Total	578,960,514.44				4,400,000.00		-21,169,239.22	562,191,275.22

Investment in securities

☐ Applicable ☒ Not applicable

Description of investment in securities

☐ Applicable ☒ Not applicable

Investment in private equity

At the 29th extraordinary meeting of the fourth session of the Board of the Company held on 18 January 2022, it was agreed that HECIC Huineng, a wholly-owned subsidiary of the Company, would contribute RMB179 million as a limited partner to establish Hebei Suntien Green Shuifa Carbon Neutrality Equity Investment Fund (Limited Partnership) with a total fund size of RMB360 million, of which HECIC Huineng owns 49.722%. In September 2022, Hebei Suntien Green Shuifa Carbon Neutrality Equity Investment Fund (Limited Partnership) completed the filing procedures with the Asset Management Association of China. As at the end of the Reporting Period, Hebei Suntien Green Shuifa Carbon Neutrality Equity Investment Fund (Limited Partnership) has completed the liquidation procedures, generating an investment income of RMB5,289.46, and the deregistration procedures have been completed.

At the 9th meeting of the fifth session of the Board of the Company held on 28 June 2024, it was agreed that HECIC Huineng, a wholly-owned subsidiary of the Company, would contribute up to RMB22 million as a limited partner to establish Yangzhou Hebei Construction and Investment Phase I Science and Technology Venture Investment Partnership (Limited Partnership) with a total fund size of RMB108 million, of which HECIC Huineng owns 20.37%. In October 2024, Yangzhou Hebei Construction and Investment Phase I Science and Technology Venture Investment Partnership (Limited Partnership) completed the filing procedures with the Asset Management Association of China. As at the end of the Reporting Period, HECIC Huineng made an actual capital contribution of RMB13.20 million. The fund manager is Hebei Coastal Industry Investment Fund Management Co., Ltd. (河北沿海產業投資基金管理有限公司). The fund focuses on investments in wind power technology, solar power generation and utilization technology, other renewable energy power generation and utilization technologies, hydrogen energy technology, new power systems and their supporting technologies, clean, low-carbon, efficient development and utilization technologies for coal, efficient and low-cost CO₂ capture, utilization and storage (CCUS) technologies, gas power generation technology, and digital and intelligent technologies for energy systems. The fund is currently operating in compliance with relevant regulations, with sound operations and favorable expected development, and no material risks have been identified. The manager's post-investment management and risk control measures are adequate.

Investment in derivatives

☐ Applicable ☒ Not applicable

4. Particulars of the progress on the reorganisation and integration of major assets during the Reporting Period

☐ Applicable ☒ Not applicable

MANAGEMENT DISCUSSION AND ANALYSIS

(VI) Material disposal of assets and equity interest

☐ Applicable ☒ Not applicable

(VII) Analysis of major subsidiaries and investee companies

Particulars of major subsidiaries and investee companies that have an impact of 10% or more on the Company's net profit

Unit: '0,000 Currency: RMB

Name of company	Type of company	Principal business	Registered capital	Total assets	Net assets	Operating revenue	Operating profit	Net profit
HECIC New Energy Co., Ltd.	Subsidiary	Wind power generation, wind farm investment and service consulting	698,841.00	2,712,968.43	1,080,983.59	399,243.66	121,385.90	103,212.43
Hebei Natural Gas Company Limited	Subsidiary	Sale of natural gas and appliances, as well as connection and construction of natural gas pipelines	190,000.00	1,540,237.52	396,451.15	1,016,288.68	17,068.76	14,069.52
Hebei Fengning HCG New-energy Co., Ltd.	Subsidiary	Wind power generation	104,732.00	425,650.22	175,237.22	76,247.61	40,597.49	37,899.77
HECIC New-energy Supply Chain Management Co., Ltd.	Subsidiary	Sale of natural gas	10,000.00	109,419.38	43,683.76	414,569.70	48,256.33	36,148.76

Acquisition and disposal of subsidiaries during the Reporting Period

Name of company	Methods of acquisition and disposal of subsidiaries during the Reporting Period	Impact on overall production, operation and performance
Gao'an Jing'an New Energy Co., Ltd.	Acquired in cash by way of equity acquisition	No significant impact
Chongli HECIC Huashi Wind Energy Co., Ltd.	Acquired in cash by way of equity acquisition	No significant impact
Zhangbei HECIC Huashi Wind Energy Co., Ltd.	Acquired in cash by way of equity acquisition	No significant impact
Chaoyang Suntien New Energy Co., Ltd.	Transfer by way of agreement	No significant impact
Tailai Suntien Green Energy Co., Ltd.	Transfer by way of agreement	No significant impact
Suntien Hebei Solar Energy Development Co., Ltd.	Transfer by way of agreement	No significant impact
Hejing Suntien Green Energy Co., Ltd.	Transfer by way of agreement	No significant impact

Other explanations:

☐ Applicable ☒ Not applicable

(VIII) Structured entities controlled by the Company

☐ Applicable ☒ Not applicable

MANAGEMENT DISCUSSION AND ANALYSIS

VI. DISCUSSION AND ANALYSIS ON THE COMPANY'S FUTURE DEVELOPMENT

(I) Industry landscape and trend

Given the global dual-carbon goals and energy shortages, the energy structure is accelerating its transition to clean energy. More than 130 countries and regions around the world have put forward "zero-carbon" or "carbon-neutral" climate targets. The realisation of green and sustainable development has become a broad consensus around the world.

In 2025, China formulated and released a series of important policies such as the Energy Law of the People's Republic of China (《中華人民共和國能源法》), the Guiding Opinions on Energy Work for 2025 (《2025 年能源工作指導意見》), the Notice on Market-oriented Reform of New Energy Feed-in Tariffs and Promoting the High-quality Development of New Energy (《關於深化新能源上網電價市場化改革促進新能源高質量發展的通知》), the Notice on Matters Related to Promoting the Orderly Development of Direct Green Power Connection (《關於有序推動綠電直連發展有關事項的通知》), the Special Action Plan for the Scalable Development of New-type Energy Storage (2025-2027) (《新型儲能規模化建設專項行動方案 (2025 - 2027 年)》), the Notice on Improving the Price Mechanism to Promote the Local Consumption of New Energy Power Generation (《關於完善價格機制促進新能源發電就近消納的通知》), the Guidance Opinions on Promoting New Energy Consumption and Regulation (《關於促進新能源消納和調控的指導意見》), which further promote the green and low-carbon transformation of energy in terms of policies. They guide the replacement with new energy, natural gas and other clean energy in industry, construction, heating, transportation and other fields, and accelerate the setup of an energy supply system dominated by clean and low-carbon energy.

The Energy Law of the People's Republic of China (《中華人民共和國能源法》) was officially implemented on 1 January 2025, establishing the guiding principles and strategic objectives of national energy development, emphasising energy security, and stipulating the basic systems for development, conservation, supply, use, and market supervision. It has been clarified that China supports the prioritisation of renewable energy development and utilisation, alongside the rational development and clean, efficient use of fossil energy. Renewable energy with low-carbon attributes is included in the priority development pipeline. Key areas to be actively and systematically promoted include pumped storage power stations, new forms of energy storage, and the development and utilisation of hydrogen energy. Furthermore, the law encourages and guides legal investments by various business entities in energy development and utilisation, while promoting the large-scale development of unconventional oil and gas resources, such as coalbed methane. At the same time, the law establishes energy reserves within a legal framework for supervision, compelling enterprises to fulfil reserve responsibilities and accelerating the rapid expansion of the urban gas storage capacity market.

On 24 September 2025, China announced a new round of Nationally Determined Contributions at the United Nations Climate Change Summit: by 2035, the net greenhouse gas emissions across the Chinese economy will decrease by 7%-10% compared to the peak level. The share of non-fossil energy consumption in total energy consumption will reach over 30%, and the total installed capacity of wind and solar power will be six times that of 2020, striving to reach 3.6 billion kW. Forest stock volume will exceed 24 billion cubic meters. New energy vehicles will become the mainstream of newly sold vehicles. The national carbon emissions trading market will cover major high-emission industries, and a climate-resilient society will be largely established.

On 28 October 2025, the full text of the Proposal of the Central Committee of the Communist Party of China on Formulating the 15th Five-Year Plan for National Economic and Social Development (《中共中央關於制定國民經濟和社會發展第十五個五年規劃的建議》) (hereinafter referred to as the "Proposal") was released. When General Secretary Xi Jinping provided an explanation to the Fourth Plenary Session of the 20th Central Committee of the Communist Party of China on the drafting of the Proposal, he pointed out that the "15th Five-Year Plan" period is a critical stage for solidifying the foundation and unleashing comprehensive efforts, and that formulating and implementing the "15th Five-Year Plan" effectively would lay a more solid foundation for the basic realization of socialist modernization by 2035. The Proposal puts forward the following: accelerating the comprehensive green transformation of economic and social development, and building a beautiful China. We should accelerate the development of a new energy system, continuously increase the proportion of new energy supply, promote the safe, reliable and orderly replacement of fossil fuels, focus on building a new type of power system, and establish a strong energy nation. We should adhere to the simultaneous development of multiple energy sources such as wind, solar, hydro and nuclear power, balance local consumption and external transmission, and promote the high-quality development of clean energy. In addition, we should strengthen the clean and efficient use of fossil fuels, advance the transformation and upgrading of coal-fired power, replace scattered coal, comprehensively enhance the complementary, mutual support, safety and resilience of the power system, scientifically plan and deploy pumped storage, vigorously develop new forms of energy storage, and accelerate the construction of smart grids and microgrids. Furthermore, we should increase the electrification level of end-use energy consumption, promote the greening and low-carbon transformation of energy consumption, and accelerate the improvement of market and pricing mechanisms that are compatible with the new energy system.

In the new energy segment, China continues to strongly support wind and solar power projects, and offshore wind power and energy storage has entered a stage of rapid development, accelerating the development of the new energy system. At the same time, new energy projects have fully entered the era of market-based electricity trading. Additionally, large power groups are accelerating their expansion in the new energy sector, intensifying competition for resource development.

In the natural gas segment, efforts were made to set up a natural gas production, supply, storage and marketing system continuously, accelerate the optimisation and construction of long-distance natural gas pipelines and regional natural gas pipeline networks, and coordinate the construction of LNG terminals and underground gas storage depots to improve the establishment of natural gas storage and transportation systems. The natural gas industry will remain stable for some time to come. Simultaneously, with the ongoing deepening of natural gas system reform, the operation of natural gas infrastructure is steadily transitioning to independent operations. The standards for fair access to the pipeline network continue to improve, while competition in the downstream natural gas market is expected to intensify.

(II) Development strategies of the Company

1. *Following the strategy of “based in Hebei, presence nationwide” and continuing to intensify the development of new energy*

To scale up regional development, the Company will continue to strengthen the scaled development and intensification of wind power, while enhancing its competitiveness in hydrogen energy, energy storage and other emerging industries. The Company will also actively promote the integrated development of multiple energy sources.

In terms of onshore wind power, adhering to the strategy of “based in Hebei, presence nationwide”, the Company will prioritise project quality and efficiency. It will continue to intensify resource development efforts in areas with strong wind resources, favourable power grid consumption conditions, and high power demand, while further working to secure new resource reserves. Focusing on improving quality and efficiency, the Company will firmly seize opportunities arising from the large-scale renewal of equipment in the energy sector. It will steadily promote the transformation of old wind farms to enable “repowering”, maximise the utilisation of land and wind resources, and enhance the economic efficiency of wind farm operations. The Company will focus on key energy-consuming industries and regions such as steel and chemicals, plan and implement “direct green power connection” to reduce market and electricity price volatility risks, and actively plan demonstration projects for industrial chain extension, such as wind power hydrogen production.

In terms of offshore wind power, the Company will leverage the construction experience gained from the Puti Island project in Laoting, Tangshan, which has been put into operation, while capitalising on the new development opportunities in Hebei Province. It will accelerate the construction progress of projects in provincial waters, secure project tenders in state-controlled waters, and strive to take a leading and proactive role in the development of offshore wind power. At the same time, the Company will leverage the strengths of the offshore wind power industry chain, which is extensive, robust and diverse. It will innovate development strategies for deep and open seas, strengthen cooperation with oil and gas, shipping, and wind turbine manufacturers, and systematically implement innovative demonstrations of integrated offshore energy islands. The goal is to build an integrated development system combining “offshore wind power + green energy + marine economy”.

2. *Improving our presence along the natural gas chain and enhancing the synergistic development of the natural gas industry chain*

The Company will continue to adopt the “long-term agreement + spot” procurement model to build a diversified and stable resource pool. At the same time, leveraging its geographical advantages, the Company aims to enhance the synergistic development capability of the “Xingang-Caofeidian-Supply Chain” LNG trading chain. This will involve integrating the Caofeidian Terminal and outbound pipelines, existing pipelines, and market resources within the province, along with planned gas power plant projects. The goal is to gradually build an integrated natural gas operation model that better aligns with the Company’s actual situation.

In terms of the upstream, with the commissioning of the Tangshan LNG Wharf and Ancillary Gas Pipeline Projects, we will create an integrated operation model with gasification pipeline and liquid distribution services as the mainstay, supplemented by tank capacity leasing, government reserves, window period auctions, bulk agency purchasing and group buying, thus extending the natural gas industry chain. We aim to improve our presence along the natural gas chain and strengthen the capacity of natural gas storage and load shifting by actively promoting negotiations with international LNG suppliers to obtain high quality long-term agreements and spot resources while seeking low-priced LNG resources in China.

In terms of the midstream industrial chain, we will continue to promote the interconnection of existing pipelines, new major trunk pipelines, such as the Tangshan LNG outbound pipelines, national gas pipelines and pipelines in nearby provinces, accelerate the construction of pipeline networks in the province, and form a seamless “province-wide network” as soon as possible in order to enhance the flexibility of natural gas resources deployment and steadily improve the Company’s security of natural gas supply. At the same time, the Company will continue to increase investment in digital and intelligent technologies, further enhancing the efficiency of pipeline gas transmission and reducing pipeline network operating costs.

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As for the downstream industrial chain, we will steadily promote business development in regional markets and expand urban gas projects within the pipeline coverage. The Company will actively leverage its advanced management level and rich operating experience and participate in the "one city, one enterprise" market integration based on local conditions, to promote the timely and steady M&A and consolidation of natural gas enterprises in relevant cities, and increase its market share in the downstream. In addition, we will further tap potential in existing regional markets by adopting diversified sales strategies to accelerate the acquisition of industrial and commercial users, public welfare users and residential users, and increase the penetration rate of the Company's existing markets. Relying on the upload points of the national pipeline network and adopting the model of "independent transportation and direct access to end users", we aim to generate greater volume growth. By considering factors such as regional industrial and energy consumption structures, seasonal demand variations, and price affordability, we will enhance trade scale through measures such as resource replacement and window period exchanges, thereby supplying more price-competitive resources to high-margin markets. In terms of users, we will prioritize gas turbine projects as the primary target customers, intensifying development efforts in accordance with the principle of "existing second gas source, incremental main gas source", effectively driving growth in natural gas consumption.

3. *Expanding into diversified energy storage and load shifting market, and solving the problem of new energy consumption through multiple channels*

The Company will address the substantial demand for energy storage and peak regulation in the construction of a new power system dominated by new energy. By comprehensively considering local policies, grid peak regulation needs, and measures to alleviate constraints of renewable energy, the Company plans to scientifically and moderately deploy energy storage systems at key access points such as grid hubs and load centers, while managing investment risks. At the same time, the Company will intensify research on various energy storage technology pathways, including vanadium redox flow batteries, compressed air energy storage, and supercapacitors, to achieve diverse applications of energy storage in multiple scenarios.

Meanwhile, leveraging its resources and strengths in Hebei Province, the Company will steadily advance the approval, construction and commissioning of pumped-storage projects while maintaining a reasonable rate of return. It will vigorously advance the preliminary work of the Laiyuan Huanghuatan 1.2 million kW Pumped Storage Project by obtaining approval on schedule and starting construction as soon as possible. At the same time, it will plan and reserve high-quality projects.

4. *Leveraging the synergistic advantages of gas turbines and natural gas to promote the integrated development of the two segments*

The Company is making every effort to seize the opportunity of the "two-part" tariff policy for gas power plants in Hebei Province. Leveraging the synergistic advantages of gas turbines and natural gas, it will unswervingly promote the approved gas turbine projects to start construction and put into operation as soon as possible, while planning for project reserves and substitutions. The Company will make proactive plans to ensure the gas supply rights for gas turbine projects are secured. Aiming to establish its own dominant resource pool, the Company will strategically plan the construction of the gas supply network. According to the progress of gas power plants in Hebei, the Company will begin constructing dedicated thermoelectric lines in areas covered by its pipeline network, as appropriate. To address the weak links in the Company's pipeline network, it will accelerate the improvement of its pipeline network coverage and plan the gas source preparation work in advance. At the same time, the Company will leverage the advantages of gas supply security and cost efficiency brought by integrated gas and power operations, and select locations for new gas turbine projects both inside and outside the province based on the actual industrial development and energy demands of different regions.

5. *Actively expanding the hydrogen energy industry chain and establishing a leading position in its development*

The Company will pursue diversified growth by starting with the hydrogen business and leveraging its wind energy advantages to integrate into the hydrogen energy industrial chain. The Company will continue to play its role as the National Research and Development Centre for Hydrogen and Renewable Energy Technologies. It will enhance the R&D of key technologies and equipment, the transformation of achievements and application demonstrations in renewable energy hydrogen production and hydrogen energy utilisation, while providing development plans for the green hydrogen industry. The Company is committed to creating a "green hydrogen +" industrial development model according to local conditions, by establishing demonstration projects in integrated wind and solar hydrogen production, green hydrogen ammonia production, green hydrogen metallurgy, natural gas blended hydrogen combustion, and gas turbine blended hydrogen combustion. It aims to explore feasible business models and further realise the synergistic development of the Company's renewable energy and hydrogen energy businesses.

6. *Steadily expanding overseas business and grasping market development opportunities*

In order to meet China's demand for natural gas and ensure stable natural gas price and supply, the Company will continue to seize industry opportunities and actively discuss cooperation with international natural gas suppliers to secure quality upstream gas sources overseas, and further extend its long-term natural gas procurement pipeline in the international market to provide the Company with a variety of natural gas suppliers and pricing options. The Company will continue to actively develop overseas LNG trading by utilising relatively flexible financing policy overseas and the international platform of its Hong Kong subsidiary.

In addition, the Company will stick to the national strategic plan of carbon peaking and neutrality. Based on its domestic experience in new energy development and advanced technologies, the Company will look for suitable overseas investment projects and M&A candidates to strengthen its international business presence, and promote the expansion of overseas projects following the pragmatic and steadfast principle.

7. *Fulfilling environmental, social and governance responsibilities and continuing to promote the high-quality development of the whole society*

The Company is committed to fulfilling its environmental, social and governance responsibilities, and setting an example for the industry. On the one hand, the Company will continue to vigorously develop new energy sources to help China accelerate the transformation towards clean energy and low carbon. On the other hand, adhering to the concept of "people-oriented and harmonious development", the Company strives to build a diversified and equal working platform, and offer good welfare to its employees in accordance with relevant laws and regulations. In addition, the Company focuses on maintaining high standards of corporate governance, continues to optimize its internal management mechanism, increase shareholder value and protect shareholders, interests, and actively participates in social activities such as rural revitalisation and charity events so as to contribute to the high-quality development of the whole society.

(III) Business plan

2026 marks the beginning of the "15th Five-Year Plan" period and serves as a strategic inaugural year for the Company to "forge new frameworks, cultivate new opportunities, and embark on new chapters" in a new cycle of development. We must gain deep insights into the prevailing trends and grasp market dynamics and policy directions with a strategic vision. It is essential to resolutely expand high-quality investments and optimize the business structure. While driving the quality enhancement and upgrading of traditional operations to solidify the foundation for development, we must also boldly foster and strengthen emerging industries, accelerating the cultivation of a "second growth curve." In the new year, the Company will focus on the following key initiatives.

1. *Coordinating new energy and natural gas business to expand industrial layout.*

For the new energy business, the Company will coordinate the intensive development of onshore large-scale bases and offshore wind power, strengthen the support of pumped hydro storage and new energy storage, and achieve multi-energy complementarity. It will meet the green demands of high-end manufacturing and computing facilities to enhance local consumption levels; expand into wind power-based hydrogen production; extend the green hydrogen-ammonia-alcohol industrial chain; and explore new scenarios for non-electric utilization. Within the province, it will accelerate the approval of the "repowering" projects such as the Jinzhou Phase II and the Wuhuaping Phase II, focus on securing indicators for a batch of pre-reserve projects, and strive for large-scale breakthroughs outside the province. For offshore wind power, it will expedite the preparatory procedures for the Tangshan state-administered project approval, strengthen project development in provinces such as Shandong and Liaoning, and establish a sustainable resource reserve for development.

For the natural gas business, the Company will accelerate the transformation toward an "integrated, dual-wing" model to shape new advantages in comprehensive services. It will leverage the national pipeline network's upload channels to continue expanding market development outside the province; actively promote interconnection projects such as the Nanpu distribution station and the Qinfeng pipeline, as well as the receiving station's first station and the Bao-Gu 2 gas storage facility; continue to follow up on the "one city, one enterprise" integration initiative, proactively engage with local governments and city gas companies, and plan and optimize integration strategies for city gas companies in their respective districts and counties in advance; and continue to vigorously promote tanker truck reverse loading and storage services to expand the user base.

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2. *Coordinating a diversified project portfolio to enhance engineering capabilities.*

In respect of Gas-fired power plant projects, the Company will prioritize efficiency and compliance, utilizing standardized design and modular construction to shorten timelines while strengthening core equipment supply chain management to seize pricing opportunities. As for offshore wind power projects, it will focus on "technology and synergy", building on the foundation of nearshore projects by shifting management focus upstream to feasibility studies and design, tackling key technologies, ensuring offshore operational safety, and advancing into deeper and distant sea areas. For pumped storage projects, it will emphasize "coordination and quality", employing systems engineering approaches to manage mega-complex projects and establish benchmarks for collaboration. For new-type energy storage projects, it will highlight "agility and efficiency", with a scientifically diversified technology roadmap, promoting standardized and productized construction models, and selecting technologies based on optimal lifecycle costs. Simultaneously, grid-interactive systems and intelligent operation and maintenance platforms are deployed to ensure projects respond efficiently to market demands.

3. *Systematically enhancing system efficiency to strengthen operations and maintenance, and leveraging smart applications to consolidate security.*

By harnessing internal and external technical resources, the Company will systematically advance equipment performance enhancement and technological transformation to maximize project profitability; break down operational barriers across equipment monitoring, technical supervision, and operation maintenance to establish an efficient production and operation decision-making mechanism, thereby improving overall management efficiency; deepen the application of AI operation and maintenance platforms and intelligent early warning systems, refine closed-loop management; promote regionalized operations and unattended management, validate the application of high-end equipment such as intelligent inspection robots, and continuously consolidate the foundation for safe production.

4. *Standardizing full-process management of technology projects and driving innovation transformation.*

The Company will complete the final acceptance of the national-level R&D center; standardize the full-process management of technology projects and R&D expense management to ensure compliance and efficiency. It will fully advance the construction of three major demonstration projects – the large-scale renewable hydrogen production empirical platform, green hydrogen bio-fermentation for protein synthesis, and green hydrogen-to-green ammonia; strengthen the cultivation of major provincial-level technology projects and science and technology award applications, deepen industry-university-research collaboration, and improve the overall efficiency of the innovation system.

5. *Optimizing asset and capital governance, strengthening teams, risk control and vitality.*

The Company will accelerate the disposal of low-efficiency assets and the integration of key equity interests; establish a market value management system that integrates "fundamental improvement, capital operation empowerment, and investor relations optimization". It will continuously broaden low-cost financing channels and optimize the debt structure; strengthen regular monitoring of cash flow and the asset-liability ratio, and prudently conduct hedging operations; deepen the market-oriented talent selection and cultivation mechanism, and promote the rejuvenation of leadership and the development of technology talent teams; and improve the "comprehensive supervision" system, deepen the "red-yellow-blue" three-tier risk management and control of audit issues, and enhance compliance and risk control capabilities across all employees.

(IV) Potential risks

1. *Wind power business*

(1) Uncertain wind resources

The major climatic risk faced by the wind power industry is the fluctuation of wind resources between years, as the power generation is at a higher level in years of greater wind resources and at a lower level in years of less wind resources, as compared to normal years. Due to the randomness and uncontrollability of wind resources, there might be a risk of decreasing wind speed in 2026 as compared to 2025. During the project planning phase and before the construction of wind farms, the Group will conduct a comprehensive wind resources test to evaluate the potential installed capacity of such locations in order to reduce the climatic risks.

(2) Continuation of power constraints

As the construction of power grids is lagging behind the construction of wind power projects, the development of wind power projects is limited by electricity output, especially in certain regions where wind resources are concentrated. With the new wind power projects in regions across the country where wind resources are relatively concentrated being put into operation, it is expected that power constraints are likely to further intensify in the next few years.

The Group will, based on the construction of power grids in the place where each project is located, prioritize the development and construction of wind power projects in the regions with great availability of power grid facilities and grid connection. At the same time, the Group will explore and develop innovative consumption methods. Along with the advancement of power grid restructuring by power grid companies and investment in and construction of extra-high voltage power distribution network, the power grid output issue is expected to be gradually improved.

(3) Increase in difficulties in construction management

Uncontrollable factors such as continued tightening of land policies and increasingly difficult coordination for temporary land use during the construction of certain wind power projects affect the overall progress of the construction. The Group will arrange reasonable schedule and coordinate and communicate with the wind power equipment manufacturers and local governments to effectively control the unfavourable factors in the construction of wind power projects, to ensure that the projects will commence operation as scheduled.

(4) Risk of fluctuation in electricity prices

With the deepening of national power system reform and the launch of mechanism-based electricity pricing policies, the scale of market-based electricity trading is expected to further expand, and the Group's wind power business will face the risk of market-based bidding transaction leading to a decrease in electricity prices. The Group will conduct in-depth study on the business rules of market-based electricity trading, carefully study the electricity sales policies promulgated by the country and various provinces, understand and master the relevant operating procedures, and strive to increase the Company's grid-connected power by actively participating in market-based trading, in order to maximise the interests of the Company.

2. Natural gas business

(1) Risk of falling pipeline transmission fees and city gas charges

In recent years, the state has continued to promote natural gas price reforms in accordance with the general idea of "liberalising both ends and controlling the middle". As the reform continues, there is a risk that pipeline transmission fees and city gas charges will decline.

The Group will seize the favourable opportunity of achieving dual carbon goals and improving the use of clean energy in China, give full play to its upper, middle and downstream synergetic development advantages and service advantages, continue to expand the development of natural gas customers, and strive to expand the scope of the Company's operating regions and increase its market share.

(2) Risk of further increased difficulty for market expansion

With the gradual availability of the national pipeline network infrastructure in a fair manner, the Group will face direct competition from major upstream enterprises as the major upstream gas source suppliers continue to expand into downstream business, making it more difficult to expand the market in the future.

The Group will firmly adhere to the market-oriented philosophy, further optimize its resource mix, explore cooperation with resources units, improve market layout, formulate sales strategies, continue to broaden market reach, deeply tap the market potential, make full use of its pipeline network advantages and synergy advantages, open up new channels amid fierce market competition, and take multiple measures to ensure the continuous growth of gas volume.

(3) Risk of incomplete recovery of original accounts receivable

Due to the downturn in the glass industry in previous years, the business of sale of natural gas of the Group has historically incurred certain receivables for natural gas from customers in the downstream glass industry. In recent years, through the Group's relentless efforts, most of the relevant outstanding amounts have been recovered.

MANAGEMENT DISCUSSION AND ANALYSIS

(4) Risk of natural gas consumption growth being lower than expected

In 2025, global trade continued to recover, and overall trade demand increased. However, due to issues such as increased geopolitical tensions and deepening supply chain restructuring, although the total trade volume has increased, risk factors such as unbalanced development and increased uncertainty have become more prominent. This change in global trade has put pressure on China's export industry, especially in terms of weakening demand in the natural gas market, which has put certain pressure on natural gas consumption. The warm winter conditions have also suppressed the consumption of natural gas during the peak season.

(5) Risk of natural gas price fluctuations

Due to factors such as supply and demand, geopolitical issues, policy and regulatory developments, and seasonal demand changes, price fluctuations in the international energy market have led to volatility in the cost of overseas LNG procurement. Additionally, there are differences between long-term contracts and the spot market, with short-term spot purchases facing higher risks of price fluctuations. The Company will strengthen market monitoring and forecasting, dynamically adjust procurement strategies, secure prices through long-term contracts, utilise financial instruments to hedge risks, and employ other measures to mitigate short-term price fluctuations. Additionally, it will build long-term resilience through supply chain diversification and energy transformation.

(6) Risk of insufficient pipeline safety distance caused by urban expansion

China is in a period of rapid urbanisation. As pipelines originally located in remote areas are gradually surrounded by a large number of newly built development zones, industrial parks, etc, the Company faces the risk of insufficient pipeline safety distance from surrounding structures and an increase in high-consequence areas. In active response, the Group will first engage with government planning departments to minimise pipeline risks caused by changes in urban planning as much as possible. Secondly, in accordance with the Oil and Gas Pipeline Protection Law of the People's Republic of China (《中華人民共和國石油天然氣管道保護法》), if the construction of surrounding parks and roads impacts pipeline safety, the responsible party will be required to fund the relocation and protection of the pipelines. Thirdly, the Company will strengthen technical monitoring measures by adopting video surveillance, optical fibre vibration, leakage monitoring and other means to oversee key areas, integrating manned and technical defences.

3. Interest rate risk

The Group is principally engaged in investment in domestic wind power and natural gas projects, which requires certain amount of capital expenditure. The demand for borrowing funds is high and fluctuation in interest rates will have certain influence on the capital costs of the Group. The Group will keep an eye on the trend of the national monetary policies, strengthen its communications with financial institutions to bargain for prime interest rate loans; expand financing channels in various aspects to achieve financial innovation, and explore means of issuance of debentures, policy-based loans and account receivable securitisation to ensure the smooth operation of capital chain and a low cost for project construction.

4. Risk of exchange rate fluctuations

Currently, the Group's import of LNG is mainly settled in US dollars, while domestic sales are generally settled in RMB, resulting in the Company being exposed to exchange rate fluctuations. Changes in exchange rates are a normal part of the currency and financial markets, which increases the Company's operating risks as it will result in uncertainty about the procurement costs of the Company. In order to minimise the foreign exchange exposure, the Group will pay timely attention to the risk of exchange rate fluctuation and decide whether to adopt corresponding measures to reduce the exchange rate risk in due course according to the trend of exchange rate fluctuation.

5. Safety Risk

- (1) As for the new energy sector, the operating condition of equipment such as wind turbines in old wind farms that have been in operation for a long time is a major factor that directly affects the sustainable and stable operation of the Company's safety production, and good operations and maintenance work is required in advance for reducing the risk of safety in the new energy sector.
- (2) As for the gas sector, the existing pipeline network has been in operation for a long period of time, and the equipment and facilities of gas stations and gas pipelines are aging to varying degrees, coupled with the impact of possible damage caused by third parties, the risk of safety in the gas sector has been increased from an objective perspective, which has brought greater pressure and difficulty to the safety management of the Company.

(V) OTHERS

☐ Applicable ☒ Not applicable

MANAGEMENT DISCUSSION AND ANALYSIS

- VII. EXPLANATION ON THE COMPANY'S FAILURE TO MAKE DISCLOSURE IN ACCORDANCE WITH THE STANDARDS DUE TO INAPPLICABILITY OF STANDARDS OR SPECIAL REASONS SUCH AS NATIONAL SECRETS OR BUSINESS SECRETS, AND THE REASONS THEREOF

☐ Applicable ☒ Not applicable

CORPORATE GOVERNANCE, ENVIRONMENT AND SOCIETY

I. RELEVANT EXPLANATION ON CORPORATE GOVERNANCE

The Board of the Company hereby presents to shareholders the corporate governance report 2025.

The Company focuses on high standards of corporate governance, so as to enhance value for shareholders and protect their rights and interests. The Company has established a modern corporate governance structure and set up the Board, Board committees and senior management in accordance with the Company Law of the People's Republic of China, the Guidelines on Articles of Association of Listed Companies and the CG Code set out in the Hong Kong Listing Rules. During the Reporting Period, the Company has complied with all provisions set out in the CG Code.

The Company has adopted the Model Code set out in Appendix C3 to the Hong Kong Listing Rules as the code of conduct and rules regarding securities transactions of the Company by all Directors. Subsequent to enquiries made to all of the Directors of the Company, all Directors had confirmed that during the Reporting Period, they had fully complied with the standards set out in the Model Code.

The Board will review from time to time the corporate governance practices and operations of the Company so as to meet the requirements under the Hong Kong Listing Rules and to protect interests of shareholders.

(I) Composition of the Board

From the beginning of the Reporting Period to 25 July 2025, the fifth session of the Board of the Company comprised 9 Directors, including 5 non-executive Directors, 1 executive Director and 3 independent non-executive Directors; from 25 July 2025 to the end of the Reporting Period, the sixth session of the Board comprised 11 Directors, including 6 non-executive Directors, 1 executive Director and 4 independent non-executive Directors.

During the Reporting Period, each appointed Director has entered into a service contract with the Company. The term of each service contract commences from the relevant date of appointment up to the end of term of the sixth session of the Board.

In 2025, the Board consistently complied with the Hong Kong Listing Rules with respect to the requirements of appointment of at least three independent non-executive Directors, among which at least one independent non-executive Director possesses appropriate professional qualifications, accounting or related financial management expertise, and the requirement that independent non-executive Directors represent at least one-third of the total number of members in the Board was also met. Moreover, the Company has received from each of the independent non-executive Director an annual confirmation of independence, and is in the view that all the independent non-executive Directors are independent from the Company.

(II) Role and responsibilities of the Board

The Board is held accountable to and reports its work to the general meetings and is responsible for execution of the resolutions of general meetings. The responsibilities of the Board are defined in the Articles of Association where the responsibilities hereafter is stipulated: convening the general meetings, implementing the resolutions of general meetings, deciding the operational planning and investment projects of the Company, preparing the accounts, determining the annual financial budget, final accounts, preparing profit distribution plan, capital increase or reduction plan, determining the set-up of the Company's management bodies, electing the chairman and vice chairman of the Board, deciding whether to appoint or dismiss the president, vice presidents and other senior management, developing the basic management system of the Company and making decisions on the establishment of specialized board committees.

(III) Role and responsibilities of the management

The management is responsible for the specific implementation of the resolutions of the Board and the daily operations and management of the Company. According to the Articles of Association of the Company, the management's primary responsibilities are: organizing and implementing operational planning, investment and financing plan of the Company, formulating planning on establishment of internal management bodies, and formulating basic management systems and specific regulations of the Company, etc.

(IV) Board meetings

Pursuant to the Articles of Association, the Board is required to hold at least four board meetings each year, which shall be called by the chairman of the Board. To ensure good attendance of Board meetings, a notice of at least 14 days shall be served for a regular Board meeting. The notice shall state the time, venue and means of Board meeting convened. There is no restriction on the time of notification for ad hoc Board meetings.

In accordance with the Hong Kong Listing Rules, the Board is required to notify the Hong Kong Stock Exchange and issue an announcement at least seven clear business days prior to Board meetings in relation to decisions regarding the declaration, proposal or payment of dividends, or resolutions regarding the approval of profits or losses of any year, half-year or other periods.

Save as consideration of the Board of matters in relation to connected transactions as stipulated by the Articles of Association, the quorum of a Board meeting shall be formed in the presence of at least half of the total number of Directors. A Director may attend the Board meeting in person, or appoint another Director as his proxy. The secretary to the Board of the Company is responsible for preparing and keeping the minutes of Board meetings and ensuring that such minutes are available for inspection by any Director.

(V) Chairman and president

During the Reporting Period, Dr. Cao Xin served as Chairman of the Company, Mr. Tan Jian Xin served as President of the Company. The roles of the chairman of the Board and the president of the Company are separated and are served by different persons to ensure independence of each role.

Dr. Cao Xin, chairman of the Board, is responsible for governing and leading the Board, as well as developing the Company's development strategy and corporate control mechanism to ensure the effective functioning of the Board and its independent committees, and to ensure the actions of the Board are in the best interests of the Company and its shareholders.

(VI) Appointment of Directors

According to the Articles of Association of the Company, Directors shall be elected at a general meeting with a term of three years and is eligible for re-election. The Company has formulated procedures for the appointment of Directors. The Nomination Committee is responsible for nomination of new Directors, and a nominee list shall be submitted to the Board for consideration. All newly nominated Directors are subject to election and approval at the general meeting.

(VII) Independence of Independent Non-executive Directors

The Company currently consists of four independent non-executive Directors and none of them serves as an independent non-executive Director for more than six years. The number and qualification of the independent non-executive Directors are in compliance with the requirements of the Hong Kong Listing Rules and the Articles of Association. The independence is highly guaranteed, none of the independent non-executive Directors has any business and financial interests in the Company or its subsidiaries, nor performs any management function in the Company.

The Company had received the annual confirmation of independence presented by the independent non-executive Directors in accordance with Rule 3.13 of the Hong Kong Listing Rules and it is believed that all independent non-executive Directors are independent from the Company.

(VIII) Directors' remuneration

Independent non-executive Directors of the Company receives remuneration from the Company. The Company pays each independent non-executive Director HKD100,000 or the Renminbi equivalent annually (tax inclusive, paid on a quarterly basis, and the Company is responsible for withholding personal income tax). Travel expenses incurred by independent non-executive Directors for attending Board meetings and shareholders' general meetings of the Company and relevant activities organised by the Board will be borne by the Company. Non-executive Directors without management roles in the Company do not receive any remuneration from the Company. Executive Directors holding management roles in the Company receive remuneration from the Company. Remunerations of all executive Directors shall be determined in accordance with the criteria specified in the Remuneration Management Measures of the Company, which covers a basic salary, performance bonuses and other benefits. The amount of basic salary is determined in accordance with the position of the executive Director in the Company, the performance bonus is determined with reference to the Company's business performance and other benefits include the statutory pension, medical and housing funds. Details of the Directors' remuneration are set out in "Particulars of Directors and Senior Management" contained in this section of this annual report.

CORPORATE GOVERNANCE, ENVIRONMENT AND SOCIETY

(IX) Directors' training

Every newly appointed director has undertaken comprehensive, formal and bespoke orientation program at the beginning of his appointment to ensure that the Director has a proper understanding on the business and operations of the Company, and his responsibilities and obligations under the Hong Kong Listing Rules and relevant regulatory requirements.

Directors receive updates on the Company's business and operations and relevant laws and regulations every month to facilitate the discharge of their duties. In addition, all Directors are also encouraged to attend relevant training courses and any costs occurred are paid by the Company.

During the Reporting Period, all Directors of the Company attended in the trainings organised by The Hong Kong Chartered Governance Institute. In particular, Liu Bin attended the "84th Seminar on Enhancing Continuing Professional Development for Governance Professionals (Model Training Programme for Directors, Senior Management and Company Secretaries of Hong Kong Listed Companies)"; Lu Rong and Zhao Shi Yi attended the "85th Seminar on Enhancing Continuing Professional Development for Governance Professionals cum IPO Practices Foundation Course for Hong Kong Listed Companies"; Cao Xin, Mr. Li Lian Ping, Qin Gang, Zhang Xu Lei and Tan Jian Xin attended the "86th Seminar on Enhancing Continuing Professional Development for Governance Professionals (Specialised Training for Board Secretaries and CFOs)"; and Chow Man Kong, Yang Jing Lei and Chan Yik Pun attended the "87th Seminar on Enhancing Continuing Professional Development for Governance Professionals cum Advanced Workshop for Overseas-Listed Chinese Companies".

In addition, each of Lu Rong, Zhao Shi Yi, Chow Man Kong, Yang Jing Lei and Liu Bin obtained the legal advice from Latham & Watkins LLP, the Company's Hong Kong legal adviser, on 25 July 2025. Each of the five Directors has confirmed that they have understood all the requirements under the Hong Kong Listing Rules applicable to them as a director of a listed issuer and the possible consequences of making false statements or providing false information to the Hong Kong Stock Exchange.

(X) Joint company secretaries and trainings

During the Reporting Period, Mr. Ban Ze Feng and Ms. Lam Yuen Ling, Eva served as the joint company secretaries, who are responsible for facilitating the Board procedures as well as communications among the Directors and communications between the Directors and shareholders and management. The primary contact person of Ms. Lam Yuen Ling, Eva with the Company is Mr. Ban Ze Feng, and significant issues will be reported by Mr. Ban Ze Feng to the chairman of the Board.

With effect from 9 February 2026, the joint company secretaries are Mr. Wang Xue Qing and Ms. Lam Yuen Ling, Eva. The main contact person of Ms. Lam Yuen Ling, Eva in the Company has been changed to Mr. Wang Xue Qing, and Mr. Wang Xue Qing reports to the Chairman on major matters.

The joint company secretaries' biographies are set out in "Particulars of Directors and Senior Management" contained in this section of this annual report. During the Reporting Period, the joint company secretaries undertook over 15 hours of professional training to advance their skills and knowledge.

(XI) Liability insurance for Directors

The Company has arranged appropriate insurance for each of the Directors and senior management in respect of any possible legal proceedings and reviews such insurance every year.

Reasons should be provided for any discrepancies between the corporate governance of the Company and the laws, administrative regulations and the requirements of CSRC on the governance of listed companies.

☐ Applicable ☒ Not applicable

II. SPECIFIC MEASURES TAKEN BY THE CONTROLLING SHAREHOLDER AND THE DE FACTO CONTROLLER OF THE COMPANY TO ENSURE THE INDEPENDENCE OF THE COMPANY'S ASSETS, PERSONNEL, FINANCE, ORGANIZATION AND BUSINESS, AS WELL AS THE SOLUTIONS ADOPTED TO AFFECT THE INDEPENDENCE OF THE COMPANY, AND THEIR PROGRESS AND PLAN FOR FOLLOW-UP WORK

☐ Applicable ☒ Not applicable

Explanation on the engagement of the controlling shareholder, the de facto controller and other entities under their control in business identical or similar to the business of the Company, as well as the impact of industry competition or significant changes in the industry competition on the Company, the measures taken for resolution, the progress of the resolution and the plan for subsequent resolution

☐ Applicable ☒ Not applicable

CORPORATE GOVERNANCE, ENVIRONMENT AND SOCIETY

III. PARTICULARS OF DIRECTORS AND SENIOR MANAGEMENT

(I) Particulars about changes in the shareholding and remuneration of current Directors and senior management and those resigned during the Reporting Period

Unit: Shares

Name	Position	Gender	Age	Commencement date of term of office	End date of term of office	Number of shares held at the beginning of the year	Number of shares held at the end of the year	Changes in shares during the year	Reason for the changes	Total remuneration before tax obtained from the Company during the Reporting Period (RMB'0,000)	Whether remuneration is obtained from the connected parties of the Company
Cao Xin	Chairman, Non-executive Director	male	54	2025-07-25	2028-07-24	50,000	50,000	0	Nil	0	Yes
Li Lian Ping	Non-executive Director	male	63	2025-07-25	2028-07-24	200,000	200,000	0	Nil	0	Yes
Qin Gang	Non-executive Director	male	51	2025-07-25	2028-07-24	0	0	0	Nil	0	Yes
Zhang Xu Lei	Non-executive Director	female	47	2025-07-25	2028-07-24	0	0	0	Nil	0	Yes
Tan Jian Xin	Executive Director	male	46	2025-07-25	2028-07-24	200,000	200,000	0	Nil	110.16	No
	President			2025-07-25	2028-07-24						No
Wang Tao (resigned)	Non-executive Director	male	44	2023-05-16	2025-07-25	0	0	0	Nil	0	Yes
Lu Rong	Non-executive Director	male	43	2025-07-25	2028-07-24	0	0	0	Nil	0	No
Zhao Shi Yi	Non-executive Director	male	37	2025-07-25	2028-07-24	0	0	0	Nil	0	Yes
Chow Man Kong	Independent non-executive Director	male	45	2025-07-25	2028-07-24	0	0	0	Nil	4.53	No
Yang Jing Lei	Independent non-executive Director	male	48	2025-07-25	2028-07-24	0	0	0	Nil	4.53	No
Guo Ying Jun (resigned)	Independent non-executive Director	male	52	2022-06-14	2025-07-25	0	0	0	Nil	4.55	No
Chan Yik Pun	Independent non-executive Director	male	44	2025-07-25	2028-07-24	0	0	0	Nil	9.09	No
Lin Tao (resigned)	Independent non-executive Director	male	56	2022-06-14	2025-07-25	0	0	0	Nil	4.55	No
Liu Bin	Independent non-executive Director	male	46	2025-07-25	2028-07-24	0	0	0	Nil	4.53	No
Lu Yang	Vice President	male	56	2025-07-25	2028-07-24	200,000	200,000	0	Nil	92.07	No
Lu Sheng Xin	Vice President	male	57	2025-07-25	2028-07-24	200,000	200,000	0	Nil	83.49	No
Ban Ze Feng (resigned)	Vice President, Secretary to the Board	male	48	2025-07-25	2026-02-09	250,000	250,000	0	Nil	98.03	No
Liu Tao	Chief Accountant	male	57	2025-07-25	2028-07-24	80,000	80,000	0	Nil	65.99	No
Guo Yan Xun	Vice President	male	42	2025-07-25	2028-07-24	80,000	80,000	0	Nil	36.06	No
Wang Xue Qing	Secretary to the Board	male	48	2026-02-09	2028-07-24	80,000	80,000	0	Nil	0	No
Total	/	/	/	/	/	1,340,000	1,340,000	0	/	517.58	/

CORPORATE GOVERNANCE, ENVIRONMENT AND SOCIETY

Notes:

1. The 50,000 shares held by Dr. Cao Xin are H shares of the Company. The 200,000 shares held by each of Dr. Li Lian Ping, Mr. Tan Jian Xin, Mr. Lu Yang and Mr. Lu Sheng Xin and the 80,000 shares held by each of Mr. Liu Tao and Mr. Guo Yan Xun are A shares of the Company. Mr. Ban Ze Feng held 50,000 H shares and 200,000 A shares of the Company.

2. In 2025, Mr. Tan Jian Xin received take-home pay of RMB718,812.41 (2024: RMB835,430.23) from the Group. In 2025, the Group paid a total amount of RMB1,101,617.28 (2024: RMB1,162,741.01) to Mr. Tan Jian Xin as remuneration before tax, comprising: 1) an aggregate amount of RMB471,064.44 (2024: RMB569,858.79) in respect of the various salaries, allowances, various insurance policies (including employer and employee contributions, excluding pension fund and annuity), and benefits in kind payable to or on behalf of Mr. Tan Jian Xin; 2) RMB572,854.92 (2024: RMB536,426.30) in performance related-bonus; 3) RMB57,697.92 (2024: RMB56,455.92) in contribution to pension plans (i.e., employer and employee contributions to pension fund).

In 2025, Mr. Lu Yang received take-home pay of RMB636,998.90 (2024: RMB768,786.55) from the Group. In 2025, the Group paid a total amount of RMB920,723.78 (2024: RMB1,047,488.89) to Mr. Lu Yang as remuneration before tax, comprising: 1) an aggregate amount of RMB350,231.30 (2024: RMB515,095.32) in respect of the various salaries, allowances, various insurance policies (including employer and employee contributions, excluding pension fund and annuity), and benefits in kind payable to or on behalf of Mr. Lu Yang; 2) RMB512,794.56 (2024: RMB475,897.65) in performance related-bonus; 3) RMB57,697.92 (2024: RMB56,455.92) in contribution to pension plans (i.e., employer and employee contributions to pension fund).

In 2025, Mr. Lu Sheng Xin received take-home pay of RMB579,524.06 (2024: RMB745,932.42) from the Group. In 2025, the Group paid a total amount of RMB834,910.29 (2024: RMB971,770.31) to Mr. Lu Sheng Xin as remuneration before tax, comprising: 1) an aggregate amount of RMB350,900.34 (2024: RMB494,011.88) in respect of the various salaries, allowances, various insurance policies (including employer and employee contributions, excluding pension fund and annuity), and benefits in kind payable to or on behalf of Mr. Lu Sheng Xin; 2) RMB426,312.03 (2024: RMB421,302.51) in performance related-bonus; 3) RMB57,697.92 (2024: RMB56,455.92) in contribution to pension plans (i.e., employer and employee contributions to pension fund).

In 2025, Mr. Ban Ze Feng received take-home pay of RMB668,812.16 (2024: RMB688,128.67) from the Group. In 2025, the Group paid a total amount of RMB980,251.18 (2024: RMB969,154.13) to Mr. Ban Ze Feng as remuneration before tax, comprising: 1) an aggregate amount of RMB397,737.89 (2024: RMB518,409.81) in respect of the various salaries, allowances, various insurance policies (including employer and employee contributions, excluding pension fund and annuity), and benefits in kind payable to or on behalf of Mr. Ban Ze Feng; 2) RMB524,815.37 (2024: RMB394,288.40) in performance related-bonus; 3) RMB57,697.92 (2024: RMB56,455.92) in contribution to pension plans (i.e., employer and employee contributions to pension fund).

In 2025, Mr. Liu Tao received take-home pay of RMB421,376.75 (2024: RMB211,723.12) from the Group. In 2025, the Group paid a total amount of RMB659,866.59 (2024: RMB310,068.98) to Mr. Liu Tao as remuneration before tax, comprising: 1) an aggregate amount of RMB324,829.40 (2024: RMB272,431.70) in respect of the various salaries, allowances, various insurance policies (including employer and employee contributions, excluding pension fund and annuity), and benefits in kind payable to or on behalf of Mr. Liu Tao; 2) RMB277,339.27 (2024: RMB0) in performance related-bonus; 3) RMB57,697.92 (2024: RMB37,637.28) in contribution to pension plans (i.e., employer and employee contributions to pension fund).

In 2025, Mr. Guo Yan Xun received take-home pay of RMB232,374.51 from the Group. In 2025, the Group paid a total amount of RMB360,636.66 to Mr. Guo Yan Xun as remuneration before tax, comprising: 1) an aggregate amount of RMB302,938.74 in respect of the various salaries, allowances, various insurance policies (including employer and employee contributions, excluding pension fund and annuity), and benefits in kind payable to or on behalf of Mr. Guo Yan Xun; 2) RMB0 in performance related-bonus; 3) RMB57,697.92 in contribution to pension plans (i.e., employer and employee contributions to pension fund). In 2024, the Company did not pay any salary and emolument in any form to Mr. Guo Yan Xun.

On 9 February 2026, Mr. Wang Xue Qing was appointed as the Secretary to the Board of the Company. In 2025, the Company did not pay any salary and emolument in any form to Mr. Wang Xue Qing.

CORPORATE GOVERNANCE, ENVIRONMENT AND SOCIETY

Name	Major Work Experience
Cao Xin	Aged 54, he is currently a non-executive Director, chairman of the Company, deputy secretary of the Party committee, general manager and vice chairman of HECIC. He holds a doctorate in economics from Renmin University of China (中國人民大學) and is a chief senior economist. Dr. Cao successively served as an executive director and president of the Company, general manager of HECIC New Energy Co., Ltd., assistant to the general manager, member of the Party committee and deputy general manager of HECIC, and the manager of the Public Utilities Department II of Hebei Construction Investment Company.
Li Lian Ping	Aged 63, he is currently a non-executive Director of the Company. He holds a doctorate in materials processing engineering from the University of Science and Technology Beijing (北京科技大學) and is a chief senior engineer. Dr. Li successively served as deputy secretary of the Party committee, deputy officer (departmental level) of State-owned Assets Supervision and Administration Commission of Hebei Province, director, deputy general manager and a member of the standing committee of the Party committee of Hebei Iron & Steel Group Co., Ltd. and general manager, deputy chairman and deputy secretary of the Party committee of Handan Iron & Steel Group Co., Ltd., and the chairman and secretary of the Party committee of HECIC.
Qin Gang	Aged 51, he is currently a non-executive Director of the Company and deputy general manager of HECIC. He holds a master's degree in corporate management from Nankai University (南開大學) and is a chief senior economist. Mr. Qin successively served as assistant to the general manager, manager and deputy manager of the capital operation department of HECIC and deputy manager of the financial management department of Hebei Construction Investment Company (the predecessor of HECIC).
Zhang Xu Lei	Aged 47, she is currently a non-executive Director of the Company and the chief accountant and the general manager of the Financial Management Department of HECIC. She holds a doctorate in financial management from Southwestern University of Finance and Economics (西南財經大學) and is a chief senior accountant. Ms. Zhang has served as the deputy general manager of the Financial Management Department of HECIC, the chief accountant and other positions in HECIC Xiong'an Construction Development Co., Ltd. (河北建投雄安建設開發有限公司), the deputy general manager of HECIC Investment Fund (河北建發投資基金), and the deputy general manager and other positions in Hebei Xibaipo Power Generation Co., Ltd. (河北西柏坡發電有限責任公司).
Tan Jian Xin	Aged 46, he is currently an executive Director, Secretary of the Party Committee and President of the Company. He holds a master's degree in Mechatronic Engineering from North China Electric Power University (華北電力大學) and is a chief senior engineer. Upon joining the Group in October 2006, he successively served as deputy secretary of the Party committee and vice president of the Company, general manager, deputy general manager, assistant to the general manager and manager of the Engineering Management Department of HECIC New Energy Co., Ltd., secretary of the Party general branch of Hebei Suntien Kechuang New Energy Technology Co., Ltd., general manager of HECIC Yuzhou Wind Energy Co., Ltd., and general manager of Yu County Suntien Wind Energy Co., Ltd..
Wang Tao (resigned)	Aged 44, he ceased to be the non-executive Director of the Company with effect from 25 July 2025. He holds a PhD degree in physical chemistry from Peking University (北京大學). He consecutively served as deputy general manager of the Investment and Development Department of HECIC, and deputy party branch secretary and deputy general manager (presiding), deputy general manager, assistant to the general manager and director of SNG Project Department, and deputy director of SNG Project Department of CIC Tongtai Investment Co., Ltd. and assistant to the manager of CDM Office of HECIC New Energy Co., Ltd.
Lu Rong	Aged 43, he is currently a non-executive Director of the Company and the managing partner and chairman of Guangzhou Yuexiu Industrial Investment Fund Management Co., Ltd. (廣州越秀產業投資基金管理股份有限公司), a director of Guangzhou Yuexiu Industrial Investment Co., Ltd. (廣州越秀產業投資有限公司), the vice chairman of the Management Consulting and Coordinating Committee of Guangzhou Yuexiu Capital Holdings Group Co., Ltd. (廣州越秀資本控股集團股份有限公司), as well as the director of the Industrial Investment Research Institute of Academy of Financial Research (金融研究院產業投資研究所). He concurrently serves as the president of the Guangzhou Venture Capital Association (廣州創業與風險投資協會), and the president of the Guangzhou Nansha International Financial Innovation Association (廣州南沙國際金融創新協會). Mr. Lu joined Guangzhou Yuexiu Industrial Investment Fund Management Co., Ltd. (廣州越秀產業投資基金管理股份有限公司) in August 2011 and has successively held positions as the investment director and general manager of the Financing Department, the deputy general manager, general manager, and chairman thereof. Mr. Lu Rong obtained a bachelor of arts degree in Chinese language and literature from Nanchang University (南昌大學).

CORPORATE GOVERNANCE, ENVIRONMENT AND SOCIETY

Name	Major Work Experience
Zhao Shi Yi	Aged 37, he is currently a non-executive Director of the Company and the general manager of the Asset and Liability Management Department of Greatwall Life Insurance Co., Ltd. (長城人壽保險股份有限公司). Mr. Zhao started working in 2011 and successively held positions as a risk management specialist in the Internal Control and Risk Management Department of Union Life Insurance Co., Ltd. (合眾人壽保險股份有限公司), the head of asset supervision in the Investment Management Department of Huaxia Life Insurance Co., Ltd. (華夏人壽保險股份有限公司), the head of the Research and Allocation Office in the Asset Management Center and an assistant to the general manager of the Asset Management Center of Greatwall Life Insurance Co., Ltd. Mr. Zhao Shi Yi obtained a bachelor's degree of science in mathematics and applied mathematics from the College of Mathematics of Jilin University, and a master's degree in engineering management from the College of Economics and Management of Beihang University (北京航空航天大學).
Chow Man Kong	Aged 45, he is currently an independent non-executive Director of the Company and the senior advisor to the Provost and Deputy President, the Professor of Practice in the Department of Data Science at the College of Computing of The City University of Hong Kong, and an advisor to the chairman of AAL Group Services Limited. Dr. Chow concurrently holds public offices such as a council member of the Chinese Association of Hong Kong & Macao Studies, a member of the standing committee of the Hebei Committee of the Chinese People's Political Consultative Conference, a member of the Chief Executive's Policy Unit Expert Group of the HKSAR government, a member of the Panel of Advisors to the Committee on Education, Technology and Talents of the HKSAR government, and a Justice of the Peace in Hong Kong. Dr. Chow has been engaged in studies on regional economic development in China, economic development between the Chinese mainland and Hong Kong, applied public policies, Chinese family businesses, the Belt and Road Initiative, and the development of higher education. Dr. Chow was a member of the Legislative Council of the Hong Kong Special Administrative Region (Election Committee sector) and the chairman of the Panel on Education of the Legislative Council of the Hong Kong Special Administrative Region, and obtained a bachelor's degree of Arts (First Class Honours) from the Faculty of Social Sciences of Hong Kong Baptist University (香港浸會大學) and a doctoral degree of philosophy (Economics and Sociology) from the Faculty of Social Sciences of The University of Hong Kong (香港大學).
Yang Jing Lei	Aged 48, he is currently an independent non-executive Director of the Company and a professor in the Department of Mechanical and Aerospace Engineering in The Hong Kong University of Science and Technology. He concurrently serves as the general director of the HKUST Shenzhen Research Institute, the general director of the HKUST Shenzhen-Hong Kong Collaborative Innovation Research Institute, the general manager of HKUST Research and Development Corporation (Shenzhen) Limited, the director of Center for Engineering Materials and Reliability of Guangzhou HKUST Fok Ying Tung Research Institute, and the director of HKUST – KF Joint Laboratory for Sustainable Technologies. He is a fellow of the Royal Society of Chemistry, the Royal Aeronautical Society of the United Kingdom and the Institution of Mechanical Engineers (Hong Kong Branch). Dr. Yang joined The Hong Kong University of Science and Technology in June 2016. He has served as the acting head of the Department of Sustainable Energy and Environment at The Hong Kong University of Science and Technology (Guangzhou) and the founding executive director of HKUST – BDR Joint Research Institute. Previously, he worked at the School of Mechanical and Aerospace Engineering of Nanyang Technological University in Singapore and the University of Illinois at Urbana-Champaign in the United States. Dr. Yang is mainly engaged in interdisciplinary research and engineering applications in precise interface engineering, laboratory research and development of intelligent ecology, big model of generative materials, green nanomaterials and microcapsule technology, composite materials and green manufacturing, mechanics, etc. Dr. Yang obtained a bachelor's degree of science and a master's degree in solid mechanics from the Department of Modern Mechanics, University of Science and Technology of China (中國科學技術大學), as well as a doctorate in materials science from the Institute of Composite Materials of Technical University of Kaiserslautern (凱澤斯勞滕工業大學).
Guo Ying Jun (resigned)	Aged 52, he ceased to be the Independent non-executive Director of the Company with effect from 25 July 2025. Mr. Guo worked in the Mechatronics Engineering Technology Center of Hebei University of Science and Technology from July 1996 to August 2001, and studied for a master's degree in control theory and control engineering at Beijing Institute of Technology from September 2001 to March 2004. He has been engaged in the education and scientific research of electrical engineering at the School of Electrical Engineering, Hebei University of Science and Technology since April 2004 and was a visiting scholar at the University of Manchester, UK, from 13 August to 12 September 2011.

CORPORATE GOVERNANCE, ENVIRONMENT AND SOCIETY

Name	Major Work Experience
Chan Yik Pun	Aged 44, he is currently an independent non-executive Director of the Company and the chief financial officer of Tianfang Jincheng (HK) Limited. He holds a bachelor's degree in commerce with a major in accounting and a minor in economics from Monash University. He is qualified as a certified public accountant in Hong Kong and Australia. He has been the chief financial officer of Tianfang Hospitality Management Pte. Ltd., the company secretary of Natural Food International Holding Limited, the chief financial officer of the hotel division of Sun Hung Kai Real Estate Agency Limited, the chief financial officer and company secretary of Zall Group Ltd., and the deputy audit manager of Ernst & Young (Shanghai)/Ernst & Young (Australia).
Lin Tao (resigned)	Aged 55, he ceased to be the Independent non-executive Director of the Company with effect from 25 July 2025. He holds a doctorate in control theory and control engineering from Hebei University of Technology. Dr. Lin has been working at the School of Artificial Intelligence and Data Science of Hebei University of Technology since July 1993. Dr. Lin studied at Tianjin University for a master's degree from September 1996 to October 1999, and at Hebei University of Technology for a doctoral degree from April 2003 to April 2007. From September 2010 to August 2013, he completed his post-doctoral research work at the post-doctoral research station of Hebei University of Technology.
Liu Bin	Aged 46, he is currently an independent non-executive Director of the Company and a senior laboratory technician (associate senior) at the Intelligent Engineering Experiment and Practice Center of the College of Artificial Intelligence and Data Science of Hebei University of Technology (河北工業大學人工智能與數據科學學院智能工程實驗實踐中心), and a tutor of master's degree. His main research areas include the optimal scheduling of integrated energy systems, large-scale photovoltaic clean technologies, machine vision, and deep learning. He has led and participated in numerous scientific research projects at national and provincial levels, covering multiple cutting-edge fields such as new energy, green hydrogen energy, and machine intelligence. Mr. Liu Bin has worked at Hebei University of Technology since July 2002. He has successively held the positions of assistant laboratory technician and laboratory technician in the College of Science, laboratory technician in the College of Control Science and Engineering, laboratory technician and senior laboratory technician in the College of Artificial Intelligence and Data Science. Mr. Liu Bin obtained a master's degree in electrical engineering from Hebei University of Technology (河北工業大學).
Lu Yang	Aged 56, he is currently a vice president of the Company. He holds a master's degree in senior business administration from Renmin University of China (中國人民大學) and is a chief senior engineer. Mr. Lu successively served as executive deputy general manager of Hebei Natural Gas, manager for engineering technical support of Sino Victor Investment Limited, and as deputy general manager and chief engineer of Handan City Gas Company.
Lu Sheng Xin	Aged 57, he is currently a vice president of the Company. He obtained a bachelor's degree in Thermal Engineering from North China Electric Power University (華北電力大學) and is a chief senior engineer. Mr. Lu ever served as, among others, general manager and deputy general manager of HECIC Offshore Wind Power Co., Ltd., assistant general manager and deputy general manager of HECIC New Energy Co., Ltd., general manager of Laoting CIC Wind Power Co., Ltd., general manager of Changli Suntien Wind Power Co., Ltd., general manager of Lingqiu CIC Wind Power Co., Ltd., and general manager of CIC Yanshan (Guyuan) Wind Power Co., Ltd.
Ban Ze Feng (resigned)	Aged 48, he ceased to be the vice president, secretary of the board of directors and joint company secretary of the Company with effect from 9 February 2026. He holds a master's degree in business administration from Nankai University (南開大學), and is a chief senior economist. Mr. Ban successively served as assistant to the director of the general office, head of the secretarial confidential documents department and general office secretary of HECIC, deputy director of the general manager's office of Shijiazhuang International Building Co., Ltd. (石家莊國際大廈股份有限公司), and secretary of the general office of Hebei Construction Investment Company (the predecessor of HECIC).
Liu Tao	Aged 57, he is currently the chief accountant of the Company. He graduated from Tianjin University (天津大學) majoring in Financial Management, and is a chief senior accountant and a certified public accountant in the PRC. Mr. Liu successively served as Chief Accountant and Manager of the Finance Management Department of Hebei Provincial Natural Gas Co., Ltd., Project Manager of the Finance Department of Sino Victor Investment Limited, and Head of the Finance Section of Shijiazhuang Baoshi Electric Glass Co., Ltd.
Guo Yan Xun	Aged 41, he is currently a vice president of the Company. He holds a master's degree in Administrative Management from Beijing University of Posts and Telecommunications (北京郵電大學) and is a senior economist. Mr. Guo successively served as Deputy General Manager of HECIC New Energy Co., Ltd., Director of the General Management Department of Suntien Green Energy Corporation Limited, Deputy General Manager of Shanxi Regional Company of HECIC New Energy Co., Ltd., and Deputy General Manager of Hebei Suntien Kechuang New Energy Technology Co., Ltd.

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Name	Major Work Experience
Wang Xue Qing	Aged 48, he is currently a secretary to the Board of the Company and holds a bachelor's degree in economics, specializing in investment economics management, from Hebei University of Economics and Business, and is a senior economist. He previously held various positions in Hebei Natural Gas Co., Ltd., including a member of the Party committee, the deputy general manager, an assistant to the general manager, the manager of the Investment Development Department, the general manager of the Pipeline Branch, and the manager of the Planning and Operations Department.

Other information

On 9 February 2026, Mr. Ban Ze Feng resigned as a joint company secretary of the Company. On the same day, the 5th extraordinary meeting of the sixth session of the Board of Directors approved to appoint Mr. Wang Xue Qing as a joint company secretary of the Company. The biography of Mr. Wang Xue Qing is set out above in this section.

Ms. Lam Yuen Ling, Eva (林婉玲), aged 59, was appointed as the joint company secretary of the Company on 1 April 2010. Ms. Lam has over 30 years of experience in corporate governance and corporate secretarial services and is currently the company secretary of a number of companies listed on the Main Board of the Hong Kong Stock Exchange. She was awarded a degree of Master of Science in Corporate Governance and Directorship by the Hong Kong Baptist University. Ms. Lam is a fellow of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute, and was awarded the qualification of company secretary and Chartered Governance Professional. She is also a permanent affiliate member of The Hong Kong Independent Non-Executive Director Association.

CORPORATE GOVERNANCE, ENVIRONMENT AND SOCIETY

(II) EMPLOYMENT STATUS OF CURRENT AND RESIGNED DIRECTORS AND SENIOR MANAGEMENT DURING THE REPORTING PERIOD

1. Employment status at shareholder entities

Name of employee	Name of shareholder entity	Position in shareholder entity	Commencement date of term of office	End date of term of office
Cao Xin	Hebei Construction & Investment Group Co., Ltd.	Vice Secretary of the Party Committee, General Manager and Vice Chairman	2022-08	
Qin Gang	Hebei Construction & Investment Group Co., Ltd.	Deputy General Manager	2023-04	
Zhang Xu Lei	Hebei Construction & Investment Group Co., Ltd.	Chief Accountant	2025-04	
		General Manager of Finance Management Department	2022-04	
Wang Tao (resigned)	Hebei Construction & Investment Group Co., Ltd.	General Manager of Investment Development Department	2023-02	
Lu Rong	Guangzhou Yuexiu Industrial Investment Co., Ltd.	Director	2025-02	
Zhao Shi Yi	Greatwall Life Insurance Co., Ltd.	General Manager of the Asset and Liability Management Department	2023-12	
Explanation on the employment status at shareholder entities Nil				

2. Employment status at other entities

Name of employee	Name of other entity	Position in other entity	Commencement date of term of office	End date of term of office
Cao Xin	Yanshan Development Limited Company	Director and General Manager	2016-09	
Cao Xin	Hebei International Investment Ltd	Director and General Manager	2016-09	
Cao Xin	Huaneng Power International, Inc.	Director	2023-10	
Cao Xin	Huihai Financial Leasing Co., Ltd.	Director	2023-07	
Qin Gang	HECIC Energy Investment Co., Ltd.	Chairman	2025-06	
Qin Gang	Lao Tonglian Mining Co., Ltd	Chairman	2025-12	
Qin Gang	HECIC Southeast Asia Investment Co., Ltd	Chairman	2025-12	
Qin Gang	Mao Tian Capital Limited	Chairman	2023-05	
Qin Gang	Yan Zhao Property Insurance Co., Ltd.	Director	2014-08	
Qin Gang	Hebei Financial Leasing Co., Ltd.	Director	2020-03	
Qin Gang	Hebei Asset Management Co., Ltd.	Chairman	2021-12	
Qin Gang	Yanshan Development Limited Company	Director	2013-05	
Qin Gang	Hebei International Investment Ltd	Director	2013-05	
Zhang Xu Lei	HECIC Digital Industry Co., Ltd.	Director	2025-09	
Zhang Xu Lei	HECIC Water Investment Co., Ltd.	Director	2024-04	
Zhang Xu Lei	HECIC Group Finance Company Limited	Chairman	2025-09	
Zhang Xu Lei	Mao Tian Capital Limited	Director	2023-12	
Zhang Xu Lei	Hebei Yidi Poverty Alleviation and Relocation Development and Investment Co., Ltd.	Director	2023-02	
Zhang Xu Lei	HECIC Smart Financial Services Co., Ltd.	Chairman	2023-02	
Zhang Xu Lei	HECIC Huatian Insurance Brokers Co., Ltd.	Director	2023-12	
Tan Jian Xin	HECIC New Energy Co., Ltd.	Director	2024-04	
Tan Jian Xin	Hebei Natural Gas Company Limited	Director	2024-05	
Tan Jian Xin	HECIC Offshore Wind Power Co., Ltd.	Chairman	2022-12	
Tan Jian Xin	Caofeidian Suntien Liquefied Natural Gas Co., Ltd.	Director	2024-04	
Tan Jian Xin	Suntien Green Energy New Energy (Chengde) Co., Ltd.	Chairman	2024-03	
Tan Jian Xin	Suntien Green Energy (Hong Kong) Corporation Limited	Chairman of the Board	2024-11	
Tan Jian Xin	Shanghai Geluoli Technology Co., Ltd.	Chairman	2023-02	
Tan Jian Xin	HECIC Pumped Storage (Laiyuan) Co., Ltd.	Chairman	2025-04	
Tan Jian Xin	Huihai Financial Leasing Co., Ltd.	Director	2024-10	

CORPORATE GOVERNANCE, ENVIRONMENT AND SOCIETY

Name of employee	Name of other entity	Position in other entity	Commencement date of term of office	End date of term of office
Tan Jian Xin	Hebei Fengning Pumped Storage Co., Ltd.	Vice Chairman	2024-03	
Lu Rong	Guangzhou Yuexiu Industrial Investment Fund Management Co., Ltd.	Managing partner, Chairman	2025-01	
Lu Rong	Guangzhou Yuexiu Capital Holdings Group Co., Ltd.	Assistant to the chairman of the Management Consulting and Coordinating Committee	2021-07	
Lu Rong	Guangzhou Yuexiu Capital Holdings Group Co., Ltd.	Director of the Industrial Investment Research Institute of Academy of Financial Research	2021-09	
Lu Rong	Guangzhou Venture Capital Association	President	2022-10	
Lu Rong	Guangzhou Nansha International Financial Innovation Association	President	2022-06	
Wang Tao	Yanshan Development Limited Company	Director	2023-02	
Wang Tao	Hebei International Investment Ltd	Director	2023-02	
Wang Tao	HECIC Energy Investment Co., Ltd.	Director	2024-07	
Wang Tao	Mao Tian Capital Limited	Director	2023-02	
Wang Tao	HECIC Digital Industry Co., Ltd.	Director	2023-02	
Wang Tao	Hebei Yan Zhao Energy Storage Co., Ltd.	General Manager, Director	2024-01	
Wang Tao	Hebei Guofu Agricultural Investment Group Co., Ltd	Director	2025-03	
Wang Tao	Hebei Data Co., Ltd. (河北數據有限公司)	Director	2025-06	
Wang Tao	HECIC Wellness Industry Investment Co., Ltd.	Director	2023-02	
Wang Tao	China Overseas Environmental Technology Energy Engineering Co., Ltd.	Chairman	2023-03	
Wang Tao	Hebei Gas Co., Ltd.	Director	2023-03	
Guo Ying Jun	School of Electrical Engineering, Hebei University of Science and Technology	Tutor	2004-04	
Guo Ying Jun	Hebei Jinniu Chemical Industry Co., Ltd.	Independent Director	2024-06	
Chow Man Kong	The City University of Hong Kong	Senior Advisor to the Provost and Deputy President	2024-12	
Chow Man Kong	The City University of Hong Kong	Professor of Practice in the Department of Data Science at the College of Computing	2024-12	
Yang Jing Lei	The Hong Kong University of Science and Technology	Professor in the Department of Mechanical and Aerospace Engineering	2016-06	
Yang Jing Lei	The Hong Kong University of Science and Technology	General Director of the Shenzhen Research Institute	2022-07	
Yang Jing Lei	The Hong Kong University of Science and Technology	General Director of the HKUST Shenzhen-Hong Kong Collaborative Innovation Research Institute	2022-07	
Yang Jing Lei	HKUST Research and Development Corporation (Shenzhen) Limited	Director, General Manager	2022-07	
Chan Yik Pun	Tianfang Jincheng (Hong Kong) Limited	Chief financial officer	2023-11	
Chan Yik Pun	Yunhong Guixin Group Holdings Limited	Director	2026-01	
Liu Bin	Hebei University of Technology	Senior laboratory technician at the Intelligent Engineering Experiment and Practice Center of the College of Artificial Intelligence and Data Science	2022-12	
Lin Tao	School of Artificial Intelligence and Data Science, Hebei University of Technology	Tutor	1993-07	
Lu Yang	Hebei Natural Gas Company Limited	Director	2014-01	
Lu Yang	Hebei Natural Gas Company Limited	General Manager	2024-05	
Lu Yang	Caofeidian Suntien Liquefied Natural Gas Co., Ltd.	Chairman	2024-04	

CORPORATE GOVERNANCE, ENVIRONMENT AND SOCIETY

Name of employee	Name of other entity	Position in other entity	Commencement date of term of office	End date of term of office
Lu Yang	Shijiazhuang Suntien Smart Energy Co., Ltd.	Chairman	2025-05	
Lu Yang	S&T International Natural Gas Trading Company Limited	Chairman of the Board	2019-09	
Lu Yang	Hebei Suntien Guohua Gas Co., Ltd.	Director	2023-12	
Lu Yang	Hebei Gas Co., Ltd.	Chairman	2025-08	
Lu Yang	Suntien Hebei Power Sale Co., Ltd.	Chairman	2025-12	
Lu Yang	Xingtai Suntien Smart Energy Co., Ltd. (邢臺新天智慧能源有限公司)	Chairman	2025-12	
Lu Yang	Xinying Energy Trading Co., Ltd.	Vice Chairman	2023-04	
Lu Sheng Xin	HECIC New Energy Co., Ltd.	Chairman	2024-04	
Lu Sheng Xin	HECIC Offshore Wind Power Co., Ltd.	Director	2022-12	
Lu Sheng Xin	Caofeidian Suntien Liquefied Natural Gas Co., Ltd.	Director	2024-04	
Lu Sheng Xin	Suntien Offshore Wind Power (Qinhuangdao) Co., Ltd.	Chairman	2022-12	
Lu Sheng Xin	China Suntien Wisdom Energy (Qinhuangdao Funing) Co., Ltd.	Chairman	2025-12	
Lu Sheng Xin	HECIC New-energy (Tangshan) Co., Ltd.	Director	2023-11	
Lu Sheng Xin	Suntien Green Energy Qinhuangdao Beidaihe New District Co., Ltd.	Chairman	2022-12	
Lu Sheng Xin	HECIC Offshore Wind Power Sheyang Co., Ltd.	Chairman	2018-08	
Lu Sheng Xin	Suntien Zhihui Energy Technology (Xiong'an) Co., Ltd.	Chairman	2024-06	
Lu Sheng Xin	Hebei Yan Zhao Energy Storage Co., Ltd.	Director	2024-02	
Liu Tao	Caofeidian Suntien Liquefied Natural Gas Co., Ltd.	Director	2024-04	
Liu Tao	Heilongjiang Suntien Hadian New Energy Investment Co., Ltd.	Chairman	2025-12	
Liu Tao	Harbin Ruifeng New Energy Co., Ltd.	Chairman	2025-12	
Liu Tao	Harbin Qingfeng New Energy Co., Ltd.	Chairman	2025-12	
Liu Tao	Dongning Xinfeng New Energy Co., Ltd.	Chairman	2025-12	
Liu Tao	Tai'an Sanglin Wind Power Generation Co., Ltd. (臺安桑林風力發電有限公司)	Chairman	2025-12	
Liu Tao	Bei'an Hefeng New Energy Co., Ltd. (北安市和風新能源有限公司)	Chairman	2025-12	
Liu Tao	HECIC Group Finance Company Limited	Director	2026-01	
Guo Yan Xun	HECIC New Energy Co., Ltd.	Director, General Manager	2024-12	
Guo Yan Xun	Jianshui Suntien Wind Energy Co., Ltd.	Chairman	2025-12	
Guo Yan Xun	Tongdao Suntien Green Energy Co., Ltd.	Chairman	2025-12	
Guo Yan Xun	Guangxi Suntien Green Energy Co., Ltd.	Chairman	2025-12	
Guo Yan Xun	Fangchenggang Suntien Green Energy Co., Ltd.	Chairman	2025-12	
Guo Yan Xun	HECIC New-energy (Tangshan) Co., Ltd.	Chairman	2025-12	
Guo Yan Xun	Construction and Investment Guokong (Tangshan) New Energy Co., Ltd.	Chairman	2025-12	
Guo Yan Xun	Hebei Fansheng Technology Co., Ltd. (河北飢昇科技有限公司)	Director	2025-08	
Wang Xue Qing	Caofeidian Suntien Liquefied Natural Gas Co., Ltd.	Deputy General Manager	2025-12	
Wang Xue Qing	HECIC New-energy Supply Chain Management Co., Ltd.	General Manager	2024-10	
Wang Xue Qing	HECIC New-energy Supply Chain Management Co., Ltd.	Director	2025-01	
Wang Xue Qing	S&T International Natural Gas Trading Company Limited	General Manager	2025-11	
Wang Xue Qing	Suntien Green Energy Investment (Beijing) Co., Ltd.	General Manager	2025-07	
Wang Xue Qing	Suntien Green Energy Investment (Beijing) Co., Ltd.	Director	2025-12	
Wang Xue Qing	Suntien Hebei Power Sale Co., Ltd.	General Manager	2025-11	
Wang Xue Qing	Suntien Hebei Power Sale Co., Ltd.	Director	2025-12	
Explanation on the employment status at other entities	Nil			

CORPORATE GOVERNANCE, ENVIRONMENT AND SOCIETY

(III) Remuneration of directors and senior management

Determination procedure for remuneration of Directors and senior management	Remunerations of directors are, after review, consideration and adoption of the Remuneration and Appraisal Committee of the Board and the Board of Directors, subject to approval at general meeting. Remunerations of senior management are, after review, consideration and adoption of the remuneration committee of the Board, subject to approval of the Board of Directors.
Whether a Director recuses himself/herself from the Board's discussion of his/her remuneration	Yes
The specific circumstances under which the Remuneration and Appraisal Committee or the independent Directors' special meetings make suggestions on matters relating to the remuneration of Directors and senior management	On 30 June 2025, the remuneration package for the Directors of the sixth session of the Board was considered and approved at the sixth meeting of the Remuneration and Appraisal Committee of the fifth session of the Board. On 18 December 2025, the first meeting of the Remuneration and Appraisal Committee of the sixth session of the Board considered and approved the scheme for the settlement of remuneration of the management members for 2024 and the term 2022-2024.
Basis for determination of remuneration of Directors and senior management	The annual allowances of the independent Directors of the Company are subject to consideration and approval by the shareholders' general meeting. Non-executive Directors do not receive any remuneration from the Company. The remuneration of executive Directors and senior management is determined by the Company based on factors such as the Company's annual operating performance and the results of their performance appraisal.
Particulars of remuneration actually paid to Directors and senior management	Please refer to "IV. (I) Particulars about changes in the shareholding and remuneration of current and resigned Directors and senior management during the Reporting Period" of this section
Total remuneration actually received by Directors and senior management as a whole at the end of the Reporting Period	Total amount of RMB5.1758 million as remuneration before tax
Basis for assessment and fulfillment status of the actual compensation received by all Directors and senior management at the end of the Reporting Period	In 2025, the allowances received by the independent non-executive Directors were not subject to performance appraisal; the executive Directors and senior management of the Company received corresponding remuneration in accordance with the Company's performance appraisal rules. The performance appraisal work was effectively carried out and completed in accordance with the Company's performance appraisal rules.
Deferred payment arrangements for the actual compensation received by all Directors and senior management at the end of the Reporting Period	The Company determines that a certain proportion of the performance-based annual salary shall be paid after the disclosure of the annual report and the finalization of the performance appraisal results, and shall be based on the audited financial data. During the Reporting Period, the pre-tax remuneration received by the Directors and senior management who received remuneration from the Company was prepaid remuneration. The final remuneration will be subject to deferred payment in the following year based on the achievement of the Company's annual operating targets and in accordance with the audited financial data and performance appraisal results.
Withholding and recovery status regarding the actual compensation received by all Directors and senior management at the end of the Reporting Period	As of the end of the Reporting Period, the Company had not experienced any circumstances that triggered the provisions on suspension or clawback of remuneration, and therefore there was no need to suspend or claw back the remuneration actually received by the Directors and senior management.

(IV) Changes in Directors and senior management of the Company

Name	Position	Change	Reason for changes
Wang Tao	Non-executive Director	Resigned	Re-election
Lu Rong	Non-executive Director	Elected	Re-election
Zhao Shi Yi	Non-executive Director	Elected	Re-election
Guo Ying Jun	Independent non-executive Director	Resigned	Re-election
Lin Tao	Independent non-executive Director	Resigned	Re-election
Chow Man Kong	Independent non-executive Director	Elected	Re-election
Yang Jing Lei	Independent non-executive Director	Elected	Re-election
Liu Bin	Independent non-executive Director	Elected	Re-election
Guo Yan Xun	Vice President	Appointed	Work adjustment
Ban Ze Feng	Vice President, Secretary to the Board	Resigned	Work adjustment
Wang Xue Qing	Secretary to the Board	Appointed	Work adjustment

Note: On 9 February 2026, the 5th extraordinary meeting of the sixth session of the Board considered and appointed Mr. Wang Xue Qing as the Board secretary and a joint company secretary of the Company.

(V) Penalties imposed by securities regulatory authorities in the recent three years

☐ Applicable ☒ Not applicable

(VI) Others

☐ Applicable ☒ Not applicable

CORPORATE GOVERNANCE, ENVIRONMENT AND SOCIETY

IV. DIRECTORS' DUTIES PERFORMANCE

(I) Directors' Attendance at Board Meetings and General Meetings

Name of Director	Whether or not he or she is an independent Director	Mandatory times of attendance at Board meetings during the year	Attendance at Board meeting(s)				Whether or not he or she has been absent in person for two consecutive times	Attendance at general meeting(s)
			Times of attendance in person	Times of attendance by telecommunication	Times of attendance by proxy	Times of absence		Times of attendance at general meeting(s)
Cao Xin	No	14	14	14	0	0	No	4
Li Lian Ping	No	14	14	14	0	0	No	4
Qin Gang	No	14	14	11	0	0	No	4
Zhang Xu Lei	No	14	14	12	0	0	No	4
Tan Jian Xin	No	14	14	5	0	0	No	4
Wang Tao	No	7	7	7	0	0	No	3
Lu Rong	No	7	7	6	0	0	No	1
Zhao Shi Yi	No	7	7	6	0	0	No	1
Guo Ying Jun	Yes	7	7	7	0	0	No	3
Lin Tao	Yes	7	7	7	0	0	No	3
Chow Man Kong	Yes	7	7	7	0	0	No	1
Yang Jing Lei	Yes	7	7	7	0	0	No	1
Chan Yik Pun	Yes	14	14	14	0	0	No	4
Liu Bin	Yes	7	7	6	0	0	No	1

Note: In 2025, the Company held four shareholders' meetings.

Explanation on failure to attend Board meetings in person for two consecutive times

☐ Applicable ☒ Not applicable

Number of Board meetings convened during the year	14
Including: number of on-site meetings	0
Number of meetings held by teleconference	5
Number of meetings held both on-site and by teleconference	9

(II) Disagreement of the Directors with the Company

☐ Applicable ☒ Not applicable

(III) Others

☐ Applicable ☒ Not applicable

V. DEDICATED COMMITTEES OF THE BOARD

(I) Members of the dedicated committees of the Board

Category of the dedicated committee	Name of member
Audit Committee	Chan Yik Pun, Qin Gang, Zhang Xu Lei, Yang Jing Lei, Liu Bin
Nomination Committee	Yang Jing Lei, Cao Xin, Zhang Xu Lei, Chow Man Kong, Chan Yik Pun
Remuneration and Appraisal Committee	Chow Man Kong, Cao Xin, Li Lian Ping, Chan Yik Pun, Liu Bin
Strategic and Investment Committee	Cao Xin, Qin Gang, Tan Jian Xin, Lu Rong, Zhao Shi Yi

(II) The Audit Committee held seven meetings during the Reporting Period

Date of meeting	Matters of the meeting	Important comments and suggestions	Other particulars of performance of duties
2025-3-25	The following resolutions were considered and approved: - Resolution on the Audit Results of the Company for 2024 - Resolution on the 2025 Internal Audit Work Plan of the Company - Resolution on Reviewing the Special Audit Report on Raised Funds, Guarantees and Other Matters for the Second Half of 2024 - Resolution on the 2024 Assessment Report on the Performance of Duties of the Accounting Firm by the Company - Resolution on the Report on the 2024 Performance of Supervisory Duties over the Accounting Firm by the Company's Audit Committee - Resolution on the 2024 Annual Report of the Company - Resolution on the Internal Control Assessment Report of the Company for 2024 - Resolution on the 2024 Performance Report of the Audit Committee of the Company - Resolution on the 2024 Internal Audit and Risk Management Work Report of the Company - Resolution on the Report on the 2024 Final Accounts of the Company - Resolution on the Description of the Operations and Financing of the Company for 2025 - Resolution on Provision for Asset Impairment of the Company for the Year 2024 - Resolution on the Proposal of the 2024 Profit Distribution of the Company - Resolution on the Appointment of the Auditing Agency the Company for 2025 - Resolution on the Consideration of the Annual Hedging Business Plan of Subsidiaries and the Approval of the Hedging Business Qualification of Subsidiaries - Resolution on the Feasibility Analysis Report on the Conduct of Foreign Exchange Hedging Business by Subsidiaries	Unanimous agreement has been reached to propose the resolutions to the Board of the Company for consideration	
2025-4-29	The following resolutions were considered and approved: Resolution on the 2025 First Quarterly Report of the Company	Unanimous agreement has been reached to propose the resolutions to the Board of the Company for consideration	
2025-7-25	The following resolutions were considered and approved: Resolution on Appointing Mr. Liu Tao as the Company's Chief Accountant	Unanimous agreement has been reached to propose the resolutions to the Board of the Company for consideration	

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Date of meeting	Matters of the meeting	Important comments and suggestions	Other particulars of performance of duties
2025-8-26	All attending members listened carefully to Ernst & Young Hua Ming LLP's report on the 2025 interim agreed-upon procedures of the Company. The following resolutions were considered and approved: 1. Resolution on Reviewing the Company's Interim Results Announcement, Interim Report, 2025 Interim Report Summary and Report for the period ended 30 June 2025 2. Resolution on Reviewing the Special Audit Report on Raised Funds, Guarantees and Other Matters for the First Half of 2025	Unanimous agreement has been reached for the content of the report, and Unanimous agreement has been reached to propose the resolution to the Board of the Company for consideration	
2025-8-27	The following resolutions were considered and approved: Resolution on the 2025 Proposed Issuance of H Shares by the Company to Targeted Investors	Unanimous agreement has been reached to propose the resolutions to the Board of the Company for consideration	
2025-10-30	The following resolutions were considered and approved: Resolution on Reviewing the Company's 2025 Third Quarterly Report	Unanimous agreement has been reached to propose the resolutions to the Board of the Company for consideration	
2025-12-10	Received a report from Ernst & Young Hua Ming LLP (Special General Partnership) regarding the Company's 2025 audit plan	Unanimous agreement has been reached for the content of the report	

(III) The Nomination Committee held three meetings during the Reporting Period

Date of meeting	Matters of the meeting	Important comments and suggestions	Other particulars of performance of duties
2025-1-3	The following resolutions were considered and approved: Resolution on the Nomination of Mr. Guo Yan Xun as the Company's Vice President	Unanimous agreement has been reached to propose the resolutions to the Board of the Company for consideration	
2025-6-30	The following resolutions were considered and approved: Resolution on the Nomination of Candidates for Directors of the Sixth Session of the Board of the Company	Unanimous agreement has been reached to propose the resolutions to the Board of the Company for consideration	
2025-7-25	The following resolutions were considered and approved: 1. Resolution on the Nomination of the Chairman of the Sixth Session of the Board 2. Resolution on the Nomination of Mr. Tan Jian Xin as the Company's President 3. Resolution on the Nomination of Mr. Lu Yang, Mr. Lu Sheng Xin, Mr. Ban Ze Feng, and Mr. Guo Yan Xun as Vice Presidents of the Company 4. Resolution on the Nomination of Mr. Liu Tao as the Company's Chief Accountant 5. Resolution on the Nomination of Mr. Ban Ze Feng as the Company's Secretary to the Board	Unanimous agreement has been reached to propose the resolutions to the Board of the Company for consideration	

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(IV) The Remuneration and Appraisal Committee held two meetings during the Reporting Period

Date of meeting	Matters of the meeting	Important comments and suggestions	Other particulars of performance of duties
2025-6-30	The following resolutions were considered and approved: Resolution on the Remuneration Plan for Directors of the Sixth Session of the Board	Unanimous agreement has been reached to propose the resolutions to the Board of the Company for consideration	
2025-12-18	The following resolutions were considered and approved: Resolution on the Remuneration Payment Scheme for the Management Members of the Company for 2024 and the Term 2022-2024	Unanimous agreement has been reached to propose the resolutions to the Board of the Company for consideration	

(V) The Strategic and Investment Committee held one meeting during the Reporting Period

Date of meeting	Matters of the meeting	Important comments and suggestions	Other particulars of performance of duties
2025-8-27	The following resolutions were considered and approved: Resolution on the 2025 Proposed Issuance of H Shares by the Company to Targeted Investors	Unanimous agreement has been reached to propose the resolutions to the Board of the Company for consideration	

(VI) Particulars of disagreements

☐ Applicable ☒ Not applicable

VI. EXPLANATION OF RISKS IDENTIFIED BY THE AUDIT COMMITTEE IN THE COMPANY

☐ Applicable ☒ Not applicable

The Audit Committee had no disagreement with the matters under its supervision during the Reporting Period.

VII. EMPLOYEES OF THE PARENT COMPANY AND PRINCIPAL SUBSIDIARIES FOR THE REPORTING PERIOD

(I) Employees

As at 31 December 2025, the Group had a total of 3,058 employees under labour contracts, of whom 2,658 were male and 400 were female, with an average age of 36.25. The personnel of the Group are primarily engaged in the operation of new energy wind power and natural gas, which involves a significant amount of physical labor. Therefore, the proportion of male personnel is relatively high.

Number of in-service employees in the parent company		66
Number of in-service employees in the major subsidiaries		2,992
Total number of in-service employees		3,058
Number of employees retired whose expenses are borne by the parent company and its major subsidiaries		9
Composition of professions		
Type of profession	Number of staff	
Production staff		1,146
Sales staff		77
Technical staff		863
Finance staff		105
Administrative staff		867
Total		3,058
Education level		
Type of education level	Number of employees	
Employees with a doctoral degree		4
Employees with a master's degree		392
Employees with a bachelor's degree		1,994
Junior college graduates and below		668
Total		3,058

CORPORATE GOVERNANCE, ENVIRONMENT AND SOCIETY

(II) Remuneration policy

1. *Human resources strategy*

Based on the overall strategic operational objectives in combination with the need in a changing business environment as well as the core business, the Group keeps improving the system and procedures of recruitment, human resources, training, remuneration, performance and labor relationship management, promoting the constant iteration and upgrading in human resources management system of the Group. To cope with the changes, the Group has improved and established an organizational structure and system that can keep pace with its rapid development, commits to formulate efficient business processes, and provides solid human resources support for the implementation of its business strategy.

2. *Remuneration and performance management*

During the Reporting Period, the Group adhered to the principle of "performance-oriented, objective management, and fairness, justice, and openness", fully utilized the incentive-oriented role of remuneration and performance, and steadily promoted the improvement of organizational performance of the Group's management units. Based on the Group's business development and keeping pace with market trends, the remuneration system was further improved with incentives as the goal. Guided by its strategies, the Group improved the incentive system and assessment indicators, focused its concerns on assessment procedures and results and continued to conduct performance evaluation for all staff.

3. *Recruitment management*

In order to realize the strategic development target, the Group has effectively ensured the optimal allocation of human resources and enhanced the systematisation and process orientation of its recruitment efforts. During the Reporting Period, the Group adopted a combination of internal and external recruitment based on the actual needs of its business development, actively innovated in talent acquisition channels, and introduced high-quality professional talents through means such as campus recruitment and market-based selection, thereby providing solid human resources support and assurance for the sustainable development of the Group's business. This not only offers greater career development opportunities for internal staff, but also focuses on attracting and recruiting outstanding talents with high professional expertise and advanced skills from outside the Group.

4. *Human resources development and management*

In 2025, adhering to the talent cultivation philosophy characterized by "serving corporate development, being result-oriented, and based on information systems", the Company summarized and formed a talent cultivation system primarily focusing on middle and senior management, high-potential reserves, general employees, and new employees, managed through demand-based classification, and actively promoted various talent cultivation and training programs within the Company.

5. *Staff relations management*

The Group regulates the labor usage and social insurance management in strict compliance with the relevant laws and regulations, including the Labor Law and the Labor Contract Law, to maximize the protection of legal rights and interests of employees. During the Reporting Period, the Group improved the social security welfare management, further advanced the Company's staff benefits system, arranged negotiations for the entering into of collective contracts and collective remuneration agreements, standardized the staff file management, clarified the approach to deal with labor relations to enable the continued maintenance of stable and harmonious labor relations.

(III) Training plan

During the Reporting Period, the Group kept pace with the times, innovated in practices, and constantly enriched and improved the featured talent cultivation system.

1. The Company organized and completed its 2025 Middle and Senior Management Leadership Training Program. The program was conducted in two sessions, with a total of 83 middle and senior managers participating. Guided by the principles of "precise empowerment and practical orientation", a four-dimensional curriculum system was established, covering "strategic vision, management empowerment, technological innovation, and practical application". The program integrated cutting-edge topics with hands-on teaching to make knowledge tangible and skills applicable. With a strong emphasis on integrating knowledge with action through practical application, classroom learning was extended to the front line to reinforce accountability. In line with this focus on strategic execution, new courses on cutting-edge topics such as AI empowerment and offshore wind power were introduced, complemented by on-site visits to the Caofeidian LNG and offshore wind power projects. These initiatives enabled managers to engage directly with frontline operations and practical scenarios, facilitating the transition from "understanding" to "execution" and enhancing the effectiveness of management. Work style development was embedded throughout the program as a core component, featuring activities such as discussions and debates, collaborative presentations, focused learning, and on-site observations, which showcased the enthusiasm and sense of accountability of the management team. The training not only strengthened capabilities but also re-energized commitment and reinforced organizational identity. It served to "recharge" the mind, "upgrade" capabilities, and "root" convictions.
2. The Company organized and completed its 2025 empowerment and enhancement training for heads of the human resources function, with a total of 38 participants. Centered on the theme "Empowering with Digital Intelligence, Reshaping the Talent Engine", the training adopted a variety of formats, including expert lectures, seminars and co-creation sessions, case studies, group-based instruction, point-based incentives, and pre-class activities. A core curriculum system covering four major modules was established, and experienced industry experts were invited to deliver lectures, comprehensively enhancing participants' professional competence and strategic vision. The training featured both innovation in delivery and practical effectiveness. In terms of teaching methodology, group discussions promoted cross-unit collaboration, point-based incentives fueled learning enthusiasm, and pre-class warm-up activities helped maintain engagement – multiple measures that effectively stimulated active participation. In terms of curriculum content, the training incorporated cutting-edge industry concepts such as AI empowerment and data-driven workforce efficiency, while also introducing benchmark practices such as talent development at ENN Group, achieving the integration of theoretical depth and practical value. A comprehensive evaluation was conducted through online questionnaires following the training. Based on participant feedback, directions for future training optimization were identified, providing strong support for the Company's transformation toward digital and intelligent human resources management.
3. The Company completed its 2025 Internal Trainer Training, with a total of 19 participants. The training was distinguished by four key features. Firstly, targeted focus: priority was given to outstanding internal trainers, who were guided to participate in premium course development and provided with advanced training opportunities. Secondly, cutting-edge content: the latest AI technologies were integrated into the instruction to ensure that the courses remained aligned with industry trends, helping participants master competitive skills. Thirdly, personalized coaching: a "dual-assistant" system was adopted to provide one-on-one supervision and dedicated support throughout the training process, enhancing learning absorption based on individual differences and maximizing effectiveness in large-scale empowerment. Fourthly, results application: courses that passed the evaluation were selected for inclusion in the premium course library, where they undergo full lifecycle management through the technical platform, forming an important knowledge repository and sharing platform for the Company.
4. The Company organized and completed its 2025 new employee induction training. The training was carefully designed around the needs of new employee integration and growth, taking into account differences in onboarding stages and covering key modules such as departmental orientation, business introduction, workplace safety, and professional competence enhancement. A variety of training formats were adopted, integrating classroom instruction, morning military drills, red-themed film screenings, growth dialogue sessions, and knowledge competitions, effectively enhancing participant engagement and interactive experience. The "Xinyuan Lecture Hall" internal trainer mechanism was continued, facilitating the transmission of corporate culture and skills. Through growth dialogue sessions, internal benchmark experiences were shared, inspiring a sense of initiative among new employees. The program followed a closed-loop approach of "learning, practice, and assessment", reinforcing knowledge absorption and application. In addition, visits to benchmark sites were arranged to strengthen new employees' sense of belonging, pride, and team identity, effectively accelerating their integration and career development. The Company also completed the selection and training of foreign language talents, enhancing communication and alignment with overseas business operations.

(IV) Labour outsourcing

☐ Applicable ☒ Not applicable

CORPORATE GOVERNANCE, ENVIRONMENT AND SOCIETY

VIII. PROPOSAL OF PROFIT DISTRIBUTION OR CAPITALISATION OF CAPITAL RESERVE

(I) Formulation, Implementation or Adjustment of Cash Dividend Policy

1. *Shareholder Dividend Return Plan for 2024-2026*

The main provisions of the "Resolution on the Shareholder Dividend Return Plan of the Company for the Next Three Years (2024-2026)" (the "Shareholder Dividend Return Plan of the Company for the Next Three Years (2024-2026)") considered and approved at the Company's general meeting on 7 June 2024 are as follows:

(1) Main factors considered by the Company in formulating this plan

Focusing on the development strategy during the planning period, based on a comprehensive analysis of factors such as industry characteristics, shareholder investment return requirements, social capital costs, external financing environment, and actual operating conditions, the Company makes reasonable institutional arrangements for profit distribution, establishes a continuous, stable, and scientific return plan and mechanism for investors, to ensure the continuity and stability of the profit distribution policy, effectively balancing reasonable investment returns for investors and the sustainable development of the Company.

(2) Basic principles of the Company's profit distribution policy

The Company adopts an active profit distribution policy and emphasizes on reasonable investment returns to investors. The profit distribution policy of the Company shall be consistent and stable, taking into account the long-term interests of the Company, the entire interests of Shareholders as a whole, and the sustainable development of the Company. The profit distribution shall be up to the distributable profit and shall not harm the Company's ability to continue as a going concern. In discussing and determining the profit distribution policy, the Board and the general meeting shall give full consideration to the opinions of independent directors and public investors.

(3) Shareholder Dividend Return Plan of the Company for the Next Three Years (2024-2026)

① Methods of profit distribution

The Company may distribute profit in cash, shares or in combination of both, and cash dividend shall take precedence in profit distribution.

② Condition and percentage of dividend distribution

Dividends may be distributed subject to the following conditions:

- i. the distributable profit realized by the Company (i.e. the profit after tax offsetting loss and allocating reserves) for the year is a positive value;
- ii. a standard auditor's report without qualified opinions has been issued by the auditors for the financial report of the Company for the year.

The Company may distribute profit in cash when it has realized profit but without uncovered loss, and there is sufficient cash for cash dividend distribution without affecting the normal operation of the Company. The profits distributed by the Company in the form of cash dividends every year shall not be less than 20% of the distributable profits attributable to the shareholders of the Company realized in that year; The distributable profit that has not been distributed for the year can be carried forward for distribution in subsequent years. The profit distribution by the Company shall not exceed the total distributable profit or affect the Company's sustainable operation ability.

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iii. Percentage and intervals of cash dividends

The Board shall propose differentiated cash dividend policies after taking into full consideration the characteristics of the industry in which the Company operates, its stage of development, business model, profitability and whether there are any arrangements for significant capital expenses:

- i.) If the Company is at mature stage and there are no arrangements for significant capital expenses, in making profit distribution, cash dividends shall account for at least 80% of the total profit to be distributed;
- ii.) If the Company is at mature stage and there are arrangements for significant capital expenses, in making profit distribution, cash dividends shall account for at least 40% of the total profit to be distributed;
- iii.) If the Company is at growth stage and there are arrangements for significant capital expenses, in making profit distribution, cash dividends shall account for at least 20% of the total profit to be distributed;
- iv.) If the stage of development of the Company is difficult to identify and there are arrangements for significant capital expenses, in making profit distribution, cash dividends shall account for at least 20% of the total profit to be distributed.

The "arrangements for significant capital expenses" above means that the proposed total expenses of the Company in investments, acquisition of assets or purchase of equipment and buildings for the next 12 months reach or exceed 20% of the latest audited net assets of the Company and are more than RMB50 million in absolute value.

In principle, the Company shall distribute dividends in cash each year following the approval at the annual general meeting, and the Board of the Company may propose interim cash dividends in view of the Company's profitability and capital needs.

(4) Procedures for reviewing the profit distribution plan of the Company

- ① The annual profit distribution proposal of the Company shall be raised and prepared by the Board of Directors in accordance with the requirements of the Articles of Association and in view of the profitability and capital supply and needs, which, subject to the consideration and approval by the Board, will be submitted to the general meeting for consideration and approval by the shareholders. Independent Directors may seek opinions from minority Shareholders, prepare and submit a distribution proposal directly to the Board for consideration.
- ② When considering the profit distribution plan at the general meeting, the shareholders shall be provided with the method of online voting, or the Board, independent directors and shareholders satisfying the relevant conditions may solicit voting proxy from shareholders, in particular the minority shareholders, in respect of the voting on the profit distribution proposal during the period from the date of equity registration for the shareholders' meeting to the date of the shareholders' meeting.
- ③ Subject to the conditions for cash dividends set out in the Articles of Association, if the Company is facing material investment opportunity, great prospects for investment, significant capital needs or other special circumstances, and the Company does not desire to implement the cash dividend proposal for the time being, the Board of the Company shall give specific explanation of the specific reason for no distribution of cash dividends, the purpose and plan of uses of funds that would otherwise be distributed as dividends and disclose the same in regular reports, which shall be proposed at the shareholders' meeting for consideration and shall be disclosed on the media designated by the Company.
- ④ If any adjustment or change to the policy for cash dividends of the Company is indeed necessary, they shall be made for the purpose of protecting the interests of the shareholders. The Board shall thoroughly discuss the rationale of the adjustment or change to the profit distribution plan and adopt it as a resolution before submission to the shareholders' meeting for consideration. When being considered at the shareholders' meeting, it shall be approved by more than 2/3 voting rights held by Shareholders attending the shareholders' meeting.

2. *Explanation on the 2025 profit distribution plan*

In 2025, the net profit of the Company attributable to shareholders of the parent company in the audited consolidated statements was RMB1,826,333,548.28, and the undistributed profits as at the end of the period in the parent company's financial statements were RMB5,779,557,768.17. The Company proposes to distribute a cash dividend of RMB0.20 (tax inclusive) per share, and based on the total number of issued shares of the Company on the date of the Board meeting at which the 2025 profit distribution plan was approved, being 4,512,693,073 shares, the total cash dividend will amount to RMB902,538,614.60 (tax inclusive). The balance of the undistributed profits of the Company will be carried forward to the next year. The total cash dividend proposed in the plan accounts for 49.42% of the net profit attributable to shareholders of the parent company in the Company's consolidated statements for 2025.

Should there be any change to the total share capital of the Company before the date of equity registration for the implementation of the interest distribution, the Company intends to keep the distribution amount per share unchanged and make corresponding adjustment to the total distribution amount and will make further announcement on the particulars of the adjustment.

The above profit distribution plan is subject to consideration and approval at the 2025 annual general meeting of the Company.

3. *Policies of withholding and exemption of dividend income tax*

In accordance with the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法》) and its implementation rules effective on 1 January 2008, where a PRC domestic enterprise distributes dividends for financial periods beginning from 1 January 2008 to non-resident enterprise shareholders, it is required to withhold 10% enterprise income tax for such non-resident enterprise shareholders. Therefore, as a PRC domestic enterprise, the Company will, after withholding 10% of final dividends as enterprise income tax, distribute the final dividends to non-resident enterprise shareholders, i.e. any shareholders who holds the Company's shares in the name of non-individual shareholders, including but not limited to HKSCC Nominees Limited, other nominees, trustees, or shareholder of H shares registered in the name of other organizations and groups.

Due to changes in the PRC tax laws and regulations, according to the Announcement on the List of Fully and Partially Invalid and Repealed Tax Regulatory Documents issued by the State Taxation Administration on 4 January 2011, individual shareholder who hold the Company's H shares and whose names appeared on the H Share Register of the Company can no longer be exempted from individual income tax pursuant to the Notice on Matters Concerning the Taxation of Gains on Transfer and Dividends from Shares (Equities) Received by Foreign Investment Enterprises, Foreign Enterprises and Foreign Individuals (Guo Shui Fa [1993] No. 045) issued by the State Taxation Administration, whilst pursuant to the letter titled Tax Arrangements on Dividends Paid to Hong Kong Residents by Mainland Companies issued by the Hong Kong Stock Exchange to the issuers on 4 July 2011 and the Notice on Matters Concerning the Levy and Administration of Individual Income Tax after the Repeal of Guo Shui Fa [1993] No. 045 of State Administration of Taxation (Guo Shui Han [2011] No. 348), it is confirmed that the overseas resident individual shareholders holding shares of domestic non-foreign invested enterprises issued in Hong Kong are entitled to the relevant preferential tax treatments pursuant to the provisions in the tax arrangements between the countries where they reside and the PRC or the tax arrangements between the PRC and Hong Kong (Macau). Therefore, the Company will withhold 10% of the dividend as individual income tax; unless it is otherwise specified in the relevant tax regulations and tax agreements, in which case the Company will withhold individual income tax of such dividends in accordance with the tax rates and the relevant procedures as specified by the relevant regulations.

Subject to the approval of the 2025 profit distribution plan at the annual general meeting, the Company shall distribute cash dividends within two months upon conclusion of the annual general meeting in accordance with the Articles of Association.

The Company will determine the resident status of shareholders of H shares based on their registered addresses as recorded in the register of members of the Company on the record date for dividend payment. The Company will neither take any responsibility for nor entertain any claims or disputes regarding the withholding and payment arrangements due to the failure of timely or accurate determination of identity of shareholders. Shareholders should consult their tax advisers regarding the PRC, Hong Kong and other tax implications of owning and disposing of the H shares of the Company.

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(II) Specific explanation on the policy of cash dividends

Whether it complies with the provisions of the Articles of Association or the requirements of resolutions of the general meetings	√ Yes	☐ No
Whether the criteria and percentage of dividend distribution are clear and unambiguous	√ Yes	☐ No
Whether the relevant decision-making procedures and mechanisms are comprehensive	√ Yes	☐ No
Whether the independent Directors have performed their duties and responsibilities and properly played their roles	√ Yes	☐ No
Whether the minority shareholders have been provided adequate opportunities to express their opinions and needs, and whether their legitimate rights and interests have been adequately safeguarded	√ Yes	☐ No

(III) Provided that the Company recorded profits and the parent company's profits distributable to shareholders were positive, but no plan for distribution of profits by cash was proposed during the Reporting Period, the Company shall disclose in detail the reasons therefor and the use and plan of use of the undistributed profits

☐ Applicable ☒ Not applicable

(IV) Proposals for profit distribution and capital reserve conversion during the Reporting Period

Unit: Yuan Currency: RMB

Number of bonus shares for every 10 shares (share)	0
Dividends for every 10 shares (RMB) (tax inclusive)	2.00
Number of capitalisation shares for every 10 shares (share)	0
Amount of cash dividends (tax inclusive)	902,538,614.60
Net profit attributable to ordinary shareholders of the listed company in the consolidated statements	1,826,333,548.28
Ratio of the cash dividend amount to the net profit attributable to ordinary shareholders of the listed company in the consolidated statements (%)	49.42
Amount included in cash dividends in the form of repurchasing shares in cash	0
Total cash dividends (tax inclusive)	902,538,614.60
Ratio of the total dividend amount to the net profit attributable to ordinary shareholders of listed companies in the consolidated statements (%)	49.42

(V) Cash dividend distribution for the last three fiscal years

Unit: Yuan Currency: RMB

Accumulated cash dividend amount for the last three fiscal years (tax inclusive) (1)	2,685,752,477.55
Accumulated amount of shares repurchased and cancelled in the last three fiscal years (2)	0
Accumulated amount of cash dividends and shares repurchased and cancelled in the last three fiscal years (3)=(1)+(2)	2,685,752,477.55
Average annual net profit amount for the last three fiscal years (4)	1,902,058,033.15
Cash dividend ratio for the last three fiscal years (%) (5)=(3)/(4)	141.20
Net profit attributable to ordinary shareholders of the listed company in the consolidated statements for the latest fiscal year	1,826,333,548.28
Undistributed profit at the end of the year in the parent company's statements for the latest fiscal year	5,779,557,768.17

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IX. SHARE OPTION INCENTIVE SCHEME, EMPLOYEE STOCK OWNERSHIP SCHEME AND OTHER INCENTIVE MEASURES OF THE COMPANY AND THE IMPACTS THEREOF

(I) Relevant share incentive events which have been published in interim announcements and without further progress or changes in subsequent implementation

Summary of events	Enquiry index
The Company's 2023 Restricted A Share Incentive Scheme was approved by the State-owned Assets Supervision and Administration Commission of the People's Government of Hebei Province	For details, please refer to the relevant announcements of the Company dated 31 January 2024 and 1 February 2024 disclosed on the websites of the Hong Kong Stock Exchange and the SSE.
The Company conducted a self-inspection on the trading of the Company's shares by insiders and participants of the 2023 Restricted A Share Incentive Scheme within the 6 months prior to the initial public disclosure of the incentive scheme. No instances were found where insiders or participants utilized inside information related to this incentive scheme to trade the Company's shares, nor were any instances of leakage of inside information related to this incentive scheme discovered.	For details, please refer to the relevant announcements of the Company dated 28 February 2024 and 29 February 2024 disclosed on the websites of the Hong Kong Stock Exchange and the SSE.
The Company adjusted the list of participants and the number of incentive shares for the 2023 Restricted A Share Incentive Scheme. After this adjustment, the number of participants was adjusted from 232 to 225; The total incentive amount was adjusted from 19.28 million shares to 18.60 million shares.	For details, please refer to the relevant announcements of the Company dated 26 April 2024 and 27 April 2024 disclosed on the websites of the Hong Kong Stock Exchange and the SSE.
The Company designated 26 April 2024 as the grant date for the restricted shares under the 2023 Restricted A Share Incentive Scheme, granting a total of 18.60 million restricted shares to 225 eligible participants at a grant price of RMB4.10 per share.	
The Company completed the registration of the grant of restricted shares under the 2023 Restricted A Share Incentive Scheme at the Shanghai Branch of China Securities Depository and Clearing Corporation Limited (CSDC) on 14 May 2024.	For details, please refer to the relevant announcements of the Company dated 15 May 2024 and 16 May 2024 disclosed on the websites of the Hong Kong Stock Exchange and the SSE.

Summary of Suntien Green Energy's 2023 Restricted A Share Incentive Scheme(Adjusted) of the Company is as follows:

1. Purpose of this incentive scheme

The aim is to further establish and improve the Company's long-acting incentive mechanism, attract and retain outstanding talents, fully mobilize the enthusiasm of its Directors, senior management and other key personnel, effectively combine the interests of shareholders, the Company and operators, and focus on the long-term development of the Company.

2. Scope of the participants

There are 225 participants under the incentive scheme, including Directors, senior managers (excluding independent Directors, external Directors and former supervisors), key technical and business personnel of the Company. Among such participants, Directors and senior managers must be elected by shareholders' general meetings or appointed by the board of directors of the Company. The participants under the incentive scheme excludes external Directors, independent Directors, former supervisors and shareholders or the de facto controller who individually or collectively hold more than 5% of the Company's shares, as well as their spouses, parents and children. All participants must have an employment relationship or hold a position with the Company or its holding subsidiary during the appraisal period of the scheme.

3. Number of underlying shares

The number of restricted shares granted under the scheme was 18.60 million shares, accounting for approximately 0.44% of the Company's total share capital of 4,187.0931 million shares on the announcement date of the draft of this incentive scheme.

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4. *Maximum entitlement per participant*

None of the incentive participants has been granted through valid incentive schemes more than 1% of the Company's total share capital at the time the scheme is submitted to the general meeting.

5. *Lock-up periods*

Restricted shares granted under the scheme are subject to a 24-month, 36-month, or 48-month lock-up period from the date of completion of registration of the grant.

6. *Unlocking periods*

Unlocking arrangements	Unlocking schedule	Proportion of the Restricted Shares Unlocked
First Unlocking Period	Commencing from the first trading day upon the expiry of 24 months from the date of the completion of registration of the restricted shares to the last trading day upon the expiry of 36 months from the date of the completion of registration of the restricted shares	33%
Second Unlocking Period	Commencing from the first trading day upon the expiry of 36 months from the date of the completion of registration of the restricted shares to the last trading day upon the expiry of 48 months from the date of the completion of registration of the restricted shares	33%
Third Unlocking Period	Commencing from the first trading day upon the expiry of 48 months from the date of the completion of registration of the restricted shares to the last trading day upon the expiry of 60 months from the date of the completion of registration of the restricted shares	34%

7. *Grant price*

The grant price of the restricted shares granted under the incentive scheme is RMB4.10 per share, which means that after the the conditions for the grant are satisfied, the incentive participants may purchase additional restricted shares to be issued by the Company to the participants at a price of RMB4.10 per share.

8. *Method of determining the grant price*

The grant price of the restricted shares granted under the scheme is determined in accordance with fair market value principle and is not less than the higher of the following prices:

- (I) 50% of the average trading price of the Company's underlying shares for the one trading day prior to the announcement of the draft of the scheme;
- (II) 50% of one of the average trading prices of the Company's underlying shares for the 20 trading days, 60 trading days, or 120 trading days prior to the announcement of the draft of the scheme.

Based on the above pricing principle, the grant price of the restricted shares granted under the scheme was RMB4.10 per share.

9. *Remaining validity period of the scheme*

The validity period of the scheme shall commence on the date of completion of the registration of the grant of restricted shares and end on the date on which all restricted shares granted to the participants are released from restriction or repurchased and canceled, and shall not exceed a maximum of 60 months. The validity period is from 14 May 2024 to 13 May 2029.

10. Performance appraisal targets

(1) Company-level performance appraisal requirements

During the three accounting years in period for unlocking the restricted shares granted under the incentive scheme, annual appraisal shall be conducted in each accounting year for the participants to achieve the Company's performance appraisal targets as the conditions to unlock the restricted shares.

Performance conditions for unlocking the restricted shares granted under the scheme are:

Unlocking period	Performance appraisal conditions
First unlocking period	1. The growth rate of operating revenue for 2024 as compared to that for 2022 shall not be lower than 25.44% as well as the industry average level; 2. Earnings per share for 2024 shall be no less than RMB0.60 per share and no less than the industry average level; 3. Revenue from principal businesses for 2024 shall account for no less than 90% of operating revenue.
Second unlocking period	1. The growth rate of operating revenue for 2025 as compared to that for 2022 shall not be lower than 41.12% as well as the industry average level; 2. Earnings per share for 2025 shall be no less than RMB0.66 per share and no less than the industry average level; 3. Revenue from principal businesses for 2025 shall account for no less than 90% of operating revenue.
Third unlocking period	1. The growth rate of operating revenue for 2026 as compared to that for 2022 shall not be lower than 60.17% as well as the industry average level; 2. Earnings per share for 2026 shall be no less than RMB0.72 per share and no less than the industry average level; 3. Revenue from principal businesses for 2026 shall account for no less than 90% of operating revenue.

Notes: ① All A-share listed companies in the same industry under the classification of "Electricity" are selected according to the results of SWS Industry Classification. In the annual appraisal process of the sample of peer enterprises, if there is any significant change in the industry in which the main business belongs to or a major asset reorganisation resulting in significant changes in operating results that need to be adjusted, it will be removed by the Board of the Company in the year-end appraisal, and the same applies hereinafter.

② Earnings per share refer to the ratio of the net profits attributable to shareholders of the Company (excluding the effect of share-based payments) to the total share capital of the Company. During the validity period of the incentive scheme, in the event that the Company incurs any matters affecting the number of the Company's total share capital, such as capitalization issue, bonus issue, share placement, conversion of debt to shares, the total number of the Company's share capital involved will not be adjusted, and the total number of the Company's share capital as at the end of 2022 will be used as the basis for calculation, and the same applies hereinafter.

If the Company's performance appraisal targets for a particular unlocking period of the restricted shares are not met, all the restricted shares of the participants for that period shall not be unlocked and shall be repurchased by the Company for cancellation at the lower of the grant price or the market price of A shares of the Company at the time of repurchase.

(2) Individual-level assessment

Individual appraisal of a participant is conducted on an annual basis in accordance with the "Administrative Measures for Appraisal for Implementation of the 2023 Restricted A Share Incentive Scheme", and the appraisal results are determined in accordance with the individual's performance appraisal indicators. In principle, the performance appraisal results are categorized into four grades, namely Excellent, Good, Pass and Fail. The actual number of restricted shares to be unlocked for the participants will then be determined based on the corresponding individual-level unlocking ratio in the following appraisal and evaluation table.

Appraisal result	Excellent	Good	Pass	Fail
Unlocking ratio	1.0		0.7	0

On the premise of meeting the Company's performance appraisal targets, the actual number of shares that can be unlocked in each year for each participant = the number of shares that can be unlocked under the scheme for such participant in that year × the unlocking ratio corresponding to the individual performance appraisal result.

Restricted shares that cannot be unlocked in the current period due to the results of the individual's performance appraisal shall not be deferred to the period that follows and shall be repurchased by the Company for cancellation at the lower of the grant price or market price of the A shares of the Company at the time of repurchase.

CORPORATE GOVERNANCE, ENVIRONMENT AND SOCIETY

11. Fair value of the 2023 Restricted A Share Incentive Scheme at the grant date and accounting standards and policies adopted

In accordance with the Accounting Standards for Business Enterprises No. 11 – Share-based Payment, the Company will revise the estimated number of restricted shares that may be unlocked at each balance sheet date during the lock-up period based on the latest available information on changes in the number of participants whose shares may be unlocked, achievement of performance targets and other subsequent information, and will recognize the services obtained during the period as relevant costs or expenses and capital surplus based on the fair value of the restricted shares at the grant date.

The total cost of the restricted shares granted under the scheme was estimated to be RMB84.8160 million. The effect of the restricted shares granted under the scheme on the accounting cost for each period is shown in the table below:

Unit: '0,000 Yuan

Incentive cost	2024	2025	2026	2027	2028
8,481.60	2,035.58	3,053.38	2,120.40	1,031.93	240.31

According to the preliminary estimate based on currently available information, the Company is of view that the amortization of expenses on restricted shares, without taking into account the stimulus effect of the scheme on the Company's performance, will have an impact on net profit each year during the validity period, but the impact will not be significant. Taking into account the positive effect of the scheme on the Company's growth, including motivating the management team, improving operational efficiency and reducing agent costs, the improvement in the Company's performance due to the scheme will far outweigh the increase in expenses.

(II) As at the end of the Reporting Period, the Company's grant of Restricted Shares is as follows:

Name	Position	Number of restricted shares held as at 1 January 2025 (shares)	Number of restricted shares granted during 2025 (shares)	Number of restricted shares held as at 31 December 2025 (shares)	Unlocked shares (shares)	Locked shares (shares)	Grant price of restricted shares (RMB)	Grant date	Closing price of shares on the trading day before the grant date (RMB)
Directors									
Li Lian Ping	Non-executive Director	200,000	0	200,000	0	200,000	4.10	26 April 2024	8.71
Tan Jian Xin	Executive Director and President	200,000	0	200,000	0	200,000	4.10	26 April 2024	8.71
Sub-total	/	400,000	0	400,000	0	400,000	/	/	/
Employees (including senior management members)									
Lu Yang	Vice President	200,000	0	200,000	0	200,000	4.10	26 April 2024	8.71
Lu Sheng Xin	Vice President	200,000	0	200,000	0	200,000	4.10	26 April 2024	8.71
Ban Ze Feng (Resigned after the Reporting Period)	Vice President and Secretary to the Board	200,000	0	200,000	0	200,000	4.10	26 April 2024	8.71
Liu Tao	Chief accountant	80,000	0	80,000	0	80,000	4.10	26 April 2024	8.71
Guo Yan Xun	Vice President	80,000	0	80,000	0	80,000	4.10	26 April 2024	8.71
Wang Xue Qing (Appointed after the Reporting Period)	Secretary to the Board	80,000	0	80,000	0	80,000	4.10	26 April 2024	8.71
Other participants (217 in total)	Employees of the Group	17,440,000	0	17,440,000	0	17,440,000	4.10	26 April 2024	8.71
Sub-total	/	18,200,000	0	18,200,000	0	18,200,000	/	/	/
Total	/	18,600,000	0	18,600,000	0	18,600,000	/	/	/

All of the restricted A shares available for grant under the 2023 Restricted A Share Incentive Scheme were granted on 26 April 2024. All restricted A shares granted during 2024 represented approximately 0.79% of the weighted average number of A shares of the Company during 2024. As of 1 January 2025 and 31 December 2025, respectively, no restricted A shares could be granted thereunder. As of the disclosure date of this annual report, the number of shares that may be issued under the 2023 A Share Restricted Stock Incentive Scheme was nil.

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(III) Incentives not disclosed in interim announcements or with subsequent development

Equity incentive

☐ Applicable ☒ Not applicable

Other explanations:

☐ Applicable ☒ Not applicable

Employee share ownership plan

☐ Applicable ☒ Not applicable

Other incentive measures

☐ Applicable ☒ Not applicable

(IV) Equity incentives granted to Directors and senior management during the Reporting Period

☐ Applicable ☒ Not applicable

(V) Establishment and implementation of evaluation and incentive mechanisms for senior management during the Reporting Period

☐ Applicable ☒ Not applicable

X. ESTABLISHMENT AND IMPLEMENTATION OF INTERNAL CONTROL SYSTEM DURING THE REPORTING PERIOD

During the Reporting Period, the Company strictly followed the internal control management requirements of the CSRC and the Shanghai Stock Exchange, and established a sound internal control management system in accordance with the provisions of the Company Law and the Articles of Association. Combining industry characteristics and actual business operations, the Company continuously updated and optimized its internal control system, improved the efficiency of corporate decision-making, provided safeguards for the legal compliance of business operations and management and asset security, and effectively promoted the steady implementation of the Company's strategy.

The structure of the Company's internal control system is reasonable, and the internal control system complies with the requirements of the five ministries and commissions, including the Ministry of Finance and the CSRC, regarding the integrity, reasonableness, and effectiveness of the internal control system, and is able to meet the needs of the Company's management and development. The Company has constantly improved its internal control system and its internal control mechanism is effective in achieving the expected objectives of internal control, safeguarding the interests of the Company and its shareholders as a whole.

Management has reviewed the issuer's risk management and internal control systems and the Board considers these systems to be effective and adequate. No major concerns were identified in the scope of the review.

Explanation on the material defects on internal control during the Reporting Period

☐ Applicable ☒ Not applicable

XI. MANAGEMENT AND CONTROL OF SUBSIDIARIES DURING THE REPORTING PERIOD

☐ Applicable ☒ Not applicable

Risk warning regarding abnormalities in the management and control over subsidiaries

☐ Applicable ☒ Not applicable

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XII. RELEVANT EXPLANATIONS ON THE AUDIT REPORT OF INTERNAL CONTROL

Ernst & Young Hua Ming LLP has been engaged by the Company to conduct an independent audit on the effectiveness of the Company's internal control over financial reporting for the year 2025 and issued an audit report of internal control with standard unqualified opinions. For details of the audit report of internal control, please refer to the relevant report published by the Company on the website of the Shanghai Stock Exchange (www.sse.com.cn) on the same day.

Whether the audit report of internal control has been disclosed: Yes

Type of opinions of the audit report of internal control: Standard unqualified opinions

XIII. RECTIFICATION OF ISSUES IDENTIFIED IN SELF-INSPECTION FOR SPECIAL ACTION ON GOVERNANCE OF LISTED COMPANIES

Not applicable.

XIV. ENVIRONMENTAL INFORMATION OF LISTED COMPANIES AND THEIR MAJOR SUBSIDIARIES ON THE LIST OF ENTERPRISES REQUIRED TO DISCLOSE ENVIRONMENTAL INFORMATION BY LAW

☐ Applicable ☒ Not applicable

Other explanations

☐ Applicable ☒ Not applicable

XV. SOCIAL RESPONSIBILITY COMMITMENTS

(I) Whether to disclose a separate social responsibility report, sustainability report or ESG report

For details, please refer to the "2025 Sustainability Report" disclosed by the Company on the website of the Shanghai Stock Exchange.

(II) Specific information on social responsibility commitments

External donations and public welfare items	Quantity/Content	Explanation
Total Investment (RMB'0,000)	132	
Including: Funds (RMB'0,000)	132	Designated Donation for Post-Disaster Reconstruction of Mipu Village, Shangshidong Township, Xinglong County, Chengde City
Value of materials contributed (RMB'0,000)		
Number of people benefited (persons)		

Specific Description

To thoroughly implement the Xi Jinping Thought on Ecological Civilization and practice the green development concept that "lucid waters and lush mountains are invaluable assets", on 11 March, on the eve of the 47th National Tree Planting Day, the Company, together with its subsidiaries including HECIC New Energy, Hebei Natural Gas and Hebei Gas, organized volunteers to go to Xiaobi Forest Farm in Shijiazhuang to carry out a tree-planting activity themed "Fulfilling Tree-Planting Obligations, Building a Beautiful China Together", contributing to the construction of ecological civilization through practical actions.

To promote the spirit of selfless dedication and demonstrate its commitment to corporate social responsibility, on 19 September, the Group organized a blood donation activity themed "Blood Extends Life, Love Warms the World". Employees of the Group actively responded to the call and enthusiastically participated, demonstrating their care for society and spirit of selfless dedication through the act of voluntary blood donation.

HECIC New Energy, together with the Management Committee of Dongshan Industrial Cluster Area in Zhangjiakou City, carried out a "Learning from Lei Feng" traffic guidance volunteer service activity, practicing the Lei Feng spirit through practical actions.

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Hebei Natural Gas carried out a gas safety awareness volunteer service activity themed "Volunteer Service Promotes New Trends, I Inherit the Lei Feng Spirit", inheriting the Lei Feng spirit through practical actions and safeguarding residents' gas safety. Focusing on the World Environment Day on 5 June, the Group continued to carry out its brand project for practicing ecological civilization for the third consecutive year – the "Go to the Riverside, Watch Over the Mother River" Lei Feng-themed activity.

Offshore Wind Power Company practiced the concept of ecological protection and social responsibility. On the one hand, leveraging the Party member volunteer service base at the Daqing River Salt Field Bird Rescue Station, it organized Party members and young employees to carry out bird protection activities ("Flying Escort Action"), effectively protecting wildlife and the surrounding ecological environment. On the other hand, it actively engaged in public welfare assistance, continuously carried out assistance work for students in difficulty, helping underprivileged students pursue their dreams. Additionally, it organized Party members and young employees to go to Fengzhuang Middle School in Zhenzi Town, Tangshan to carry out electricity safety awareness volunteer service activities, demonstrating the social responsibility of state-owned enterprises through practical actions.

On 3 March 2025, Caofeidian Company went to the New Era Civilization Practice Station of Binhai Street Community Neighborhood Committee in Tanghai Town to carry out the launching ceremony of the "Learn from Lei Feng • I Act in Civilized Practice" activity and the themed activity of the New Era Neighborhood Festival, participating in volunteer service activities such as health consultations, legal advice, civilized practice promotion, transformation of outdated customs, and internet civilization promotion, interpreting the Lei Feng spirit through practical actions and spreading positive social energy.

In July 2025, Xinglong County in Chengde City experienced the most severe flood disaster since the county's establishment in 1930, affecting 20 townships, 281 villages and 86,700 people across the county, with direct economic losses exceeding RMB6 billion. At this critical moment, Hebei Fengning HCIG New-energy Co., Ltd. responded promptly, providing paired assistance to Mipu Village in Shangshidong Township at the first opportunity, promptly visiting the village to understand the progress and needs of rescue and disaster relief efforts, jointly planning assistance plans with municipal and county paired assistance units and township and village officials, and donating RMB1.32 million for post-disaster reconstruction. Mipu Village quickly restored damaged roads, dredged river channels and removed silt, and cleared garbage, greatly improving the post-disaster appearance and laying a solid foundation for villagers to resume normal production and living as soon as possible.

XVI. DETAILS OF CONSOLIDATING AND DEVELOPING THE ACHIEVEMENTS IN POVERTY ALLEVIATION BATTLE AND RURAL REVITALIZATION

Specific Description

In 2025, the Company's resident work team in Leguo Village, Huangqi Town, thoroughly studied and implemented the spirit of General Secretary Xi Jinping's important speeches and instructions on village-based work, and fully implemented the decisions and arrangements made by the central, provincial, municipal, and county levels regarding the effective integration of the achievements of poverty alleviation with rural revitalization. The Company focused on the five responsibilities of the village work team, including "publicizing Party policies, strengthening village Party organizations, promoting prosperous villages and enriching people, improving governance, and serving the people." These efforts aimed to vigorously promote the development of agricultural industries, improve the rural landscape, enhance governance capabilities in Leguo Village, and accelerate rural revitalization while consolidating the achievements of poverty alleviation.

First, strengthening the bottom line against falling back into poverty and consolidating the achievements of poverty alleviation. Relying on the "grid-based management + big data" monitoring mechanism, the resident work team conducted monthly screening of key populations such as households that are unstable in their poverty alleviation status, established assistance ledgers, coordinated with industry departments to implement risk intervention measures, eliminated poverty prevention monitoring households, effectively prevented the risk of falling back into or into poverty, and ensured that the entire village had no hidden risks in terms of the "three guarantees" as well as housing and drinking water safety.

Second, conducting thorough household visits and screening efforts, and implementing targeted measures to ensure income growth. In accordance with the requirement of "no household missed in the village, no person missed in the household", the resident work team focused on the "two assurances and three guarantees" (assurances for food and clothing, and guarantees for compulsory education, basic medical care and housing safety) to screen the production and living conditions of the masses, accurately identifying difficulties and problems. Targeted assistance was implemented: employment assistance was provided to families with working capacity, projects such as courtyard economy were developed for families with weak working capacity to drive income growth, and subsistence policies were implemented for families without working capacity to ensure full coverage.

Third, promoting the work of prospering villages and enriching the people in a deep and practical manner. The resident work team expanded the collective economy by revitalizing the collective assets and resources of the village, and broadened income channels through means such as land transfer, share dividends and photovoltaic power generation. Infrastructure projects such as road hardening, geological disaster control and power grid renovation were advanced. During the flood season, the team took the lead in responding and properly handled incidents involving dangerous houses.

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Fourth, conducting policy outreach to disseminate messages beneficial to the people. The resident work team conducted household visits to promote policies beneficial to the people, such as industrial subsidies, microcredit, medical care and elderly care, ensuring that every household had a policy "knowledgeable person" and every individual had a "clear account". Concurrently, safety laws and regulations were promoted to enhance the safety awareness of the masses.

Fifth, carrying out services for the people. The resident work team conducted Spring Festival visits and distributed gifts such as rice and cooking oil to some poverty-alleviated households. The team cooperated in carrying out spring forest protection and fire prevention efforts. Subsidies for land transfer were applied for villagers. Throughout the year, the team assisted elderly farmers in handling daily matters such as pension certification and property rights confirmation document issuance.

Sixth, strengthening Party building with concerted efforts and leveraging Party building leadership to promote revitalization. The resident work team assisted the village Party branch in implementing organizational activities such as the "Three Meetings and One Lesson" (Party member meetings, Party committee meetings, Party group meetings, and Party lectures) and themed Party days, and carried out a series of activities to celebrate the 104th anniversary of the founding of the Communist Party of China, including studying documents, watching educational and cautionary videos, renewing the oath to the Party, and delivering Party lectures, thereby consolidating the building of the leadership team.

In the future, the Company will continue to follow the important remarks of General Secretary Xi Jinping on the strategy of rural revitalization, take political responsibility, demonstrate the commitment of state-owned enterprises, and deeply implement the requirements of "four non-removals", so as to continuously consolidate and enhance the effect and result of poverty alleviation, enable the villages receiving assistance to drive sustainable internal motivation, and lay a solid foundation for rural revitalization.

XVII. OTHERS

☐ Applicable ☒ Not applicable

CORPORATE GOVERNANCE REPORT

I. BOARD COMMITTEES

During the Reporting Period, the Board had performed corporate governance functions of regularly review of corporate governance policies and practices, review of compliance with the Corporate Governance Code and the disclosure of Corporate Governance Report, review and oversight trainings of Directors and the senior management, review and oversight the Company's compliance with laws and relevant policies and regulations.

The Board has established four committees, namely, the Audit Committee, the Remuneration and Appraisal Committee, the Nomination Committee and the Strategic and Investment Committee. The Company has formulated the terms of reference of each Board committee.

1. Audit Committee

During the period from 1 January 2025 to 25 July 2025, the Audit Committee of the fifth session of the Board consisted of three Directors, namely Mr. Chan Yik Pun (an independent non-executive Director) who served as the chairman of the Audit Committee, and Mr. Qin Gang (a non-executive Director) and Mr. Guo Ying Jun (an independent non-executive Director) each of whom served as a member of the Audit Committee.

During the period from 25 July 2025 to the end of the Reporting Period, the Audit Committee of the sixth session of the Board consisted of five Directors, with Mr. Chan Yik Pun (an independent non-executive Director) serving as the chairman of the Audit Committee, and Mr. Qin Gang (a non-executive Director), Dr. Zhang Xu Lei (a non-executive Director), Dr. Yang Jing Lei (an independent non-executive Director) and Mr. Liu Bin (an independent non-executive Director) serving as members of the Audit Committee.

Pursuant to the Terms of Reference of the Audit Committee of the Company, the major responsibilities of the Audit Committee are: to review the principal financial control objectives, to supervise the implementation of financial and accounting regulations, to consider and review financial control, risk management and internal control system as well as the aims of such control measures, to consider the Company's annual internal audit plan, to ensure communication between the internal audit department and external audit institution and coordination is made, to review the financial information of the Company and its disclosure, independently review and make recommendations on the integrity of the financial statements, annual and half-year reports and quarterly reports (if proposed to be published), and significant financial reporting judgements made towards any relevant financial information. For details of the terms of reference of the Audit Committee of the Company, please refer to the Company's announcement on the website of the Hong Kong Stock Exchange.

The Board and the Audit Committee are in consensus on the selection, appointment or dismissal of external auditors or the resignation of auditors. During the Reporting Period, the Audit Committee convened seven meetings, at which the following resolutions were respectively reviewed and approved:

- (1) On 25 March 2025, the following resolutions were considered and approved by the fifth session of the Audit Committee of the Board: the Resolution on the Audit Results of the Company in 2024, the Resolution on the Internal Audit Plan of the Company for the Year 2025, the Resolution on the Consideration of Special Audit Reports on Proceeds and Guarantees for the Second Half of 2024, the Resolution on the Company's Assessment Report on the Performance of the Accounting Firm in 2024, the Resolution on the Company's Audit Committee's Report on the Supervision Duties Performed by the Accounting Firm in 2024, the Resolution on the 2024 Annual Report of the Company, the Resolution on the Internal Control Assessment Report of the Company for the Year 2024, the Resolution on the Performance Report of Audit Committee of the Company for 2024, the Resolution on the 2024 Internal Audit and Risk Management Work Report of the Company, the Resolution on the 2024 Financial Final Accounts Report of the Company, the Resolution on the Description of the Operations and Financing of the Company for the Year 2025, the Resolution on Provision for Asset Impairment of the Company for the Year 2024, the Resolution on the Proposal of the 2024 Profit Distribution of the Company, the Resolution on the Appointment of the Auditing Agency the Company for 2025, the Resolution on the Consideration of the Annual Hedging Business Plan of Subsidiaries and the Approval of the Hedging Business Qualification of Subsidiaries, and the Resolution on the Feasibility Analysis Report on the Conduct of Foreign Exchange Hedging Business by Subsidiaries.
- (2) On 29 April 2025, the following resolutions were considered and approved by the fifth session of the Audit Committee of the Board: Resolution on the Company's 2025 First Quarterly Report.
- (3) On 25 July 2025, the following resolutions were considered and approved by the sixth session of the Audit Committee of the Board: Resolution on Appointing Mr. Liu Tao as the Company's Chief Accountant.

- (4) On 26 August 2025, the Audit Committee of the sixth session of the Board listened to the report on the 2025 interim agreed-upon procedures results of the Company from Ernst & Young Hua Ming LLP (Special General Partnership), agreed to the relevant content of the report, and considered and approved the Resolution on Reviewing the Company's Interim Results Announcement, Interim Report, 2025 Interim Report Summary and Report for the period ended 30 June 2025 and the Resolution on Reviewing the Special Audit Report on Proceeds, Guarantees and Other Matters for the First Half of 2025.
- (5) On 27 August 2025, the Audit Committee of the sixth session of the Board considered and approved the Resolution on the 2025 Proposed Issuance of H Shares by the Company to Targeted Investors.
- (6) On 30 October 2025, the Resolution on Reviewing the Company's 2025 Third Quarterly Report was considered and approved by the sixth session of the Audit Committee of the Board.
- (7) On 10 December 2025, the sixth session of the Audit Committee of the Board received a report from Ernst & Young Hua Ming LLP (Special General Partnership) regarding the Company's 2025 audit plan and agreed with the relevant contents of the report.

All members of the Audit Committee attended the above meetings. At these meetings, they discussed and passed the relevant resolutions. The Audit Committee has reviewed the effectiveness of the internal control policy of the Company on 31 December 2025 and the risk management and internal control system of the Company. During the Reporting Period, the Audit Committee considered that the internal audit and risk management functions of the Company were reasonable, effective and sufficient.

The Audit Committee is responsible for supervising the Audit Department to perform the audit and risk management functions and is responsible for the independent review of the adequacy and effectiveness of the Group's internal control and risk management system.

2. Remuneration and Appraisal Committee

During the period from 1 January 2025 to 25 July 2025, the Remuneration and Appraisal Committee of the fifth session of the Board consisted of five Directors, namely Dr. Lin Tao (an independent non-executive Director) who served as the chairman of the Remuneration and Appraisal Committee, and Dr. Cao Xin (Chairman of the Board and a non-executive Director), Mr. Qin Gang (a non-executive Director), Mr. Guo Ying Jun (an independent non-executive Director) and Mr. Chan Yik Pun (an independent non-executive Director) each of whom served as a member of the Remuneration and Appraisal Committee.

During the period from 25 July 2025 to the end of the Reporting Period, the Remuneration and Appraisal Committee of the sixth session of the Board consisted of five Directors, namely Dr. Chow Man Kong (an independent non-executive Director) who served as the chairman of the Remuneration and Appraisal Committee, and Dr. Cao Xin (Chairman of the Board and a non-executive Director), Dr. Li Lian Ping (a non-executive Director), Mr. Chan Yik Pun (an independent non-executive Director) and Mr. Liu Bin (an independent non-executive Director) each of whom served as a member of the Remuneration and Appraisal Committee.

Pursuant to the amended Terms of Reference of the Remuneration and Appraisal Committee of the Company, the major responsibilities of the Remuneration and Appraisal Committee are: to determine the appraisal standards of Directors and senior management, to determine formal and transparent remuneration policy and structure as well as remuneration and performance appraisal plans of Directors and senior management, to study the Company's incentive schemes, remuneration system and option plans. For details of the terms of reference of the Remuneration and Appraisal Committee of the Company, please refer to the Company's announcement on the website of the Hong Kong Stock Exchange.

During the Reporting Period, two meetings were convened by the Remuneration and Appraisal Committee and all members attended the meeting, at which the following resolutions were considered and approved:

- (1) On 30 June 2025, the Remuneration and Appraisal Committee of the fifth session of the Board considered and approved the Resolution on the remuneration plan for Directors of the sixth session of the Board.
- (2) On 18 December 2025, the Remuneration and Appraisal Committee of the sixth session of the Board considered and approved the Resolution on the Remuneration Payment Scheme for the Management Members of the Company for 2024 and the Term 2022-2024.

During the Reporting Period, the Remuneration and Appraisal Committee recommended the remunerations of Directors and senior management to the Board and reviewed the compensation policies, strategies and principles for Directors and senior management.

CORPORATE GOVERNANCE REPORT

3. Nomination Committee

During the period from 1 January 2025 to 25 July 2025, the Nomination Committee of the fifth session of the Board of the Company consisted of five Directors, namely Mr. Guo Ying Jun (an independent non-executive Director) served as the chairman of the Nomination Committee, and Dr. Cao Xin (the chairman of the Board and a non-executive Director), Dr. Li Lian Ping (a non-executive Director), Mr. Chan Yik Pun (an independent non-executive Director) and Dr. Lin Tao (an independent non-executive Director) served as members of the Nomination Committee.

During the period from 25 July 2025 to the end of the Reporting Period, the Nomination Committee of the sixth session of the Board consisted of five Directors, namely Dr. Yang Jing Lei (an independent non-executive Director) who served as the chairman of the Nomination Committee, and Dr. Cao Xin (Chairman of the Board and a non-executive Director), Dr. Zhang Xu Lei (a non-executive Director), Dr. Chow Man Kong (an independent non-executive Director) and Mr. Chan Yik Pun (an independent non-executive Director) each of whom served as a member of the Nomination Committee.

Pursuant to the Terms of Reference of the Nomination Committee of the Company, the major responsibilities of the Nomination Committee are: to develop the standards, procedures and methods for selection of Directors and senior management of the Company, to give recommendations to the Board in respect of the appointment, reappointment of Directors and succession for Directors (especially the chairman of the Board and the president), to assess the independence of independent non-executive Directors, to monitor the implementation of the Board diversity policy and the Board nomination policy and review such policies as appropriate, and to make recommendations to the Board on quantifiable objectives for better diversity of the Board. For details of the terms of reference of the Nomination Committee of the Company, please refer to the Company's announcement on the website of the Hong Kong Stock Exchange.

During the Reporting Period, the Nomination Committee convened three meetings with all members attended the meetings, at which the following resolutions were considered and approved respectively:

- (1) On 3 January 2025, the Resolution on the Nomination of Mr. Guo Yan Xun as the Company's Vice President was considered and approved by the Nomination Committee of the fifth session of the Board.
- (2) On 30 June 2025, the Resolution on the Nomination of Candidates for Directors of the Sixth Session of the Board of the Company was considered and approved by the fifth session of the Nomination Committee of the Board.
- (3) On 25 July 2025, the Nomination Committee considered and approved the Resolution on the Nomination of the Chairman of the Sixth Session of the Board, the Resolution on the Nomination of Mr. Tan Jian Xin as the Company's President, the Resolution on the Nomination of Mr. Lu Yang, Mr. Lu Sheng Xin, Mr. Ban Ze Feng and Mr. Guo Yan Xun as Vice Presidents of the Company, the Resolution on the Nomination of Mr. Liu Tao as the Company's Chief Accountant, and the Resolution on the Nomination of Mr. Ban Ze Feng as the Secretary to the Board of the Company.

4. Strategic and Investment Committee

During the period from 1 January 2025 to 25 July 2025, the Strategic and Investment Committee of the fifth session of the Board consisted of five Directors, namely Dr. Cao Xin (Chairman of the Board and a non-executive Director) who served as the chairman of the Strategic and Investment Committee, and Mr. Tan Jian Xin (an executive Director), Dr. Zhang Xu Lei (a non-executive Director), Mr. Qin Gang (a non-executive Director) and Dr. Wang Tao (a non-executive Director) each of whom served as a member of the Strategic and Investment Committee.

During the period from 25 July 2025 to the end of the Reporting Period, the Strategic and Investment Committee of the sixth session of the Board consisted of five Directors, namely Dr. Cao Xin (Chairman of the Board and a non-executive Director) who served as the chairman of the Strategic and Investment Committee, and Mr. Qin Gang (a non-executive Director), Mr. Tan Jian Xin (an executive Director), Mr. Lu Rong (a non-executive Director) and Mr. Zhao Shi Yi (a non-executive Director) each of whom served as a member of the Strategic and Investment Committee.

Pursuant to the Terms of Reference of the Strategic and Investment Committee, the major responsibilities of the Strategic and Investment Committee are: to study and make recommendations on the development strategy and major investment decisions of the Company, to review annual business plans and investment proposals of the Company, to study and make recommendation on significant investments, financing and capital operations proposals that require the approval from the Board.

During the Reporting Period, the Strategic and Investment Committee convened one meeting on 27 August 2025, with all members attending, at which the Resolution on the 2025 Proposed Issuance of H Shares by the Company to Targeted Investors was considered and approved.

II. DIRECTOR'S NOMINATION AND DIVERSITY POLICY OF THE BOARD

The Company truly believes and recognises that a diversified Board is highly beneficial to the quality and performance enhancement of the Company. The Company is of the view that an increasingly diversified board is a key factor for sustainable development, achievement of strategic goals and maintenance good corporate governance.

To achieve sustainable and balanced development, the Company sees increased diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. In designing the composition of the Board, the Company considers the board diversity from a number of perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. All appointments of the Board adopt the principle of meritocracy, and candidates will be considered against objective criteria, having due regard to the benefits of diversity on the Board.

During the Reporting Period, the Nomination Committee reviewed the composition of the fifth and sixth session of the Board of the Company and concluded that the Company had met the diversification requirements with regard to age, cultural and educational background, professional experience, skills and knowledge. When making the appointment and re-appointment of directors in the future, the Nomination Committee will nominate new directors pursuant to the requirements of the Board Diversity Policy to achieve the objective of diversity in Board members. The Board believes that the composition of the Board during the Reporting Period is in line with the requirements of the Board Diversity Policy. During the Reporting Period, when electing members for the new session of the Board, the Nomination Committee also gave full consideration to the diversification requirements, and the sixth session of the Board includes one female non-executive Director. In accordance with the requirements of the Hong Kong Listing Rules, we have already appointed one female Director to the Board by 31 December 2024. The Board believes that the Company has achieved its short-term goal of gender diversity. The Company will continue to consider gender diversity in the recruitment of senior staff and ensure that adequate resources are available to provide appropriate training and career development to nurture potential successors of Board members and maintain gender diversity.

Items	Category	Number	Proportion to Board members (%)
Gender	Male	10	90.9
	Female	1	9.1
Age	30 to 40	1	9.1
	41 to 50	7	63.6
	51 to 60	2	18.2
	61 to 70	1	9.1
Rank	Independent non-executive Director	4	36.4
	Non-executive Director	6	54.5
	Executive Director	1	9.1
Economic, finance and accounting professional		4	36.4
Outside Directorships (Number of listed companies)	Within 2 (2 inclusive)	11	100
	Above 3 (3 inclusive)	0	0

III. DIRECTORS' RESPONSIBILITIES ON THE FINANCIAL STATEMENT

The Company does not identify any material uncertainties of matters or events which may cast significant doubts on the Company's ability on going concern. The Board acknowledges its responsibility for preparing the Financial Statements of the Group as at 31 December 2025.

CORPORATE GOVERNANCE REPORT

IV. RISK MANAGEMENT AND INTERNAL CONTROLS

In 2025, the Group continued to focus on its strategic deployment and adhered to its established objectives and principles for operation to steadily and orderly implement various risk management initiatives. The Group's risk management primarily involves the annual risk assessment, material risk warning, and response to material risks. During the Reporting Period, based on actual risk management practices, the Group prepared and completed the Annual Risk Assessment Report, supplemented and improved the Company's system-wide material risk warning indicators, completed the quarterly monitoring of material risk warning indicators, and prepared and completed the Material Risk Warning Indicators Monitoring Report.

Based on the risk response strategy formulated at the beginning of the year and taking into account the risk warnings this year, the Group stipulated practical and feasible risk response measures, and carried out corresponding risk prevention work on a quarterly basis, to implement the established mitigation measures for risks and hidden dangers, thereby keeping the risks and hidden dangers which may have an impact on the operation of the Company under control.

During the year, the Group continued to promote the development of the internal control system, carried out the improvement and iteration of the internal control system and internal control processes, ensuring that various businesses were well-founded and followed established systems. The Group completed the upgrade and iteration of various management systems. As at 31 December 2025, the Group created 20 separate business segment data banks such as the Administrative Informatization Data Bank and Financial Accounting Data Bank according to the types of business operations of the Company, for the incorporation of 376 currently effective systems.

To ensure the systems are effectively implemented, the Company organized system training and promotion through forms such as centralized training and on-site guidance, continuously enhancing the system implementation level of each unit.

The Board is responsible for the risk management and internal control systems of the Company and reviewing the effectiveness. The risk management and internal control system of the Group are designed to manage rather than eliminate the risk of failures to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss. The Board reviews the risk management and internal controls annually. The statement of the Board has included the examination and review of the Company's risk management and internal control systems as at 31 December 2025. The Board has confirmed that it has reviewed the effectiveness of the risk management and internal control systems and the Board considers that the risk management and internal control systems are effective and sufficient and they can effectively prevent against the existing risks in the Company's operation.

The Company established an internal control system of material information, and a system of processing procedures and internal control measures for addressing and disseminating inside information. The Company has established systems relating to information disclosure, registration and management of inside information and prevention of misuse and dissemination of inside information. Meanwhile, the Company carries out information disclosure in a true, accurate, complete, and timely manner pursuant to the relevant regulations such as the Hong Kong Listing Rules, the Articles of Association and Administrative Measures for the Disclosure of Information of Listed Companies, so as to ensure equal opportunities of all investors to have timely access to relevant Company information.

The Company has established and refined the working systems for independent non-executive directors. The Company's Working System for Independent Directors stipulates the qualifications, nomination, election, and removal of independent directors, as well as their authorities, duties, and obligations. During their terms of service, the Company's independent non-executive directors are able to comply with relevant laws, regulations, and the provisions of the Company's Articles of Association, and have sufficient time and energy to fulfill their duties. When making independent judgments, they are not influenced by the Company's major shareholders or other entities or individuals that have an interest in the Company. They have strived to protect the interests of the Company and its minority shareholders. The Company's independent non-executive directors actively participate in all board meetings. The Company's Board of Directors and its special committees are staffed with independent non-executive directors, with the Audit Committee, the Nomination Committee, and the Remuneration and Appraisal Committee being chaired by independent non-executive directors.

The Company believes that the composition of its Board of Directors (including the number and proportion of independent non-executive directors), the establishment of the working system for independent directors, the director nomination procedures, and the implementation of the board diversity policy can ensure that the Board is able to obtain independent views and opinions.

V. AUDITOR'S REMUNERATION

In 2025, the Company appointed Ernst & Young Hua Ming LLP (Special General Partnership) to provide audit services in accordance with the PRC Accounting Standards for Business Enterprises, which included annual audit fees of RMB2.8 million and internal control audit fees of RMB0.75 million. The Company appointed Ernst & Young Hua Ming LLP to perform non-audit services, including review of interim financial statements, letter of opinions, statement of indebtedness and capital verification, with fees amounting to a total of RMB2.11 million. The reporting of Ernst & Young Hua Ming LLP (Special General Partnership) regarding its reporting responsibilities on the financial statements is set out in the "Financial Report" of this annual report.

VI. RIGHTS OF SHAREHOLDERS

1. Shareholders are entitled to request the convening of an extraordinary general meeting

Pursuant to the Articles of Association of the Company, shareholders are entitled to the following right: one or several shareholders holding more than 10% (including 10%) of shares (with voting rights) of the Company may request the Board in writing on convening an extraordinary general meeting of shareholders.

2. Shareholders are entitled to table provisional proposals at general meetings to the Company

Pursuant to the Articles of Association of the Company, shareholder(s) holding more than 1% (including 1%) of shares (with voting rights) of the Company shall be entitled to table provisional proposals in writing to the Company in a shareholders' general meeting convened. The Board office of the Company located at its registered office and headquarter in the PRC is responsible for dealing with any proposals tabled by shareholders. The Company shall include in the agenda those matters which are within the scope of duties of the general meeting.

3. Shareholders are entitled to make enquiries

Shareholders may directly send their enquiries required attention of the Board to the principal place of business in Hong Kong. The Company will handle all enquiries in a timely and appropriate manner. The contact information of the Company's office in Hong Kong is as follows:

Address: Suites 2104-05, Prudential Tower, Harbour City, Kowloon, Hong Kong

Fax: (852)21530925

VII. COMMUNICATION WITH SHAREHOLDERS

The Company believes that effective communication with shareholders is essential for enhancing investor relations and investors' understanding on the business and strategy of the Company. The Company highly appreciates shareholders' opinions and advices, and actively organises various investor relations activities to maintain its communication with shareholders and to meet the reasonable demands of shareholders in a timely manner. The Company has formulated relevant systems, such as the "Rules for the Implementation of Investor Relations Work" and "Rules for the Management of Investor Relations", and reviews their effectiveness annually to maintain close contact with investors. During the Reporting Period, the Company effectively implemented the above systems.

The Company publishes annual reports, interim reports, main monthly/quarterly operating data, and other latest information to ensure that its shareholders can keep abreast of the Company's operational position. The Company has also organized on-site visits to facilitate shareholders' understanding on business operations, as well as offline or online occasions such as roadshows on results and meetings with shareholders and summits to report on the Company's latest operational position.

The annual general meeting of the Company is also the best channel for exchange of opinions between the Board and the shareholders. Shareholders are encouraged to attend the annual general meetings or appoint proxy(ies) to attend and vote at the annual general meetings. Pursuant to company laws and the Articles of Association of the Company, shareholders are legitimately entitled to request responses to shareholders' inquiries by the chairman of the Board, chairmen of specific Board committees and the auditor of the Company at the annual general meetings.

During the Reporting Period, the Company convened the 2024 annual general meeting on 27 June 2025, where various resolutions were voted on by way of poll separately. Directors and senior management of the Company answered enquiries of the shareholders on the operations of the Company. The Company also convened extraordinary general meetings on 12 March 2025, 25 July 2025 and 24 October 2025, respectively, at which attendees voted on resolutions including the Resolution on the Provision of Loans to a Controlled Subsidiary Using Proceeds from the Perpetual Medium-term Notes, the Resolution on the Authorization to the Board of Directors to Exercise the General Mandate to Issue Shares, the Resolution on the Proposal of the 2024 Profit Distribution of the Company, the Resolution on the Appointment of the Auditing Agency of the Company for 2025, the Resolution on the Amendments to the Articles of Association of the Company, the Resolution on Election of Non-executive Directors and Executive Directors of the Sixth Session of the Board of Directors, the Resolution on the Proposal for Issuance of H Shares by the Company to Targeted Investors for 2025, and the Resolution on the Entry into the Share Subscription Agreement Between the Company and the Targeted Investors and Related (Connected) Transaction, all of which were approved.

CORPORATE GOVERNANCE REPORT

VIII. INVESTOR RELATIONS

As at 31 December 2025, the total number of shares in issue of the Company was 4,512,693,073, comprising 2,366,688,677 A shares and 2,146,004,396 H shares.

The Company believes that good investor relations enable building on a more stable shareholders base. Accordingly, the Company is committed to maintaining high transparency, providing investors with comprehensive and accurate information in a timely manner and continuously performing the information disclosure obligations of listed companies in compliance with the A Share Listing Rules and the Hong Kong Listing Rules.

During the Reporting Period, the Company strengthened its communication with its investors through roadshows on results, participating investors' summits, and voluntary information disclosure so as to enable the shareholders to understand the corporate strategy and business operations of the Company. In order to obtain and collect opinions from its shareholders, the Company has set up a dedicated position for investor relations. For major transactions, the Company has actively communicated with its shareholders to seek their advices in this regard.

The Company will continue to maintain an open and effective investor communication policy and provide investors with the latest information of the Company's business in a timely manner in accordance with the relevant regulatory requirements

IX. ARTICLES OF ASSOCIATION

During the Reporting Period, in accordance with the new Company Law, the Transitional Arrangements for the Implementation of Supporting Rules and Systems under the New Company Law issued by the China Securities Regulatory Commission, the Guidelines on Articles of Association of Listed Companies, and other relevant laws, regulations, normative documents and regulatory requirements, the Company completed the shareholders' meeting approval process on 27 June 2025 to abolish the position of Supervisors and the Board of Supervisors and to amend the Articles of Association, and completed the registration of the 2025 non-public issuance of H shares on 7 November 2025. Taking into account its actual situation, the Company completed amendments to the Articles of Association. For details, please refer to the relevant announcement(s) published by the Company on the websites of the Hong Kong Stock Exchange and the SSE.

SIGNIFICANT EVENTS

I. PERFORMANCE OF UNDERTAKINGS

- (1) Undertakings made by relevant parties such as the actual controller, shareholders, related parties and acquirers of the Company and the Company during the Reporting Period or subsisting to the Reporting Period

Background of undertakings	Undertakings Type	Undertaking party	Undertakings Content	Date of undertakings	Whether there is a time limit for performance	Period of undertakings	Whether it is strictly performed in a timely manner	If not performed timely, specify the reasons in details	If not performed timely, specify further plans
Undertakings relating to the initial public offering of shares	Others	HECIC	Complying with the requirements on reduction of shares for the controlling shareholder of the listed company	11 June 2020	No	Long-term validity	Yes	/	/
	Others	the Company	True, accurate and complete disclosures in the Prospectus	11 June 2020	No	Long-term validity	Yes	/	/
	Others	HECIC	True, accurate and complete disclosures in the Prospectus	11 June 2020	No	Long-term validity	Yes	/	/
	Others	Directors, former supervisors and senior management	True, accurate and complete disclosures in the Prospectus	11 June 2020	No	Long-term validity	Yes	/	/
	Others	HECIC	Adoption of remedial measures for the dilution of current return as a result of the initial public offering of shares of the Company	11 June 2020	No	Long-term validity	Yes	/	/
	Others	Directors, former supervisors and senior management	Adoption of remedial measures for the dilution of current return as a result of the initial public offering of shares of the Company	11 June 2020	No	Long-term validity	Yes	/	/
	Others	the Company	Measures to be taken if undertakings disclosed in the Prospectus fail to be performed	11 June 2020	No	Long-term validity	Yes	/	/
	Others	HECIC	Measures to be taken if undertakings disclosed in the Prospectus fail to be performed	11 June 2020	No	Long-term validity	Yes	/	/
	Others	Directors, former supervisors and senior management	Measures to be taken if undertakings disclosed in the Prospectus fail to be performed	11 June 2020	No	Long-term validity	Yes	/	/
	Others	HECIC	Avoiding horizontal competition	6 December 2024	No	Long-term validity	Yes	/	/
	Resolving title defects for land and others	HECIC	Full compensation shall be made to the Company for any actual losses suffered by the Company or its subsidiaries as a result of any disputes, risks or administrative penalty imposed by competent authorities or being unable to carry out normal production and operation arising from or in connection with any use of land non-conformity with standards, defect of property, defect of leased property or incomplete leasing procedures (excluding land grant fee or rent, land requisition fee, title registration fee, tax and levies and other related expenses payable by the Company according to laws and regulations) after the actual losses caused by such matters are ascertained by the Company in accordance with legal procedures.	5 March 2019	No	Long-term validity	Yes	/	/

SIGNIFICANT EVENTS

Background of undertakings	Undertakings Type	Undertaking party	Undertakings Content	Date of undertakings	Whether there is a time limit for performance	Period of undertakings	Whether it is strictly performed in a timely manner	If not performed timely, specify the reasons in details	If not performed timely, specify further plans
Undertakings relating to refinancing	Selling restrictions on shares	HECIC	Undertaking in relation to the lock-up period of shares held by the shareholders	21 December 2020	Yes	Within 36 months from the date of closing of the non-public issuance of A shares	Yes	/	/
	Others	HECIC	Undertaking of not reducing the shares of the Company obtained under the subscription for a specified period	21 December 2020	Yes	Within 36 months from the date of completion of the non-public issuance of A shares	Yes	/	/
	Selling restrictions on shares	Hebei International	Undertaking in relation to the lock-up period of shares held by the shareholders	7 November 2025	Yes	Within 36 months from the date of completion of the issuance of H shares to targeted investors	Yes	/	/
	Others	Participants	In the event that the Company does not meet the requirements for grant or exercise of the interests due to false records, misleading statements or material omissions in the information disclosure documents, the participants shall return to the Company all the benefits obtained from the equity incentive scheme after the false records, misleading statements or material omissions are confirmed in the information disclosure documents.	28 December 2023	No	Long-term validity	Yes	/	/

- (II) When there is profit forecast regarding assets or projects of the Company, and if the Reporting Period remains in the span of the forecast period, the Company shall disclose whether such assets or projects have met the original profit forecast and relevant reasons

☐ Met ☐ Not met ☒ Not applicable

- (III) Performance undertakings

☐ Applicable ☒ Not applicable

Changes in performance undertakings

☐ Applicable ☒ Not applicable

Other explanations:

☐ Applicable ☒ Not applicable

- II. APPROPRIATION OF FUNDS FOR PURPOSES OTHER THAN FOR BUSINESS OPERATION BY THE CONTROLLING SHAREHOLDER AND OTHER RELATED PARTIES DURING THE REPORTING PERIOD

☐ Applicable ☒ Not applicable

SIGNIFICANT EVENTS

III. NON-COMPLIANT GUARANTEES

☐ Applicable ☒ Not applicable

IV. EXPLANATION OF THE BOARD OF THE COMPANY ON "NON-STANDARD AUDITORS' REPORT" ISSUED BY THE AUDITORS

☐ Applicable ☒ Not applicable

V. THE COMPANY'S ANALYSIS AND EXPLANATION ON THE REASONS FOR AND IMPACTS OF CHANGES OF ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES OR CORRECTION OF SIGNIFICANT ACCOUNTING ERRORS

(I) The Company's analysis and explanation on the reasons for and impacts of changes of accounting policies and accounting estimates

☐ Applicable ☒ Not applicable

(II) The Company's analysis and explanation on the reasons for and impacts of correction of significant accounting errors

☐ Applicable ☒ Not applicable

(III) Communication with the former accounting firm

☐ Applicable ☒ Not applicable

(IV) Review and approval procedures and other explanation

☐ Applicable ☒ Not applicable

VI. DESCRIPTION OF APPOINTMENT AND DISMISSAL OF AUDITOR

Unit: Yuan Currency: RMB

	Current engagement
Name of domestic auditor	Ernst & Young Hua Ming LLP
Remuneration of domestic auditor	2,800,000
Number of years of service of domestic auditor	9
Name of certified public accountants of domestic auditor	Wang Ning, Zhao Si Qi
Number of cumulative years of service of certified public accountants of domestic auditor	Wang Ning (4), Zhao Si Qi (1)
Name of overseas auditor	Ernst & Young Hua Ming LLP
Remuneration of overseas auditor	-
Number of years of service of overseas auditor	9

	Name	Remuneration
Accounting firm responsible for the audit of internal control	Ernst & Young Hua Ming LLP	750,000

Explanation on appointment and dismissal of auditor

☐ Applicable ☒ Not applicable

Explanation on the change in appointment of auditor during the audit period

☐ Applicable ☒ Not applicable

Description of the reduction in audit fees by more than 20% (inclusive) over the previous year

☐ Applicable ☒ Not applicable

SIGNIFICANT EVENTS

VII. RISKS EXPOSURE TO DELISTING

(I) Reasons for delisting risk warning

☐ Applicable ☒ Not applicable

(II) Measures proposed by the Company in response to risks

☐ Applicable ☒ Not applicable

(III) Situation of and reasons for delisting

☐ Applicable ☒ Not applicable

VIII. EVENTS IN RELATION TO BANKRUPTCY AND REORGANISATION

☐ Applicable ☒ Not applicable

IX. MATERIAL LITIGATIONS AND ARBITRATIONS

(I) Litigations and arbitrations that have been disclosed in interim announcements without further progress

☐ Applicable ☒ Not applicable

(II) Litigation and arbitration not disclosed in the interim announcement or with subsequent development

☐ Applicable ☒ Not applicable

(III) Other explanations

With regard to the case of debt payable by Hebei Daguangming Industrial Group Jiajing Glass Co., Ltd. ("Daguangming Company") to Hebei Natural Gas, the Xingtai Intermediate Court issued an Execution Order (2018) Ji 05 Zhi No. 198 on 4 December 2018, ruling that the relevant properties of Daguangming Company and the joint liable guarantor Hebei Daguangming Industrial Group Juwuba Carbon Black Co., Ltd. ("Juwuba Carbon Black Company") would be sealed up, seized and frozen as Daguangming Company failed to fulfil the obligations set forth in the execution certificate. On 16 May 2019, Hebei Natural Gas entered into the Execution Conciliation Agreement with Daguangming Company and Juwuba Carbon Black Company, pursuant to which the Respondents agreed on a repayment plan for the debt of RMB76.9 million for the purchase of natural gas, which was intended to be repaid in instalments after Daguangming Company resumed production in August 2020. On 14 November 2022, Xingtai Intermediate Court issued (2018) Ji 05 Zhi No. 198 3rd Execution Order, ruling that the relevant properties of Daguangming Company and Juwuba Carbon Black Company would be continuously sealed up. On 17 October 2024, the Xingtai Intermediate Court issued an Execution Order (2018) Ji 05 Zhi No.198 4th, ruling that the relevant properties would be continuously sealed up for a period of two years.

X. SUSPECTED BREACHES OF LAWS AND REGULATIONS, PUNISHMENTS AND RECTIFICATIONS INVOLVED BY THE LISTED COMPANY, ITS DIRECTORS, SENIOR MANAGEMENT, CONTROLLING SHAREHOLDERS AND ACTUAL CONTROLLERS

☐ Applicable ☒ Not applicable

XI. EXPLANATION ON CREDIBILITY OF THE COMPANY, ITS CONTROLLING SHAREHOLDERS AND ACTUAL CONTROLLER DURING THE REPORTING PERIOD

During the Reporting Period, the Company, its controlling shareholder and actual controller operate in good faith with good creditability.

XII. MATERIAL RELATED PARTY TRANSACTIONS

(I) Related party transactions in relation to ordinary operations

1. *Events disclosed in interim announcements without subsequent development or changes during implementation*

☐ Applicable ☒ Not applicable

2. *Events disclosed in interim announcements with subsequent development or changes during implementation*

(1) New Asset Financing Service Framework Agreement

Pursuant to the Asset Financing Service Framework Agreement dated 20 October 2023 entered into between the Company and Huihai Financial Leasing Co., Ltd. (匯海融資租賃股份有限公司) ("Huihai Company"), Huihai Company provides finance leasing services to the Company. The agreement is valid for three years, from 1 January 2024 to 31 December 2026.

According to the Asset Financing Service Framework Agreement, Huihai Company will provide finance leasing services to the Company, namely direct lease and sale-and-leaseback. For each year ended 31 December during the term of the agreement, among the services provided by Huihai Company, newly added direct lease and sale-and-leaseback service shall not be higher than RMB800 million and RMB800 million, respectively. In 2025, newly added direct lease amounted to RMB0 million, and newly added sale-and-leaseback amounted to RMB269 million.

HECIC is the controlling shareholder of the Company and a connected person/related party of the Company. Huihai Company is a non-wholly owned subsidiary of HECIC and also a connected person/related party of the Company. Therefore, the provision of various asset financing services by Huihai Company to the Company under the Asset Financing Service Framework Agreement constitutes continuing connected transactions of the Company under the Hong Kong Listing Rules and routine related party transactions under the SSE Listing Rules.

As one or more applicable percentage ratios for the respective annual caps for direct lease and sale-and-leaseback under the finance leasing services exceed 0.1% but are all less than 5%, the finance leasing services are subject to the reporting, announcement and annual review requirements, but are exempt from the independent shareholders' approval requirement under Chapter 14A of the Hong Kong Listing Rules. However, as the amount of such transactions reached 5% or more of the Company's latest audited net assets, such transactions are still subject to the approval of the Company's non-related shareholders at an extraordinary general meeting pursuant to the SSE Listing Rules.

Details are set out in the relevant announcements published by the Company on the website of the Hong Kong Stock Exchange dated 20 October 2023 and 30 November 2023, and on the SSE website dated 21 October 2023 and 1 December 2023, and in the shareholders' circular dated 9 November 2023.

SIGNIFICANT EVENTS

(2) New Financial Service Framework Agreement

Pursuant to the Financial Service Framework Agreement entered into between the Company and HECIC Group Finance Company Limited ("the Group Finance Company") dated 20 October 2023, Group Finance Company provides financial services to the Company, including (1) deposit service, (2) loan service, (3) bill discounting service, (4) other fee-based financial services (including non-financing guarantee service, acceptance service, entrusted loan service and other fee-based services) and (5) other approved financial services (including but not limited to settlement service, financial and financing advisory service, credit verification and related consulting and agency services and corporate bond underwriting service). The agreement is valid for three years, from 1 January 2024 to 31 December 2026.

Under the Financial Service Framework Agreement, Group Finance Company has undertaken to the Company that whenever it provides financial services to the Group, the terms thereof shall not be less favourable than those under which commercial banks or other financial institutions may provide the same type of financial services. The annual caps for various services stipulated in the agreement are as follows: (i) the maximum daily deposit balance (including accrued interest) for deposit services is RMB4.5 billion; (ii) the maximum daily loan balance (including accrued interest) for loan services is RMB4.8 billion; (iii) the maximum daily discounting fund balance (including discounting interests) of the Bill Discounting Service will be RMB500 million; (iv) the annual caps on the handling fees of the Miscellaneous Fee-based Financial Services will be RMB5 million. During the Reporting Period, the maximum daily deposit balance for the actual deposit services under the deposit services in the agreement was RMB4,364 million, the maximum daily discounting fund balance of the Bill Discounting Service is RMB0 million, and the transaction amount of the Miscellaneous Fee-based Financial Services will be RMB17,400.

HECIC is the controlling shareholder of the Company and a connected person/related party of the Company. Group Finance Company is a non-wholly owned subsidiary of HECIC and also a connected person/related party of the Company. Therefore, the provision of various financial services by Group Finance Company to the Company under the Financial Service Framework Agreement constitutes continuing connected transactions of the Company under the Hong Kong Listing Rules and routine related party transactions under the SSE Listing Rules.

As one or more of the applicable percentage ratios for the deposit services exceed 5% but are all less than 25%, pursuant to Chapter 14A of the Hong Kong Listing Rules, the deposit services are subject to the reporting, announcement, annual review and independent shareholders' approval requirements; meanwhile, pursuant to Chapter 14 of the Hong Kong Listing Rules, the deposit services also constitute a discloseable transaction of the Company, and are subject to the reporting and announcement requirements. As one or more of the applicable percentage ratios for the bill discounting services exceed 0.1% but are all less than 5%, pursuant to Chapter 14A of the Hong Kong Listing Rules, the bill discounting services are subject to the reporting, announcement and annual review requirements, but are exempt from the independent shareholders' approval requirement. The loan services constitute financial assistance provided by a connected person for the benefit of the Group. As the loan services are conducted on normal commercial terms (or on terms more favourable than those available from third parties) and the Company will not provide any security over its assets for the loan services, the loan services are exempt from the reporting, announcement, annual review and independent shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules; however, pursuant to the SSE Listing Rules, the loan services and their caps still require approval at the Company's general meeting before the relevant transactions can be carried out. For other fee-based financial services and other approved financial services, as one or more of the applicable percentage ratios for the two types of transactions combined exceed 0.1% but are all less than 5%, pursuant to Chapter 14A of the Hong Kong Listing Rules, both types of services are subject to the reporting, announcement and annual review requirements, but are exempt from the independent shareholders' approval requirement.

Details are set out in the relevant announcements published by the Company on the website of the Hong Kong Stock Exchange dated 20 October 2023 and 30 November 2023 and on the SSE website dated 21 October 2023 and 1 December 2023, and in the circular dated 9 November 2023.

(3) Terminal Usage Cooperation Agreement

In order to further assure that New-energy Supply Chain is able to meet the demand for gas in Beijing, Tianjin, Hebei and the surrounding areas, to improve the efficiency in the use of the LNG terminals of Caofeidian Company and to increase revenue of Caofeidian Company, on 30 June 2023, New-energy Supply Chain and Caofeidian Company entered into the Terminal Usage Cooperation Agreement which provides New-energy Supply Chain with the right to use up to 2.55 million tonnes (equivalent to approximately 3.57 billion cubic metres) of the annual service volume of LNG terminals prior to the commencement of general operation of the Tangshan LNG project phase II, and up to 5.1 million tonnes (equivalent to approximately 7.14 billion cubic metres) of the annual service volume of LNG terminals after the commencement of general operation of the Tangshan LNG Project phase II during the term of the Terminal Usage Cooperation Agreement, commencing from the date of approval of the Terminal Usage Cooperation Agreement and the transaction contemplated thereunder by the independent shareholders of the Company to 31 December 2042.

For the continuing connected transactions under the Terminal Usage Cooperation Agreement, the Group estimates the annual caps for each of the three years ending 31 December 2023, 2024 and 2025 to be RMB330 million, RMB790 million and RMB1,190 million, respectively. The transaction amount during the Reporting Period was RMB434 million.

New-energy Supply Chain is a wholly-owned subsidiary of the Company. HECIC is the controlling shareholder of the Company and directly holds 29% equity interest in Caofeidian Company, and therefore Caofeidian Company is a connected subsidiary of the Company. Accordingly, the transactions under the Terminal Usage Cooperation Agreement constitute continuing connected transactions of the Group under Chapter 14A of the Hong Kong Listing Rules.

As one or more of the applicable percentage ratios in respect of the transaction under the Terminal Usage Cooperation Agreement exceed 5%, the Terminal Usage Cooperation Agreement is therefore subject to the reporting, announcement, annual review and the independent shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules. The transaction was considered and approved by the Company at its second extraordinary general meeting of 2023 on 8 August 2023.

On 10 December 2025, the Company set the annual caps under the Terminal Usage Cooperation Agreement for the two years ending 31 December 2027 at RMB606 million and RMB708 million, respectively. Based on the applicable percentage ratios calculated in respect of such annual caps, the setting of the annual caps for the two years ending 31 December 2027 is subject to the reporting, announcement and annual review requirements under Chapter 14A of the Hong Kong Listing Rules, but is exempt from the circular and independent shareholders' approval requirements.

Details are set out in the relevant announcements published by the Company on the websites of the Hong Kong Stock Exchange and the SSE on 30 June 2023, 10 December 2025, 1 July 2023 and 11 December 2025, respectively, and in the circular dated 17 July 2023.

(4) Natural Gas Pipeline Transportation Service Contract

In order to increase the utilization rate of the gasification services and the external pipeline at the terminal of the Tangshan LNG Project and enhance the profitability and investment recovery efficiency of Caofeidian Company, New-energy Supply Chain and Caofeidian Company entered into the Natural Gas Pipeline Transportation Service Contract on 29 August 2023, pursuant to which Caofeidian Company will provide pipeline transportation services to New-energy Supply Chain. The contract term shall be from 29 August 2023 to 31 December 2025.

The Company expects that the annual cap of the pipeline transportation services under this contract will be approximately RMB200 million, RMB400 million and RMB400 million for each of the three years ending 31 December 2023, 2024 and 2025, respectively. The transaction amount during the Reporting Period was RMB21 million. New-energy Supply Chain is a wholly-owned subsidiary of the Company. HECIC is the controlling shareholder of the Company and directly holds 29% equity interest in Caofeidian Company, and therefore Caofeidian Company is a connected subsidiary of the Company. Therefore, the transaction under the Natural Gas Pipeline Transportation Service Contract constitutes a continuing connected transaction of the Group under Chapter 14A of the Hong Kong Listing Rules.

SIGNIFICANT EVENTS

As the highest applicable percentage ratio in respect of the transaction exceeds 0.1% but is less than 5%, the transaction is therefore subject to the reporting and announcement requirements, but exempt from the circular and the independent shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

On 10 December 2025, New-energy Supply Chain and Caofeidian Company renewed the Natural Gas Pipeline Transportation Services Contract, pursuant to which Caofeidian Company will continue to provide pipeline transportation services to New-energy Supply Chain during the period from 1 January 2026 to 31 December 2028. The Company expects that the annual cap for the pipeline transportation services under such contract will be RMB44 million, RMB65 million and RMB97 million for the three years ending 31 December 2026, 2027 and 2028, respectively.

Details are set out in the relevant announcements published by the Company on the websites of the Hong Kong Stock Exchange and the SSE on 29 August 2023 and 10 December 2025, and on 30 August 2023 and 11 December 2025, respectively.

(5) Natural Gas Services Framework Agreement

In order to meet the requirements of the government of Hebei Province in natural gas contingency reserve targets, to fully demonstrate the important role of the Group for natural gas allocation and supply in Hebei Province, and to fully utilize the established peak-shaving facilities such as the LNG terminals, the Company entered into a Natural Gas Services Framework Agreement with two connected subsidiaries, Hebei Gas and Caofeidian Company, pursuant to which the Company will supply natural gas to Hebei Gas, and Caofeidian Company and/or other subsidiaries of the Company will provide natural gas-related services to Hebei Gas for a term from the date of the signing of the Natural Gas Services Framework Agreement to 31 December 2025.

In respect of the natural gas supply, the Company estimates the annual cap for each of the three years ending 31 December 2023, 2024 and 2025 to be RMB750 million, RMB928 million and RMB750 million, respectively. During the Reporting Period, the natural gas supply transaction amount was RMB0 million.

In respect of the natural gas related services, the Company estimates the annual cap for each of the three years ending 31 December 2023, 2024 and 2025 to be RMB420 million, RMB525 million and RMB525 million, respectively. During the Reporting Period, the transaction amount for natural gas-related services was RMB155 million.

Both Hebei Gas and Caofeidian Company are non-wholly owned subsidiaries of the Company. HECIC is the controlling shareholder of the Company and directly holding 10% or more equity interest in Hebei Gas and Caofeidian Company, and therefore Hebei Gas and Caofeidian Company are connected subsidiaries of the Company. Accordingly, natural gas supply and natural gas-related services constitute a continuing connected transaction of the Group under Chapter 14A of the Hong Kong Listing Rules. As the highest percentage ratio applicable to natural gas supply and natural gas-related services exceeds 0.1% but is less than 5%, the transactions are subject to the reporting, announcement and annual review requirements, but are exempt from the circular and the independent shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

SIGNIFICANT EVENTS

On 10 December 2025, the Company renewed the Natural Gas Services Framework Agreement with Hebei Gas and Caofeidian Company, pursuant to which the Company will continue to supply natural gas to Hebei Gas, and Caofeidian Company and/or other subsidiaries of the Company will continue to provide natural gas-related services to Hebei Gas during the period from 1 January 2026 to 31 December 2028. In respect of natural gas supply, the Company expects that the annual cap will be RMB444.8 million, RMB481.8 million and RMB518.9 million for the three years ending 31 December 2026, 2027 and 2028, respectively. In respect of natural gas-related services, the Company expects that the annual cap will be RMB185.2 million, RMB190.2 million and RMB195.2 million for the three years ending 31 December 2026, 2027 and 2028, respectively.

Details are set out in the relevant announcements published by the Company on the websites of the Hong Kong Stock Exchange and the SSE on 24 November 2023 and 10 December 2025, and on 25 November 2023, 11 December 2025 respectively.

In accordance with the relevant requirements of the Hong Kong Listing Rules, the independent non-executive Directors confirmed that:

The independent non-executive Directors of the Company have reviewed the aforementioned continuing connected transactions in Parts (1) to (5) and confirmed that the transactions have been conducted:

1. in the ordinary and usual course of business of the Group;
2. on normal commercial or better terms; on conditions no less favourable to the Group than those offered to or by (as the case may be) independent third parties, if it was not practical to make such judgement based on comparable transactions as to whether such transactions have been carried out on normal commercial terms; and
3. in accordance with relevant agreement whose terms are fair and reasonable and in the interest of the shareholders of the Company as a whole.

In accordance with the relevant requirements of the Hong Kong Listing Rules, the auditor confirmed that:

Ernst & Young Hua Ming LLP (Special General Partnership) has provided the Board of Directors with a letter confirming that, with respect to the aforesaid continuing connected transactions in Parts (1) to (5) for the year ended 31 December 2025:

1. nothing has come to Ernst & Young Hua Ming's attention that causes it to believe that the transactions have not been approved by the Board of Directors;
2. in relation to the transactions involving products and services supplied by the Group, nothing has come to Ernst & Young Hua Ming's attention that causes it to believe that the transactions have not followed the Group's pricing policy in any material aspect;
3. nothing has come to Ernst & Young Hua Ming's attention that causes it to believe that the transactions were not carried out, in all material respects, in accordance with the relevant agreements; and
4. nothing has come to Ernst & Young Hua Ming's attention that causes it to believe that the transaction amount of any of the aforesaid continuing connected transactions has exceeded its annual cap as stated above.

3. *Events not disclosed in interim announcements*

☐ Applicable ☒ Not applicable

SIGNIFICANT EVENTS

(II) Related party transactions in relation to acquisition of assets or acquisition or disposal of equity

1. *Events disclosed in interim announcements without subsequent development or changes during implementation*
☐ Applicable ☒ Not applicable
2. *Events disclosed in interim announcements with subsequent development or changes during implementation*
☐ Applicable ☒ Not applicable
3. *Events not disclosed in interim announcements*
☐ Applicable ☒ Not applicable
4. *Where an agreement on performance is involved, the performance achievements during the Reporting Period shall be disclosed*
☐ Applicable ☒ Not applicable

(III) Material related party transactions related to joint external investment

1. *Events disclosed in interim announcements without subsequent development or changes during implementation*

Summary of events	Enquiry index
HECIC New Energy, a wholly-owned subsidiary of the Company, intended to increase the capital of Suntien Green Energy Weichang Co., Ltd. ("Suntien Weichang") in the same proportion as HECIC, the controlling shareholder of the Company. In particular, HECIC New Energy made a capital contribution of RMB87.5520 million in cash, and its shareholding ratio remained at 97.28% after this capital increase.	For details, please refer to the relevant announcement of the Company published on the website of the SSE on 12 July 2025 and the website of Hong Kong Stock Exchange on 11 July 2025, respectively.
2. *Events disclosed in interim announcements with subsequent development or changes during implementation*
☐ Applicable ☒ Not applicable
3. *Events not disclosed in interim announcements*
☐ Applicable ☒ Not applicable

(IV) Amounts due to or from related parties

1. *Events disclosed in interim announcements without subsequent development or changes during implementation*
☐ Applicable ☒ Not applicable
2. *Events disclosed in interim announcements with subsequent development or changes during implementation*
☐ Applicable ☒ Not applicable
3. *Events not disclosed in interim announcements*
☐ Applicable ☒ Not applicable

SIGNIFICANT EVENTS

(V) Financial businesses between the Company and its affiliated finance companies and between the Company's controlled finance companies and its related parties

1. Deposit business

Unit: RMB100 million Currency: RMB

Related party	Related relationship	Maximum daily deposit limit	Range of deposit interest rates	Opening balance	Amount for the current period Total amount deposited during the current period	Total amount withdrawn during the current period	Closing balance
HECIC Group Finance Company Limited	Under the same ultimate beneficiary owner	45.00	0.30%-1.10%	14.86	681.36	676.13	20.09
Total	/	/	/	14.86	681.36	676.13	20.09

2. Loan business

Unit: RMB100 million Currency: RMB

Related party	Related relationship	Loan facilities	Range of loan interest rates	Opening balance	Amount for the current period Total loan amount during the current period	Total repayment amount during the current period	Closing balance
HECIC Group Finance Company Limited	Under the same ultimate beneficiary owner	51.13	2.00%-3.39%	22.80	40.03	38.89	23.94
Total	/	/	/	22.80	40.03	38.89	23.94

3. Credit business or other financial businesses

Unit: RMB100 million Currency: RMB

Related party	Related relationship	Type of business	Total amount	Actual amount
HECIC Group Finance Company Limited	Under the same ultimate beneficiary owner	General credit facility	51.13	23.98

4. Other explanations

☐ Applicable ☒ Not applicable

SIGNIFICANT EVENTS

(VI) Others

1. Issuance of H Shares to Specific Subscribers and Connected Transaction

On 27 August 2025, the Company and HECIC entered into the Share Subscription Agreement for the 2025 Issuance of H Shares to Specific Subscribers (the "Share Subscription Agreement"). 307,000,000 H Shares were allotted and issued by the Company to Hebei International Investment Ltd (a wholly-owned subsidiary of HECIC designated by HECIC as the subscriber), at the subscription price of HK\$4.93 per subscription share pursuant to the Share Subscription Agreement (the "Share Subscription"). The subscription price represented a premium of approximately 16.55% over the closing price of HK\$4.23 per H share as quoted on the Hong Kong Stock Exchange on the date of the Share Subscription Agreement. The Company believes that the Share Subscription will help accelerate the Group's project development, optimize the Group's capital structure, enhance financial stability and improve overall risk resistance, and will also boost market confidence and support the Group's high-quality development.

The Share Subscription was subject to, among other things, the granting of a Whitewash Waiver by the Executive of the Securities and Futures Commission of Hong Kong, the approval and filing with the State-owned Assets Supervision and Administration Commission of the People's Government of Hebei Province, the approval of the independent shareholders of the Company for the Share Subscription and the Whitewash Waiver, and the approval of the listing of and permission to deal in the Subscription Shares by the Listing Committee of the Hong Kong Stock Exchange. The Share Subscription was completed on 7 November 2025 and was filed with the CSRC after completion.

The gross proceeds from the Share Subscription were HK\$1,513,510,000 and the net proceeds (after deduction of issuance expenses and other related costs and expenses) were approximately HK\$1.5 billion, whereas the net subscription price per subscription share were approximately HK\$4.89. Approximately 80% (being HK\$1.2 billion, equivalent to approximately RMB1.1 billion) of the net proceeds from the Share Subscription are intended to be used for the construction of wind power projects and gas-fired power plant projects, and approximately 20% (being HK\$0.3 billion, equivalent to approximately RMB275 million) are intended to supplement working capital and other general purposes. The actual use of the net proceeds remains unchanged from the intended uses disclosed by the Company above.

As of 31 December 2025, the Group's utilisation of the net proceeds is set out in the table below:

	Allocation of net proceeds (RMB100 million)	Net proceeds utilised as at 31 December 2025 ⁽²⁾ (RMB100 million)	Balance of net proceeds as at 31 December 2025 (RMB100 million)	Expected timeline for full utilisation of net proceeds
Wind power projects	7.25	0	7.25	by the end of 2026
Gas-fired power plant projects	3.75	0	3.75	by the end of 2026
General working capital ⁽¹⁾	2.75	0	2.75	by the end of 2027

Notes:

- (1) Mainly included Directors' emoluments, staff salaries, audit fees, legal and professional expenses, and other operating expenses.
- (2) The Company obtained the registration certificate for overseas listing and additional issuance from the Hebei Province Branch of the State Administration of Foreign Exchange on 11 December 2025, and transferred the net proceeds to its domestic account on 23 December 2025. Accordingly, no proceeds were utilised during the year 2025. The Company will apply the proceeds from the Share Subscription in accordance with the original intended uses and plan.

For details, please refer to the relevant announcements published by the Company on the website of the SSE on 28 August 2025, 25 October 2025 and 8 November 2025, on the website of the Hong Kong Stock Exchange on 27 August 2025, 24 October 2025 and 7 November 2025, and the circular published on 30 September 2025.

2. *LNG Purchase and Sale Contract*

New-energy Supply Chain (as the seller) and Caofeidian Company (as the buyer) entered into a purchase and sale contract on 30 June 2025. Pursuant to the contract, New-energy Supply Chain will supply Caofeidian Company with no more than 10,553,245 cubic meters (approximately 7,538 tonnes) of LNG for the commissioning of storage tanks #2 and #6. The estimated total transaction amount (including tax) is approximately RMB37.689 million.

New-energy Supply Chain is a wholly-owned subsidiary of the Company. HECIC is the controlling shareholder of the Company and directly holds 29% equity interest in Caofeidian Company. Therefore, Caofeidian Company is a connected subsidiary of the Company, and this transaction constitutes a connected transaction of the Group under Chapter 14A of the Hong Kong Listing Rules. As the highest applicable percentage ratio in respect of the transaction exceeds 0.1% but is less than 5%, the transaction is therefore subject to the reporting and announcement requirements, but exempt from the circular and the independent shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

Details are set out in the relevant announcements published by the Company on the websites of the Hong Kong Stock Exchange and the SSE on 30 June 2025, 7 July 2025, and 1 July 2025 and 8 July 2025.

3. *Provision of Loan to Caofeidian Company*

On 7 February 2025, the Company and Caofeidian Company entered into the 2025 Loan Agreement, pursuant to which, the Company conditionally agreed to use the proceeds from the issuance of the Medium-term Notes to provide the Loan in an amount of no more than RMB2.5 billion to Caofeidian Company, for a term not exceeding five years, at a fixed rate determined based on the interest rate of the issuance of the Medium-term Notes (i.e., same as the interest rate of the medium-term notes). HECIC is the controlling shareholder of the Company and directly holds 29% equity interest in Caofeidian Company. Therefore, Caofeidian Company is a connected subsidiary of the Company. The Provision of Loan constitutes a connected transaction involving the provision of financial assistance to a connected person by the Company under Chapter 14A of the Hong Kong Listing Rules. As one or more of the applicable percentage ratios in respect of the Loan are 5% or above, the Provision of Loan is subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

As the debt-to-asset ratio of Caofeidian Company for the latest period exceeded 70%, and the amount of such financial assistance exceeded 10% of the Company's latest audited net assets, such transaction was also subject to the approval of the shareholders' general meeting in accordance with the relevant provisions of the A Share Listing Rules. Such transaction was approved by the 2025 first extraordinary general meeting of the Company held on 12 March 2025.

For details, please refer to the relevant announcements published by the Company on the website of the SSE on 8 February 2025 and 13 March 2025, on the website of the Hong Kong Stock Exchange on 7 February 2025 and 12 March 2025, and the circular published on 19 February 2025.

XIII. MATERIAL CONTRACTS AND PERFORMANCE THEREOF

(I) Trusteeship, contracting and leasing

1. *Trusteeship*

☐ Applicable ☒ Not applicable

2. *Contracting*

☐ Applicable ☒ Not applicable

3. *Leasing*

☐ Applicable ☒ Not applicable

SIGNIFICANT EVENTS

(II) Guarantees

Unit: RMB'0,000 Currency: RMB

External guarantees provided by the Company (excluding guarantees provided for subsidiaries)														
Guarantor	Relationship between guarantor and the Company	Guaranteed party	Amount guaranteed	Guarantee date (agreement date)	Start of guarantee	Expiry of guarantee	Type of guarantee	Collateral (if any)	Whether fully performed	Whether overdue	Overdue amount	Any counter guarantee	Whether provided for related parties	Related relationship
Nil														
Total amount of guarantees incurred during the Reporting Period (excluding guarantees provided for subsidiaries)														0
Total balance of guarantees as at the end of the Reporting Period (A) (excluding guarantees provided for subsidiaries)														0
Guarantees provided by the Company and its subsidiaries for their subsidiaries														
Total amount of guarantees incurred for subsidiaries during the Reporting Period														15,000
Total balance of guarantees for subsidiaries as at the end of the Reporting Period (B)														20,778.97
Total amount of guarantees provided by the Company (including guarantees provided for subsidiaries)														
Total amount of guarantees (A+B)														20,778.97
Total amount of guarantees as a percentage of the net assets of the Company (%)														0.66
Of which:														
Amount of guarantees provided for shareholders, de facto controller and their related parties (C)														0
Amount of debt guarantees directly or indirectly provided for guaranteed parties with a gearing ratio exceeding 70% (D)														5,727.04
Total amount of guarantees in excess of 50% of net assets (E)														0
Total amount of guarantees of the above three items (C+D+E)														5,727.04
Statement on the potential joint liability in connection with unexpired guarantees														Nil
Details of guarantees														Nil

(III) Entrusting third parties with cash asset management

1. Asset management on trust

(1) Overall asset management on trust

☐ Applicable ☒ Not applicable

Others

☐ Applicable ☒ Not applicable

(2) Breakdown of entrusted wealth management

☐ Applicable ☒ Not applicable

Others

☐ Applicable ☒ Not applicable

(3) Provisions for impairment of entrusted wealth management

☐ Applicable ☒ Not applicable

2. *Entrusted loans*

(1) Overall entrusted loans

☐ Applicable ☒ Not applicable

Others

☐ Applicable ☒ Not applicable

(2) Breakdown of entrusted loans

☐ Applicable ☒ Not applicable

Others

☐ Applicable ☒ Not applicable

(3) Provision for impairment of entrusted loans

☐ Applicable ☒ Not applicable

3. *Others*

☐ Applicable ☒ Not applicable

(IV) Other material contracts

1. *Acquisition of Equity Interest in a Joint Venture Company through Public Tender*

HECIC New Energy Co., Ltd. ("HECIC New Energy"), a wholly-owned subsidiary of the Company, proposes to participate in the acquisition of the 49% equity interests held by the minority shareholders of Chongli HECIC Huashi Wind Energy Co., Ltd. (崇禮建投華實風能有限公司) ("Chongli Wind Power Company") and Zhangbei HECIC Huashi Wind Energy Co., Ltd. (張北建投華實風能有限公司) ("Zhangbei Wind Power Company", together with "Chongli Wind Power Company", the "Target Companies") by way of public tender through open bidding. The listed transfer base price for the 49% equity interest in Chongli Wind Power Company is RMB67,650,527, and the listed transfer base price for the 49% equity interest in Zhangbei Wind Power Company is RMB56,587,650.

HECIC New Energy (as the sole bidder) was confirmed as the transferee of the Target Companies, with the transfer price for the 49% equity interest in Chongli Wind Power Company being RMB67,650,527 and the transfer price for the 49% equity interest in Zhangbei Wind Power Company being RMB56,587,650. The transaction parties entered into the "Equity Transaction Contract" and completed the payment of the equity transfer consideration. Upon completion of this acquisition, HECIC New Energy will hold 100% equity interests in Chongli Wind Power Company and Zhangbei Wind Power Company, and Chongli Wind Power Company and Zhangbei Wind Power Company will become wholly-owned subsidiaries of the Company and will be consolidated into the Company's consolidated financial statements.

For details, please refer to the relevant announcements published by the Company on the website of the SSE on 27 August 2025 and 26 November 2025, and on the website of the Hong Kong Stock Exchange on 26 August 2025 and 25 November 2025.

SIGNIFICANT EVENTS

XIV. PROGRESS IN THE USE OF PROCEEDS

(I) Overall utilization of proceeds

Unit: RMB100 million Currency: RMB

Source of proceeds	Date of availability of proceeds	Total amount of proceeds	Net proceed ⁽¹⁾	Total proceeds committed for investment in the prospectus or offering circular ⁽²⁾	Total amount of over-raised funds ^{(3) = (1)-(2)}	Cumulative proceeds invested as at the end of the Reporting Period ⁽⁴⁾	Including: Cumulative amount of over-raised funds invested as at the end of the Reporting Period ⁽⁵⁾	Progress in investment with cumulative proceeds as at the end of the Reporting Period (%) ^{(6) = (4)/(1)}	Progress in investment with cumulative over-raised funds as at the end of the Reporting Period (%) ^{(7) = (5)/(3)}	Amount of proceeds invested for the year ⁽⁸⁾	Percentage of the amount of proceeds invested for the year (%) ^{(9) = (8)/(1)}	Total Repurposed proceeds
Issuance of shares to specific subscribers	29 December 2021	45.96	45.45	51.10	N/A	46.21	N/A	101.68	N/A	3.13	6.88	-
Total	/	45.96	45.45	51.10	N/A	46.21	N/A	/	/	3.13	/	-

Other explanations

☐ Applicable ☒ Not applicable

SIGNIFICANT EVENTS

(II) Details of the project for which proceeds are used

1. Details of utilization of proceeds

Unit: '0,000 Currency: RMB

Source of proceeds	Name of project	Project nature	Whether it is a committed investment project in the prospectus or offering circular	Whether or not change of investment involved	Planned total investment amount with proceeds ⁽¹⁾	Amount of proceeds invested for the year	Cumulative proceeds invested as at the end of the Reporting Period ⁽²⁾	Progress in investment with cumulative proceeds as at the end of the Reporting Period (%) ^{(3)=(2)/(1)}	The date on which the project is ready for its intended use	Closed or not	Whether the progress in investment meets the schedule	Specific reasons why the progress in investment does not meet the schedule	Benefits achieved During the year	Benefits or R&D results achieved in the project	Is there any significant change in project feasibility? If so, please state the specific situation	Balance
Issuance of shares to specific subscribers	Tangshan LNG Project (Phase I and Phase II)	Production and construction	Yes	No	239,797.11	28,115.67	244,944.51	102.15	Phase I has been completed; Phase II is still under construction and is expected to be ready for its intended use by 2026 (Note 5)	No	Yes	N/A	17,018.32	36,425.05	No	-
Issuance of shares to specific subscribers	Tangshan LNG Terminal Outbound Pipelines Project (Caofeidian-Baodi section)	Production and construction	Yes	No	69,902.95	3,148.46	71,746.79	102.64	Completed	Yes	Yes	N/A	-24,154.86	-46,142.60	No	0.41
Issuance of shares to specific subscribers	Tangshan LNG Terminal Outbound Pipelines Project (Baodi-Yongqing section)	Production and construction	Yes	No	23,679.74	-	24,095.57	101.76	Completed	Yes	Yes	N/A	-14,360.18	-28,265.09	No	0.02
Issuance of shares to specific subscribers	Replenishment of liquidity and repayment of bank loans	Replenishment of liquidity and repayment of bank loans	Yes	No	121,125.72	-	121,342.30	100.18	N/A	Yes	Yes	N/A	N/A	N/A	No	-
Total	/	/	/	/	454,505.52	31,264.13	462,129.17	101.68	/	/	/	/	/	/	/	0.43

Notes:

- (1) For the Tangshan LNG Project (Phase 1 and Phase 2), the Company announced the cancellation of the fundraising account on 1 April 2025, and has completed the procedures for closing the designated fundraising account for this project.
- (2) For the Tangshan LNG Terminal Outbound Pipeline Projects (Caofeidian-Baodi Section), the Company announced the completion and account cancellation on 11 March 2025, and has completed the procedures for closing the designated fundraising account for this project.
- (3) As of March 2025, prior to the closure of the designated fundraising account for the Tangshan LNG Terminal Outbound Pipeline Projects (Caofeidian-Baodi Section), the interest income of RMB 4,129.40 generated from such account was transferred to the designated fundraising account of the Tangshan LNG Project (Phase 1 and Phase 2) of Caofeidian Company (Account name and number: Bank of China Limited Caofeidian Free Trade Zone Branch 101924792692).
- (4) The Tangshan LNG Terminal Outbound Pipelines Projects (Caofeidian-Baodi section) and (Baodi-Yongqing section) implement the tariff rate for the central and eastern price zones stipulated in the Notice on Determining the Transportation Prices for Inter-provincial Natural Gas Pipelines issued by the National Development and Reform Commission, which is RMB0.2783/thousand cubic meters · km (tax inclusive). The pipeline transportation price in 2025 decreased compared to 2024, and the projects are currently in the market cultivation period, and therefore the profitability was not achieved this year.
- (5) Tangshan LNG Project (Phase 1 and Phase 2). Phase 1 has been completed and put into operation. For Phase 2, the main tank equipment of the #9, #10, #15 and #16 storage tanks has been completed, while the remaining supporting process facilities are still under construction. As of the end of 2025, the project had not yet reached the expected state of readiness for use. Based on the current construction progress, it is expected to be completed in 2026.

SIGNIFICANT EVENTS

2. *Details of utilization of over-raised funds*

☐ Applicable ☒ Not applicable

(III) Changes in or termination of investments with proceeds during the Reporting Period

☐ Applicable ☒ Not applicable

(IV) Other circumstances regarding use of proceeds during the Reporting Period

1. *Description of previous injection and replacement of investment projects*

As of 31 December 2025, there were no cases where investment projects funded by the Company's non-public offering of RMB ordinary shares (A shares) to specific targets had been transferred externally.

At the thirtieth extraordinary meeting of the fourth session of the Board of Directors and the fourteenth extraordinary meeting of the fourth session of the Board of Supervisors held on 23 February 2022, the Company considered and approved the "Resolution on the Replacement of the Self-Raised Funds Previously Invested in the Target Projects and Paid Issuance Expenses with Proceeds", approving the Company to use the proceeds to replace self-raised funds already invested in the Target Projects in the amount of RMB285,600,000.00 and the issuance expenses of RMB4,149,225.23 already paid in advance from the Company's own capital account. Ernst & Young Hua Ming LLP conducted an assurance engagement on the matter and issued the Assurance Report (Ernst & Young Hua Ming (2022) Zhuan Zi No. 60809266_A01). The sponsor, Zhong De Securities, also expressed a special review opinion on the replacement with the proceeds. The independent directors and the Board of Supervisors of the Company have expressed their explicit opinions approving the same.

2. *Temporary use of idle proceeds for replenishment of working capital*

At the thirty-second ad hoc meeting of the fourth session of the Board of Directors and the fifteenth ad hoc meeting of the fourth session of the Board of Supervisors of the Company held on 20 April 2022, the "Resolution on Temporary Use of Part of Idle Proceeds for Replenishment of Working Capital" was considered and approved, approving the Company to use not more than RMB1 billion of idle proceeds for replenishment of working capital for a period of not more than 12 months from the date of consideration and approval by the Board of Directors. Zhong De Securities, the sponsor of the Company, has issued a specific verification opinion on temporary use of part of idle proceeds for replenishment of working capital. The independent directors and the Board of Supervisors of the Company have expressed their explicit opinions approving the same.

At the twelfth ad hoc meeting of the fifth session of the Board of Directors and the sixth ad hoc meeting of the fifth session of the Board of Supervisors of the Company held on 19 April 2023, the "Resolution on Temporary Use of Part of Idle Proceeds for Replenishment of Working Capital" was considered and approved, approving the Company to use not more than RMB1 billion of idle proceeds for replenishment of working capital for a period of not more than 12 months from the date of consideration and approval by the Board of Directors. Zhong De Securities, the sponsor of the Company, has issued a specific verification opinion on temporary use of part of idle proceeds for replenishment of working capital. The independent directors and the Board of Supervisors of the Company have expressed their explicit opinions approving the same.

As of 31 December 2025, the Company did not temporarily use idle proceeds for replenishment of working capital.

SIGNIFICANT EVENTS

3. Cash management and investment of idle funds in related products

Unit: RMB'0,000 Currency: RMB

Date of Board consideration	Effective limit of proceeds for cash management for consideration	Start date	End date	Cash management balance at the end of the Reporting Period	Whether the maximum balance for the period exceeds the authorization limit
20 April 2022	200,000	20 April 2022	19 April 2023	0	No
19 April 2023	100,000	19 April 2023	18 April 2024	0	No
25 April 2024	40,000	25 April 2024	24 April 2025	0	No

On 11 January 2022, the Company convened the 28th extraordinary meeting of the fourth session of the Board of Directors and the 12th extraordinary meeting of the fourth session of the Board of Supervisors, at which the Resolution on Depositing Proceeds by Way of Agreed Deposit was considered and approved, agreeing that the Company, without affecting the use of the Company's proceeds and the normal construction of investment projects funded by proceeds, may deposit the remaining balance of the proceeds from the non-public offering of A shares by way of agreed deposit for a period not exceeding 12 months from the date of approval by the Board of Directors. The Company's sponsor, Zhong De Securities, issued a specific verification opinion on the placement of the proceeds in the form of agreed deposits. The Company's independent Directors and the Board of Supervisors have expressed their explicit opinions approving the same.

On 11 January 2023, the Company convened the tenth extraordinary meeting of the fifth session of the Board of Directors and the fifth extraordinary meeting of the fifth session of the Board of Supervisors, at which the Resolution on Depositing Proceeds by Way of Agreed Deposits was considered and approved, agreeing that the Company, without affecting the use of the Company's proceeds and the normal construction of investment projects funded by proceeds, would deposit the remaining balance of proceeds from the non-public offering of A shares by way of agreed deposit for a period not exceeding 12 months from the date of approval by the Board of Directors. The Company's sponsor, Zhong De Securities, issued a specific verification opinion on the placement of the proceeds in the form of agreed deposits. The independent Directors and the Board of Supervisors of the Company have expressed their explicit opinions approving the same.

On 25 April 2024, the Company convened the twenty-fourth extraordinary meeting of the fifth session of the Board of Directors and the eleventh extraordinary meeting of the fifth session of the Board of Supervisors, respectively, at which the Resolution on Depositing Proceeds by Way of Agreed Deposit was considered and approved, agreeing that the Company, without affecting the use of the Company's proceeds and the normal construction of investment projects funded by proceeds, would deposit the remaining balance of proceeds from the non-public offering of A shares by way of agreed deposit for a period not exceeding 12 months from the date of approval by the Board of Directors. Zhong De Securities, the sponsor of the Company, has issued a specific verification opinion on this situation of depositing proceeds by way of agreed deposit. The Board of Supervisors of the Company has expressed its explicit opinion approving the same.

4. Others

☐ Applicable ☒ Not applicable

SIGNIFICANT EVENTS

(V) Conclusive opinions from the intermediary on the special verification and assurance of the storage and use of proceeds

The sponsor conducted verification of the deposit, use and project implementation of the proceeds raised through various methods such as document review, on-site inspections and communication with management. After the verification, the sponsor was of the opinion that the deposit and use of proceeds by the Company during the year 2025 complied with the requirements of the relevant laws, regulations, including the Rules on the Supervision and Administration of Fund Raising by Listed Companies, the Shanghai Stock Exchange Listing Rules, the Guidelines No. 1 for the Application of Self-regulatory Rules of Companies Listed on the Shanghai Stock Exchange – Standard Operation, and the Management System Concerning the Special Storage and Use of the Raised Capital. The Company maintained special deposit accounts and used the proceeds for the designated purposes, and there was no diversion in the use of the proceeds, nor was there any damage to the interests of shareholders or any improper use of the proceeds.

Explanation of relevant circumstances of verification anomalies

☐ Applicable ☒ Not applicable

(VI) Subsequent rectification regarding unauthorized change in the use of proceeds and the misappropriation of proceeds

☐ Applicable ☒ Not applicable

XV. EXPLANATION ON OTHER SIGNIFICANT MATTERS THAT HAVE A SIGNIFICANT IMPACT ON THE VALUE JUDGMENTS AND INVESTMENT DECISIONS OF INVESTORS

☐ Applicable ☒ Not applicable

REPORT OF THE BOARD OF DIRECTORS

I. BUSINESS REVIEW

1. Operating environment

The Group is primarily engaged in the exploration and utilization of new energy and clean energy by operating the wind power business and the natural gas business. Details of principal subsidiaries of the Company are set out in the "Financial Report – Interests in Other Entities – Interests in subsidiaries". During the Reporting Period, the Company actively expanded the new energy and clean energy business and steadily promoted the reserve of wind resources, therefore, the installed capacity experienced steady growth. With active facilitation of the construction of infrastructure of natural gas, continued expansion of the market of downstream users, operation of urban CNG and LNG businesses in a steady manner, and further improvement in the transmission network, the gas transmission/sales volume continuously increased. Details of the business environment policy of the Company are set out in the "Management Discussion and Analysis" of this annual report.

2. Key financial indicators

In 2025, the Group's wind and photovoltaic power generation business realized a sales volume of 14.845 billion kWh, representing a year-on-year increase of 7.71%; sold 4.771 billion cubic meters of natural gas, representing a year-on-year decrease of 7.47%; realized operating revenue of RMB19.831 billion, representing a year-on-year decrease of 7.21%; a total profit of RMB2.543 billion, representing a year-on-year increase of 8.37%; realized a net profit of RMB2.014 billion, representing a year-on-year increase of 5.98%, of which the net profit attributable to shareholders of the parent company amounted to RMB1.826 billion, representing a year-on-year increase of 9.21%.

As at 31 December 2025, the total number of shares in issue of the Company was 4,512,693,073, comprising of 2,366,688,677 A shares and 2,146,004,396 H shares. Details of liquidity of the Company are set out in the "Management Discussion and Analysis" of this annual report.

3. Compliance with laws and regulations and performance

In 2025, the Group complied with laws and regulations that had material impacts on the building, production and operation of wind power, photovoltaic power and natural gas projects, which mainly included:

- (1) The Group complied with the Work Safety Law of the People's Republic of China, the Law of the People's Republic of China on Prevention and Treatment of Occupational Diseases and other national laws and regulations. Through improving the governance structure, clarifying safety strategies, strengthening risk identification and control, and establishing clear targets and assessment goals, the Group established a systematic safety management system. Relying on standardised policies, accountability implementation, training and supervision measures, the Group ensured safe and reliable production operations and robust emergency response capabilities, while continuously promoting safety performance improvement to effectively safeguard the long-term stable development of the Group.
- (2) The Group complied with the Labour Law of the People's Republic of China, the Labour Contract Law of the People's Republic of China, the Employment Promotion Law of the People's Republic of China, the Law of the People's Republic of China on the Protection of Minors, and other relevant laws and regulations; formulated rules and regulations such as the Remuneration Management Measures and Supplementary Medical Management Measures; adhered to legal and compliant employment; continuously improved the Group's remuneration and benefit system; and protected the legitimate rights and interests of employees.
- (3) The Group complied with the Environmental Protection Law of the People's Republic of China, the Environmental Impact Assessment Law of the People's Republic of China and other ecological environment policies, laws and regulations, and established an environmental management system covering policies such as the Environmental Protection Management Measures, the Report of Risk Assessment for Environmental Emergencies, the Environmental Emergency Preparedness Resources Survey and the Emergency Plan for Sudden Environmental Events. The Group strictly implemented environmental impact assessment requirements, accurately identified ecologically sensitive areas and high-risk environmental links, systematically strengthened ecological environment protection and biodiversity conservation, and continuously enhanced its capabilities in environmental risk prevention and comprehensive management.
- (4) The Group strictly complied with the Law of the People's Republic of China on the Prevention and Control of Water Pollution, the Marine Environmental Protection Law of the People's Republic of China, the Atmospheric Pollution Prevention and Control Law of the People's Republic of China, the Law of the People's Republic of China on Prevention and Control of Environmental Pollution by Solid Waste, the National Catalogue of Hazardous Wastes, Integrated Wastewater Discharge Standard (《污水綜合排放標準》) and other laws, regulations and standards. The Group continuously optimized water resource management and placed emphasis on the rational use of water resources. During the Reporting Period, the headquarter and its subsidiaries adopted multiple measures in daily operations, project construction and other aspects to enhance water efficiency, strictly implemented wastewater treatment and discharge compliance to minimise the environmental impact of wastewater, while actively promoting air pollutant emission reduction and the compliant disposal and resource utilisation of solid waste, thereby establishing a green and efficient production and operation model.

REPORT OF THE BOARD OF DIRECTORS

- (5) The Group complied with the Product Quality Law of the People's Republic of China, the Standardisation Law of the People's Republic of China (《中華人民共和國標準化法》) and other relevant laws and regulations, and formulated and implemented supporting management systems based on its business characteristics, dedicating efforts to continuously improve the quality of project construction and operational services through enhancing the quality management system and standardising project construction management.
- (6) The Group complied with the Cybersecurity Law of the PRC (《中華人民共和國網絡安全法》), the Data Security Law of the PRC (《中華人民共和國數據安全法》) and other laws and regulations, and formulated internal systems such as the Internal Control Manual, the Data Management Policy and the Data Structure Management Measures, supplemented by supporting management rules including the Network and Information Security Management Measures and the Cybersecurity Assurance Plan for Meeting Periods. The Group established the information security management principle of "unified standards, hierarchical management" and promoted the comprehensive coverage and effective implementation of information security management requirements across all departments and management units.
- (7) The Group complied with the Patent Law of the People's Republic of China, the Trademark Law of the People's Republic of China, the Copyright Law of the People's Republic of China, the Law of the People's Republic of China on Promotion of the Transformation of Scientific and Technological Achievements, the Implementation Rules for the Incentive Measures of Science and Technology of Hebei Province and other national and local laws and regulations. During the year, the Group also revised internal policies such as the Intellectual Property Management Measures of Suntien and the Regulations on Rewards for Scientific Research Achievements to continuously improve the intellectual property protection system and the incentive mechanism for scientific research and innovation, effectively strengthening the protection of intellectual property rights and motivating employees to carry out technological research and knowledge innovation.
- (8) The Group complied with the Company Law of the People's Republic of China, the Bidding Law of the People's Republic of China and other relevant laws and regulations, and formulated a comprehensive supplier management system based on its business needs. Suntien formulated and implemented several internal management policies, including the Tender Management Regulations, the Project Construction Suppliers Management Measures and the Measures for the Management of Material Suppliers. The Group regulated the procurement process of tendering, as well as the supplier admission, evaluation and dynamic management mechanisms, strengthened supply chain risk prevention, ensured open, fair and impartial procurement activities, and continuously enhanced the compliant, professional and efficient management of the supply chain.

4. Major risk factors

The major risks and uncertain factors of the Company include the slowdown of the growth of macroeconomy, competition of alternative energy, collection of accounts receivable, decrease in price of electricity, climate and wind curtailments and power constraints. Details are set out in the "Management Discussion and Analysis – Discussion and Analysis on the Company's Future Development – Potential risks" of this annual report.

5. Business development forecast in the future

Subsequent to the Reporting Period, no significant event that has had impact on the Company has occurred.

For the business development in 2025, please refer to the "Management Discussion and Analysis – Discussion and Analysis on the Company's Future Development" of this annual report.

6. Staff relationship

Staff not only provide services and maintain operations, but are also the driving force of innovation and development of the Group. In order to create a united and harmonious team, the Group actively protects the basic rights of the staff, sets out clear regulations in respect of recruitment, employment, labor relations, and has standardized the employment of the Company, social security management and code of conduct of the staff, so as to maximize the protection of the staff's legal rights. The Company prepared a comprehensive management system from two aspects, namely occupational health and production safety, so as to create a safe production foundation. It has also paid attention to the staff's demands to ensure that the staff are healthy and happy. At the same time, it has set up a scientific staff promotion system and supplemented with specific trainings, to train and encourage outstanding talents, so as to build a professional and efficient team for the Group.

7. Client and supplier relations

The Group shoulders the responsibility of supplying natural gases to urban residents and industrial enterprises in Hebei Province. Hebei Natural Gas has adhered to the operational philosophy of "valuing customers, focusing on service", and been committed to providing customers with friendly, professional and efficient services. With the adoption of various measures, such as developing a number of management systems, providing convenient services to residents, reinforcing the promotion of knowledge about the use of gas and organizing service training, it has, on the basis of maintaining safe energy supply service, optimized the customer experience and constantly improved the living standard of residents, thereby building a more harmonious and inclusive society with an emphasis on humanistic care.

The Group has formulated management procedures on suppliers of each product and service in compliance with relevant national and local regulations, to ensure that the procurement process is legitimate and compliant, and that the suppliers selected are highly efficient in managing different aspects of their business, such as quality, environmental protection and safety. As always, by upholding the concept of open cooperation, equality and mutual benefit, the Group has actively explored diversified modes of information exchange and cooperation with suppliers. We establish strategic partnership with excellent suppliers, open up communication with suppliers throughout the whole process of product development, delivery and sales, overcome technical challenges in production together, carry out discussions related to cutting-edge technology, and grow together with suppliers with an open and cooperative mindset.

8. Environmental protection policies and performance

As a green energy company, the Group aligns closely with the adjusted national energy strategic direction and endeavours to develop natural gas and wind power businesses as well as to deliver clean energy to various industries. Apart from creating economic value, the Group also reduces the impact to the environment through its products and services. Meanwhile, the Group has paid great attention to low-carbon and environmental protection of every part of the process of project construction, production and operation by strictly monitoring and managing the impact of the Company's operation on the surrounding environment. It has also actively strengthened environmental risk management and environmental protection awareness through formulating contingency plans for environmental emergencies, carrying out regular training and drills for contingency plans, and strengthening the promotion and education on environmental protection and green development to raise the awareness of ecological and environmental protection among all employees. By fulfilling its commitment to sustainable development with practical actions, the Group has actively contributed to the construction of a resource-saving and environment-friendly modern green enterprise.

II. RESULTS

The audited results of the Company and its subsidiaries for the year ended 31 December 2025 are set out in the consolidated income statement contained in the "Financial Report" of this annual report. The financial position of the Company and its subsidiaries for the year ended 31 December 2025 is set out in the consolidated balance sheet contained in the "Financial Report". The consolidated cash flows of the Company and its subsidiaries for the year ended 31 December 2025 are set out in the consolidated cash flow statement contained in the "Financial Report".

The discussion and analysis of the Group's performance and financial position for the year is set out in the "Management Discussion and Analysis" of this annual report.

III. SHARE CAPITAL

On 7 November 2025, the Company completed the issuance of 307,000,000 overseas listed foreign shares to specific subscribers. Following the issuance, the Company's share capital structure is as follows: the Company's total share capital is 4,512,693,073 shares, comprising 2,366,688,677 A shares, representing 52.45% of the Company's total share capital, and 2,146,004,396 H shares, representing 47.55% of the Company's total share capital. The historical adjustments to the share capital are set out below:

The initial public offering and listing of the shares of the Company on the main board of the Hong Kong Stock Exchange was completed on 13 October 2010. A total of 1,076,900,000 H shares were issued and sold at a price of HK\$2.66 per share to investors in Hong Kong and overseas. In October 2010, the Company issued a total of 161,535,000 H shares at a price of HK\$2.66 per share upon exercise of the over-allotment option. As of 31 December 2010, the total number of shares of the Company was 3,238,435,000 shares.

On 28 January 2014, the Company successfully placed 476,725,396 H shares, as a result, the registered capital increased by RMB476,725,396 and proceeds of approximately HK\$1,597,030,077 were raised. Upon completion of the placing, the total issued share capital of the Company amounted to RMB3,715,160,396, divided into 3,715,160,396 shares with a par value of RMB1 each.

On 9 July 2015, HECIC Water transferred 375,231,200 domestic shares held in the Company to HECIC at nil consideration. Upon completion of the equity transfer, HECIC directly holds 1,876,156,000 domestic shares of the Company, representing 50.5% of the issued share capital of the Company.

On 28 May 2020, as approved by the Zheng Jian Xu Ke [2020] No. 1012 issued by the China Securities Regulatory Commission, the Company conducted the initial public A-share offering of shares on 29 June 2020 and listed on the Shanghai Stock Exchange, under which, a total of 134,750,000.00 ordinary shares (A shares) were issued at RMB3.18 per share and aggregate proceeds of RMB428,505,000.00 were raised.

On 19 August 2021, as approved by the Zheng Jian Xu Ke [2021] No. 2730 issued by the China Securities Regulatory Commission, the Company conducted the non-public issuance of A shares on 29 December 2021, under which, 337,182,677 shares were issued to specific subscribers at the issue price of RMB13.63 per share, raising total proceeds of RMB4,595,799,887.51, and completed share registration on 6 January 2022. Upon completion of the issuance, the total number of shares increased from 3,849,910,396 to 4,187,093,073, and the total number of A shares increased from 2,010,906,000 to 2,348,088,677, of which, 49.17%, 43.92% and 6.91% are held by HECIC, shareholders of H shares and other shareholders of A shares, respectively.

REPORT OF THE BOARD OF DIRECTORS

On 14 May 2024, the Company completed the registration of the grant of shares under the 2023 Restricted A Share Incentive Scheme. The number of shares granted thereunder was 18,600,000 shares. After this grant, the total share capital of the Company is 4,205,693,073 shares, comprising: 2,366,688,677 A shares, representing 56.27% of the Company's total share capital; and 1,839,004,396 H shares, representing 43.73% of the Company's total share capital.

On 7 November 2025, the Company completed the issuance of 307,000,000 overseas listed foreign shares to specific subscribers. Following the issuance, the Company's share capital structure is as follows: the Company's total share capital is 4,512,693,073 shares, comprising 2,366,688,677 A shares, representing 52.45% of the Company's total share capital, and 2,146,004,396 H shares, representing 47.55% of the Company's total share capital.

IV. PRE-EMPTIVE RIGHTS

There is no provision relating to pre-emptive rights entitled to shareholders of the Company under laws and regulations, such as the PRC Company Law, and the Articles of Association of the Company.

V. LIST OF DIRECTORS, SERVICE CONTRACTS OF DIRECTORS

During the Reporting Period and up to the date of this report, the list of Directors of the Company is set out in the "Corporate Governance, Environment and Society – Particulars of Directors and Senior Management" of this Annual Report.

None of the Directors of the Company has entered into a service contract with the Company or its subsidiaries that is not determinable within one year without payment of compensation (other than statutory compensation).

VI. INTERESTS OF DIRECTORS (AND ITS ASSOCIATED ENTITIES) IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

As at the end of year 2025 or at any time during the year 2025, none of the Directors (and any of their associated entities) of the Company had any personal interest, either directly or indirectly, in any transaction, arrangement or contract of significance to which the Company or any of its subsidiaries was a party.

VII. DIRECTORS' INTEREST IN BUSINESS COMPETING WITH THE COMPANY

During the Reporting Period, none of the Directors and their associates (as defined under the Hong Kong Listing Rules) had any interests that competes either directly or indirectly, with the business of the Group.

VIII. MANAGEMENT CONTRACTS

Save for the service contracts with Directors and all employees of the Group, at any time during the Reporting Period, the Group has not entered into any contract with any individual, company or body corporate to manage or handle the whole department or any material part of the Company's business.

IX. PERMITTED INDEMNITY PROVISION

The Company purchased applicable liability insurance policies for all Directors of the Company on indemnification of liabilities that may be caused under corporate activities.

X. COMPLIANCE WITH NON-COMPETITION AGREEMENT

On 19 September 2010, the Company entered into a non-competition agreement (the "Previous Non-Competition Agreement") with its controlling shareholder HECIC, which stipulated that HECIC and its subsidiaries undertook not to participate in businesses that were directly or indirectly competitive with the Group's principal business. Since the Group will continue to focus on wind power and natural gas related industries in the future, concentrating resources on the construction and operation of onshore and offshore wind farms, LNG terminals and receiving stations, natural gas long-distance pipelines, city gas, and gas-fired power plants, the Group plans to gradually sell its existing photovoltaic business to concentrate resources on expanding its main business, further enhancing the Group's strength and core competitiveness. Therefore, the Company entered into a non-competition agreement (the "New Non-Competition Agreement") with HECIC on 30 October 2024, to align with the aforementioned adjustment in the Group's development strategy and the latest industry developments, and to more reasonably define the rights and obligations of both parties. The New Non-Competition Agreement was approved by the Company's independent shareholders on 6 December 2024, and has since replaced the Previous Non-Competition Agreement.

HECIC confirmed that it had complied with the New Non-Competition Agreement, during the relevant periods in 2025. The independent non-executive Directors of the Company had reviewed the performance of the New Non-Competition Agreement during 2025 and confirmed that HECIC had duly complied with the relevant agreements and no violation of the relevant agreements was observed.

For other undertakings made by the controlling shareholder of the Company, please refer to "Significant Events – Undertakings made by relevant parties such as the actual controller, shareholders, related parties and acquirers of the Company and the Company during the Reporting Period or subsisting to the Reporting Period" of this annual report.

REPORT OF THE BOARD OF DIRECTORS

XI. RETIREMENT AND EMPLOYEE BENEFIT PLANS

Details of the Group's retirement and employee benefit plans are set out in the "Financial Report – Notes to Items of the Consolidated Financial Statements – Employee benefits payable" of this annual report.

XII. COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

As a company listed on the Hong Kong Stock Exchange, the Company strives to maintain a high standard of corporate governance practices and adopts the code provisions as set out in the Corporate Governance Code and Corporate Governance Report to Appendix C1 of the Hong Kong Listing Rules. During the Reporting Period, the Company has complied with all provisions set out in the CG Code.

XIII. PUBLIC FLOAT

According to the information publicly available to the Company and to the knowledge of the Directors, as at the latest practicable date prior to the publication of this annual report (i.e. 25 March 2026), the issued H shares of the Company held by the public accounted for no less than 5% of the total issued share capital of the Company, maintaining a sufficient public float to meet the requirements under the Hong Kong Listing Rules.

XIV. AUDIT COMMITTEE

The Audit Committee of the Company had reviewed the 2025 annual results of the Group and the Financial Statements for the year ended 31 December 2025 prepared in accordance with the PRC Accounting Standards for Business Enterprises.

XV. AUDITORS

Ernst & Young Hua Ming LLP was appointed auditor for preparation of the Financial Statements for the year ended 31 December 2025 in accordance with the PRC Accounting Standards for Business Enterprises. The Financial Statements contained in this annual report were prepared in accordance with the PRC Accounting Standards for Business Enterprises and have been audited by Ernst & Young Hua Ming LLP.

XVI. RELATED PARTY TRANSACTIONS

The following categories of related party transactions as set out in the "Financial Report – Related Parties and Related Party Transactions" of this annual report constitute continuing connected transactions under Chapter 14A of the Hong Kong Listing Rules:

The transactions with HECIC and its subsidiaries: the transactions had continued in 2025, including the transactions with Group Finance Company, Huihai Company and other subsidiaries of HECIC.

The above-mentioned transactions are in compliance with the requirements of Chapter 14A of the Hong Kong Listing Rules.

XVII. INFORMATION OF TAX DEDUCTION FOR HOLDERS OF LISTED SECURITIES

Shareholders are taxed and/or enjoy tax relief for the dividend income received from the Company in accordance with the Individual Income Tax Law of the People's Republic of China, the Enterprise Income Tax Law of the People's Republic of China, and relevant administrative rules, governmental regulations and guiding documents. Please refer to the announcement published by the Company on the website of the SSE on 11 August 2025 for the information on income tax in respect of the dividend distributed to A shareholders during the Reporting Period; Please refer to the announcement published by the Company on the HKEXnews website of the Hong Kong Exchanges and Clearing Limited on 10 August 2025 for the information on income tax in respect of the dividend distributed to H shareholders.

XVIII. RESERVES

Details of the changes in the Company's reserves during the year are set out in the "Financial Report – Notes to Items of the Consolidated Financial Statements – Undistributed profits", and the details of the reserves available for distribution to shareholders are set out in the "Financial Report – Notes to Items of the Consolidated Financial Statements – Undistributed profits".

XIX. BANK BORROWINGS AND OTHER BORROWINGS

Details of bank borrowings and other borrowings of the Company and its subsidiaries as at 31 December 2025 are set out in the "Financial Report – Notes to Items of the Consolidated Financial Statements – Short-term borrowings, Long-term borrowings".

CHANGES IN SHARES AND PARTICULARS OF SHAREHOLDERS

I. CHANGES IN SHARE CAPITAL

(I) Table of Changes in Shares

1. Table of Changes in Shares

Unit: Shares

	Before this change		Issuance of new shares	Increase or decrease (+, -)			Sub-total	After this change	
	Number	Percentage (%)		Bonus shares	Transfer of capital reserve to ordinary shares	Others		Number	Percentage (%)
I. Restricted Shares	18,600,000	0.44	307,000,000	0	0	0	307,000,000	325,600,000	7.22
1. State-held shares	0	0	0	0	0	0	0	0	0
2. State-owned legal person shares	0	0	307,000,000	0	0	0	307,000,000	307,000,000	6.80
3. Other domestic shares	18,600,000	0.44	0	0	0	0	0	18,600,000	0.41
Including: Domestic non-state-owned legal person shares	0	0	0	0	0	0	0	0	0
Domestic natural person shares	18,600,000	0.44	0	0	0	0	0	18,600,000	0.41
4. Foreign shares	0	0	0	0	0	0	0	0	0
Including: Overseas legal person shares	0	0	0	0	0	0	0	0	0
Overseas natural person shares	0	0	0	0	0	0	0	0	0
II. Unrestricted Circulating Shares	4,187,093,073	99.56	0	0	0	0	0	4,187,093,073	92.78
1. RMB ordinary shares	2,348,088,677	55.83	0	0	0	0	0	2,348,088,677	52.03
2. Domestically listed foreign shares	0	0	0	0	0	0	0	0	0
3. Overseas listed foreign shares	1,839,004,396	43.73	0	0	0	0	0	1,839,004,396	40.75
4. Others	0	0	0	0	0	0	0	0	0
III. Total number of shares	4,205,693,073	100.00	307,000,000	0	0	0	307,000,000	4,512,693,073	100.00

2. Explanation for changes in shares

At the second extraordinary meeting of the sixth session of the Board of Directors held on 27 August 2025 and the third extraordinary general meeting of 2025 held on 24 October 2025, it was considered and approved that the Company completed the issuance of 307,000,000 overseas listed foreign shares to specific subscribers and completed the share registration on 7 November 2025. Following the issuance, the Company's total share capital increased from 4,205,693,073 shares to 4,512,693,073 shares.

3. Effects of changes in shares on financial indicators such as earnings per share and net assets per share for the most recent year and most recent period (if any)

☐ Applicable ☒ Not applicable

4. Other information the disclosure of which is deemed necessary by the Company or is required by securities regulatory authorities

☐ Applicable ☒ Not applicable

CHANGES IN SHARES AND PARTICULARS OF SHAREHOLDERS

(II) Change in restricted shares

Unit: Shares

Name of shareholder	Number of restricted shares at the beginning of the year	Shares released from restrictions on sales in current year	Increase in restricted shares in current year	Number of restricted shares at the end of the year	Reason for restrictions on sales	Date of release from restrictions on sales
Hebei Construction & Investment Group Co., Ltd.	182,685,253	182,685,253	0	0	Non-public offering of A shares	6 January 2025
Participants of the Company's 2023 Restricted A Share Incentive Scheme	18,600,000	0	0	18,600,000	Restricted stock incentive lock-up	See the note for details
Hebei International Investment Ltd	0	0	307,000,000	307,000,000	Issuance of H shares to specific subscribers	7 November 2028
Total	201,285,253	182,685,253	307,000,000	325,600,000	/	/

Note: The lock-up periods for the restricted shares held by the participants under the Company's 2023 Restricted A Share Incentive Scheme are 24 months, 36 months, and 48 months, respectively, from the date of completion of registration of the restricted shares. The restricted shares will be released from restriction on 14 May 2026, 14 May 2027, and 15 May 2028, respectively, upon expiry of the lock-up period and satisfaction of the assessment criteria.

II. ISSUANCE AND LISTING OF SECURITIES

(I) Issue of Securities during the Reporting Period

Unit: Shares Currency: RMB

Shares and type of their derivative securities	Issuance date	Issue price (or interest rate)	Issuance amount	Listing date	Number approved for listing and trading	Transaction termination date
Ordinary shares						
Overseas listed foreign shares	2025/11/7	HKD4.93/share	307,000,000			
Bonds (including debentures, corporate bonds, and non-financial corporate debt financing instruments)						
2020 First Tranche of Medium-Term Notes of China Suntien Green Energy Corporation Limited	2020/5/13-2020/5/14	3.86%	1,000,000,000	2020/5/15		2025/5/15
2025 First Tranche of Green Medium-Term Notes of China Suntien Green Energy Corporation Limited	2025/6/17-2025/6/18	2.05%	1,500,000,000	2025/6/19		3+N years
2023 First Tranche of Medium-Term Notes of HECIC New Energy Co., Ltd.	2023/4/3-2023/4/4	3.23%	700,000,000	2023/4/6		2025/4/6
2023 Second Tranche of Medium-Term Notes of HECIC New Energy Co., Ltd.	2023/9/21-2023/9/22	3.18%	140,000,000	2023/9/25		2025/9/25
2024 First Tranche of Super Short-Term Commercial Papers of HECIC New Energy Co., Ltd.	2024/11/16-2024/11/17	2.16%	500,000,000	2024/11/18		2025/8/15
2025 First Tranche of Super Short-Term Commercial Papers of HECIC New Energy Co., Ltd.	2025/2/17	2.12%	300,000,000	2025/2/19		2025/11/16
2025 Second Tranche of Super Short-Term Commercial Papers of HECIC New Energy Co., Ltd.	2025/3/20	2.10%	600,000,000	2025/3/24		2025/12/19
2025 Third Tranche of Super Short-Term Commercial Papers of HECIC New Energy Co., Ltd.	2025/8/7	1.74%	500,000,000	2025/8/11		2026/5/8
2025 Fourth Tranche of Super Short-Term Commercial Papers of HECIC New Energy Co., Ltd.	2025/11/8	1.71%	300,000,000	2025/11/12		2026/8/9
2025 Fifth Tranche of Super Short-Term Commercial Papers of HECIC New Energy Co., Ltd.	2025/12/17	1.79%	600,000,000	2025/12/19		2026/9/13

CHANGES IN SHARES AND PARTICULARS OF SHAREHOLDERS

Issue of securities during the Reporting Period (particulars of bonds with different interest rates during duration shall be provided separately):

☐ Applicable ☒ Not applicable

(II) Change in Total Number of Shares, Shareholding Structure and Asset and Liability Structure of the Company

For details of changes in the Company's total number of shares during the Reporting Period, please refer to the relevant content in (1) 2. Explanation for Changes in Shares in "I. Changes in Share Capital" under this section. At the beginning of the Reporting Period, the Company's total assets were RMB84,016,482,012.66, total liabilities were RMB56,903,738,159.25, and the asset-liability ratio was 67.73%. At the end of the Reporting Period, the Company's total assets were RMB93,491,185,547.08, total liabilities were RMB61,988,553,350.03, and the asset-liability ratio was 66.30%.

(III) Information of Current Employee Shares

☐ Applicable ☒ Not applicable

III. SHAREHOLDERS AND THE DE FACTO CONTROLLER

(I) Total Number of Shareholders

As at 31 December 2025, the number of shareholders of the Company was: 39,440 A shareholders and 1,097 H shareholders, totaling 40,537 shareholders.

Total number of holders of ordinary shares as at the end of the Reporting Period (person)	40,537
Total number of holders of ordinary shares as at the end of the month immediately before the publication date of the annual report (person)	41,651
Total number of holders of preferred shares with restored voting right as at the end of the Reporting Period (person)	0
Total number of holders of preferred shares with restored voting right as at the end of the month immediately before the publication date of the annual report (person)	0

(II) Table of Shareholding of the Top 10 Shareholders and the Top 10 Shareholders of Tradable Shares or Shares not Subject to Selling Restrictions as at the End of the Reporting Period

Unit: Shares

Shareholding of the top 10 shareholders (excluding shares lent through refinancing)

Name of shareholder (full name)	Increase/ decrease during the Reporting Period	Number of shares held as at the end of the Reporting Period	Percentage (%)	Number of restricted shares held	Status of shares	Shares pledged, marked or frozen Number	Nature of shareholder
Hebei Construction & Investment Group Co., Ltd.	0	2,058,841,253	45.62	0	Nil	0	State-owned legal person
HKSCC NOMINEES LIMITED	120,000	1,836,016,285	40.69	0	Unknown	0	Overseas legal person
HEBEI INTERNATIONAL INVESTMENT LTD (燕山國際投資有限公司)	307,000,000	307,000,000	6.80	307,000,000	Nil	0	Overseas legal person
Hong Kong Securities Clearing Company Limited	987,125	5,807,325	0.13	0	Nil	0	Overseas legal person
Wang Yulan	-123,700	5,381,780	0.12	0	Nil	0	Domestic natural person
Xu Yisheng	-	4,433,000	0.10	0	Nil	0	Domestic natural person
New China Life Insurance Co., Ltd. - Classic - General Insurance Product - 018L-CT001 Shanghai	4,339,952	4,339,952	0.10	0	Nil	0	Others
Shenzhen Xinyisheng Technology Co., Ltd.	-480,965	2,521,781	0.06	0	Nil	0	Domestic non-state-owned legal person
Duan Jingpei	-	2,169,600	0.05	0	Nil	0	Domestic natural person
Shenzhen Xinyisheng Technology Development Co., Ltd.	-339,200	2,061,659	0.05	0	Nil	0	Domestic non-state-owned legal person

CHANGES IN SHARES AND PARTICULARS OF SHAREHOLDERS

Shareholding of the top 10 shareholders not subject to selling restrictions (excluding shares lent through refinancing)

Name of shareholder	Number of tradable non-restricted shares	Class and number of shares	Number
Hebei Construction & Investment Group Co., Ltd.	2,058,841,253	RMB ordinary shares	2,058,841,253
HKSCC NOMINEES LIMITED	1,836,016,285	Overseas listed foreign shares	1,836,016,285
Hong Kong Securities Clearing Company Limited	5,807,325	RMB ordinary shares	5,807,325
Wang Yulan	5,381,780	RMB ordinary shares	5,381,780
Xu Yisheng	4,433,000	RMB ordinary shares	4,433,000
New China Life Insurance Co., Ltd. – Classic – General Insurance Product – 018L-CT001 Shanghai	4,339,952	RMB ordinary shares	4,339,952
Shenzhen Xinyisheng Technology Co., Ltd.	2,521,781	RMB ordinary shares	2,521,781
Duan Jingpei	2,169,600	RMB ordinary shares	2,169,600
Shenzhen Xinyisheng Technology Development Co., Ltd.	2,061,659	RMB ordinary shares	2,061,659
Duan Chunguang	1,990,800	RMB ordinary shares	1,990,800
Description of designated accounts for repurchase among the top ten shareholders	Nil		
Description of rights to vote by proxy, proxy and abstention from voting among the above shareholders	Nil		
Description of connected relationship or acting in concert among the above shareholders	HEBEI INTERNATIONAL INVESTMENT LTD is a wholly-owned subsidiary of Hebei Construction & Investment Group Co., Ltd., and is therefore identified as a related party. The Company is not aware whether there are any related party relationships among the remaining shareholders, nor is it aware whether they are parties acting in concert as defined in The Measures for the Administration of the Takeover of Listed Companies		
Description of holders of preferred shares subject to restored voting rights and their shareholdings	N/A		

- Notes: (1) The shares are the total number of H shares of the Company held by HKSCC NOMINEES LIMITED on behalf of investors, which are deposited into the central clearing and settlement system of the Hong Kong Stock Exchange and registered in the name HKSCC NOMINEES LIMITED, a wholly-owned subsidiary of the Hong Kong Stock Exchange.
- (2) The holdings in ordinary accounts and credit accounts of the shareholders Xu Yisheng and Duan Jingpei were not among the top 200 shareholders of the Company at the beginning of the period.

Lending of shares through securities lending and borrowing business by shareholders holding 5% or more, top ten shareholders and top ten holders of unrestricted tradable shares

☐ Applicable ☒ Not applicable

Changes in the top ten shareholders and top ten holders of unrestricted tradable shares compared to the previous period due to lending/return through securities lending and borrowing

☐ Applicable ☒ Not applicable

CHANGES IN SHARES AND PARTICULARS OF SHAREHOLDERS

Number of shares held by top 10 shareholders subject to selling restrictions and the terms of selling restrictions

Unit: Shares

No.	Name of shareholder subject to selling restrictions	Number of restricted shares held	Tradable status of restricted shares		Term of selling restriction
			Date of being tradable	Number of additional tradable shares	
1	HEBEI INTERNATIONAL INVESTMENT LTD	307,000,000	7 November 2028	307,000,000	Within 36 months from the closing date of the issuance of H shares to specific investors
2	Li Lian Ping	200,000			
3	Tan Jian Xin	200,000			
4	Lu Yang	200,000			
5	Lu Sheng Xin	200,000			
6	Ban Ze Feng	200,000			
7	Liu Tao	80,000			
8	Guo Yan Xun	80,000			
9	Wang Xue Qing	80,000			
10	Other participants (217 in total)	17,360,000			
Description of connected relationship or acting in concert among the above shareholders		Shareholder Li Lianping receives remuneration from HECIC (the controlling shareholder of the Company), and HEBEI INTERNATIONAL INVESTMENT LTD is a wholly-owned subsidiary of HECIC, and are therefore identified as related parties. The Company is not aware whether there are any related party relationships or relationships of parties acting in concert among the other shareholders mentioned above.			

Notes:

1. Tradability and restriction conditions: According to the provisions of the 2023 Restricted A Share Incentive Scheme, if the unlocking conditions are met, the granted restricted shares will be unlocked on the last trading day within the 24th month, 36th month, and 48th month after the date of completion of grant registration, at rates of 33%, 33%, and 34% respectively.
2. On 3 January 2025, Mr. Guo Yan Xun was appointed as the Vice President of the Company. Prior to this, he had already been granted 80,000 restricted A shares as an incentive participant.
3. On 9 February 2026, Mr. Wang Xue Qing was appointed as the Board Secretary and Joint Company Secretary of the Company. Prior to this appointment, he had been granted 80,000 restricted A shares as an incentive recipient under the share incentive scheme.

(III) Strategic investors or general legal persons became the top 10 shareholders as a result of the placement of new shares

☐ Applicable ☒ Not applicable

CHANGES IN SHARES AND PARTICULARS OF SHAREHOLDERS

(IV) DIRECTORS' AND SENIOR MANAGEMENT'S INTERESTS AND SHORT POSITIONS OF THE SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2025, the interests of Directors and senior management of the Company in the shares of the Company are as follows:

Name of shareholder	Class of shares	Position	Capacity	Number of shares held	Percentage in the relevant class of share equity (%)	Percentage in the total share equity (%)
Cao Xin	H shares	Chairman	Beneficial owner	50,000(L)	0.0023	0.0011
Li Lian Ping	A shares ⁽¹⁾	Non-executive Director	Beneficial owner	200,000(L)	0.0085	0.0044
Tan Jian Xin	A shares ⁽¹⁾	Director, President	Beneficial owner	200,000(L)	0.0085	0.0044
Lu Yang	A shares ⁽¹⁾	Vice President	Beneficial owner	200,000(L)	0.0085	0.0044
Lu Sheng Xin	A shares ⁽¹⁾	Vice President	Beneficial owner	200,000(L)	0.0085	0.0044
Ban Ze Feng	H shares	Vice President and	Beneficial owner	50,000(L)	0.0023	0.0011
	A shares ⁽¹⁾	Secretary to the Board (Resigned after the Reporting Period)	Beneficial owner	200,000(L)	0.0085	0.0044
Liu Tao	A shares ⁽¹⁾	Chief Accountant	Beneficial owner	80,000(L)	0.0034	0.0018
Guo Yan Xun	A shares ⁽¹⁾	Vice President	Beneficial owner	80,000(L)	0.0034	0.0018
Wang Xue Qing	A shares ⁽¹⁾	Secretary to the Board (Appointed after the Reporting Period)	Beneficial owner	80,000(L)	0.0034	0.0018

- Notes: (1) The relevant share interests are restricted shares granted by the Company under the 2023 Restricted A Share Incentive Scheme.
- (2) On 3 January 2025, Mr. Guo Yan Xun was appointed as the Vice President of the Company. Prior to this, he had already been granted 80,000 restricted A shares as an incentive participant.
- (3) On 9 February 2026, Mr. Ban Ze Feng resigned as Vice President, Board Secretary and Joint Company Secretary due to work adjustment. On the same day, Mr. Wang Xue Qing was appointed as the Board Secretary and Joint Company Secretary of the Company, following approval at the fifth extraordinary meeting of the sixth session of the Board of Directors.

Save as disclosed above, as at 31 December 2025, none of other Directors and senior management of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be recorded in the register referred to therein, or which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

(V) INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2025, to the best knowledge of the Directors of the Company, the following persons (other than the Directors or senior management of the Company) had interests or short positions in the shares or underlying shares of the Company which requires disclosure to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO, or as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

Name of shareholder	Class of shares	Capacity	Number of shares/ underlying shares held	Percentage in the relevant class of share equity (%)	Percentage in the total share equity (%)
HECIC	A shares	Beneficial owner	2,058,841,253(L)	86.99	45.62
HECIC	H shares	Interest of a controlled corporation	307,000,000(L)	14.31	6.80
HEBEI INTERNATIONAL INVESTMENT LTD	H shares	Beneficial owner	307,000,000(L)	14.31	6.80
Greatwall Life Insurance Co., Ltd. (長城人壽保險股份有限公司)	H shares	Beneficial owner	236,987,000(L)	11.04	5.25
Guangzhou Yuexiu Industrial Investment Co., Ltd. (廣州越秀產業投資有限公司)	H shares	Beneficial owner	202,613,000(L)	9.44	4.49
Guangzhou Yuexiu Capital Holdings Group Company Limited (廣州越秀資本控股集團股份有限公司)	H shares	Interest of a controlled corporation	202,613,000(L)	9.44	4.49
Guangzhou Yue Xiu Holdings Limited (廣州越秀集團股份有限公司)	H shares	Interest of a controlled corporation	202,613,000(L)	9.44	4.49
Shanghai Ningquan Asset Management Co., Ltd. (上海寧泉資產管理 有限公司)	H shares	Investment manager	181,772,000(L)	8.47	4.03

CHANGES IN SHARES AND PARTICULARS OF SHAREHOLDERS

- Notes: (1) HEBEI INTERNATIONAL INVESTMENT LTD is a wholly-owned subsidiary of HECIC. For the purposes of the Securities and Futures Ordinance, HECIC is deemed to be interested in the above-mentioned shares beneficially owned by HEBEI INTERNATIONAL INVESTMENT LTD.
- (2) Guangzhou Yue Xiu Holdings Limited (廣州越秀集團股份有限公司) holds 47% of the equity interest in Guangzhou Yuexiu Capital Holdings Group Co., Ltd. (廣州越秀資本控股集團股份有限公司), which in turn holds 60% of the equity interest in Guangzhou Yuexiu Industrial Investment Co., Ltd. (廣州越秀產業投資有限公司). Both Guangzhou Yue Xiu Holdings Limited (廣州越秀集團股份有限公司) and Guangzhou Yuexiu Capital Holdings Group Co., Ltd. are deemed to have an interest in the shares beneficially owned by Guangzhou Yuexiu Industrial Investment Co., Ltd. as mentioned above under the SFO.

(VI) Purchase, Sale or Redemption of Listed Securities of the Company

Except for the above-mentioned issuance of H shares to specific investors in 2025, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including the sale of treasury shares) during the Reporting Period.

(VII) Use of Proceeds from the Issuance of A Shares in 2021

In order to enhance the profitability and sustainable development capabilities, lower debt-to-asset ratio and enhance risk resistance capacity, the Company commenced a non-public offering of A shares in 2021, which was completed on 6 January 2022. The Company's use of proceeds from the above offering was as follows:

Unit: Yuan

No.	Items	Proposed allocation of proceeds	Actual utilization of proceeds during the Reporting Period ⁽¹⁾	Unutilised net proceeds as at 31 December 2025 ⁽¹⁾	Expected timeline for utilisation
1	Tangshan LNG Project (Phase I and Phase II)	2,397,971,114.80	281,156,700.84	-	-
2	Tangshan LNG Terminal Outbound Pipelines Project (Caofeidian-Baodi section)	699,029,487.22	31,484,624.94	-	-
3	Tangshan LNG Terminal Outbound Pipelines Project (Baodi-Yongqing section)	236,797,375.06	-	-	-
4	Replenishment of liquidity and repayment of bank loans	1,211,257,206.39	-	-	-
	Total	4,545,055,183.47	312,641,325.78	-	-

- Notes: (1) The amounts set out in this column are the proceeds and the accrued bank interest (including wealth management gain) generated therefrom. The related bank interest was also applied to the corresponding use of the proceeds in accordance with the regulations.
- (2) As of 31 December 2025, interest income (including gain on wealth management) accrued on the proceeds amounted to RMB75.0101 million.

IV. CONTROLLING SHAREHOLDERS AND THE DE FACTO CONTROLLER

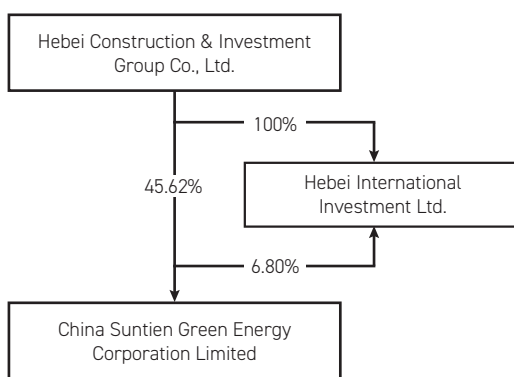
(I) Controlling shareholder

1. Legal person

Name	Hebei Construction & Investment Group Co., Ltd.
Person-in-charge or legal representative	Mi Da Bin
Date of establishment	1990-03-21
Principal business	Investment and management of energy, transportation, water affairs, agriculture, tourism, service industry, real estate, industry, and commerce.
Details of controlling interests and listed companies during the Reporting Period	The controlling shareholder holds 65.21% of the shares of HECIC Energy Investment Co., Ltd., 6.93% of the shares of Datang International Power Generation Co., Ltd., 2.85% of the shares of China Energy Conservation and Environmental Protection Company Limited (中節能環境保護股份有限公司), 3.14% of the shares of Huaneng Power International, Inc., 1.23% of the shares of Caida Securities Co., Ltd., 0.12% of the shares of Bank of Communications Co., Ltd., 0.06% of the shares of China Citic Bank Co., Ltd.
Other information	Nil

CHANGES IN SHARES AND PARTICULARS OF SHAREHOLDERS

2. *Natural person*
☐ Applicable ☒ Not applicable
3. *Specific explanation on non-existence of controlling shareholder of the Company*
☐ Applicable ☒ Not applicable
4. *Explanation on changes in controlling shareholder during the Reporting Period*
☐ Applicable ☒ Not applicable
5. *Chart on the equity and controlling relationship between the Company and controlling shareholders*



(II) De facto controller

1. *Legal person*

Name	State-owned Assets Supervision and Administration Commission of the People's Government of Hebei Province
Other information	Nil

2. *Natural person*

☐ Applicable ☒ Not applicable

3. *Special explanation on the absence of the de facto controller of the Company*

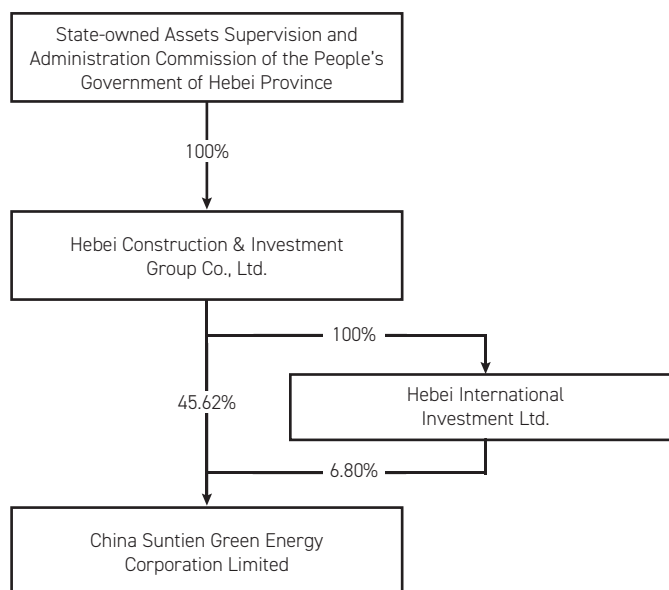
☐ Applicable ☒ Not applicable

4. *Explanation on changes in controller of the Company during the Reporting Period*

☐ Applicable ☒ Not applicable

CHANGES IN SHARES AND PARTICULARS OF SHAREHOLDERS

5. Diagram of the equity and control relationship between the Company and the de facto controller



6. De facto controller controlling the Company through trust or other asset management

☐ Applicable ☒ Not applicable

(III) Other information on the controlling shareholder and the de facto controller

☐ Applicable ☒ Not applicable

V. THE CONTROLLING SHAREHOLDER OR THE LARGEST SHAREHOLDER OF THE COMPANY AND ITS PARTIES ACTING IN CONCERT HAVE PLEDGED A TOTAL OF MORE THAN 80% OF THE SHARES HELD IN THE COMPANY

☐ Applicable ☒ Not applicable

VI. OTHER LEGAL PERSON SHAREHOLDERS HOLDING MORE THAN 10% OF THE SHARES

☐ Applicable ☒ Not applicable

VII. EXPLANATION OF RESTRICTIONS ON REDUCTION OF HOLDING OF SHARES

☐ Applicable ☒ Not applicable

VIII. PARTICULARS OF THE IMPLEMENTATION OF SHARE REPURCHASES DURING THE REPORTING PERIOD

☐ Applicable ☒ Not applicable

IX. PARTICULARS OF PREFERENCE SHARES

☐ Applicable ☒ Not applicable

RELEVANT INFORMATION ON BONDS

I. CORPORATE BONDS (INCLUDING DEBENTURES) AND DEBT FINANCING INSTRUMENTS OF NON-FINANCIAL ENTERPRISES

(I) Corporate bonds (including debentures)

☐ Applicable ☒ Not applicable

(II) Proceeds from corporate bonds

☐ Use of proceeds or rectification of corporate bonds during the Reporting Period

☒ None of the Company's corporate bonds involved the use of proceeds or rectification during the Reporting Period

(1). Use of proceeds for specific project

☐ Applicable ☒ Not applicable

(III) Other matters to be disclosed for special bonds

☐ Applicable ☒ Not applicable

(IV) Significant events relating to corporate bonds during the Reporting Period

1. Non-operating occupied fund and capital lending/borrowing

(1). Balance of non-operating occupied fund and capital lending/borrowing

As of the beginning of the Reporting Period, the balance of the Company's consolidated accounts receivable for non-operating occupied fund and capital lending/borrowing from/to other parties not directly arising from production and operations (hereinafter referred to as non-operating occupied fund and capital lending/borrowing) was RMB0 billion;

During the Reporting Period, the addition to non-operating occupied fund and capital lending/borrowing: RMB0 billion, the recovery: RMB0 billion;

During the Reporting Period, whether there was any breach of the relevant agreements or commitments in the prospectus in respect of non-operating occupied fund and capital lending/borrowing

☐ Yes ☒ No

As at the end of the Reporting Period, the total amount of uncollected non-operating occupied fund and capital lending/borrowing was RMB0 billion, of which the total amount of occupied fund or capital lending/borrowing from the controlling shareholder, actual controllers and other related parties was RMB0 billion.

(2). Breakdown of non-operating occupied fund and capital lending/borrowing

As at the end of the Reporting Period, the proportion of the Company's uncollected consolidated non-operating occupied fund and capital lending/borrowing to consolidated net assets was 0%

Whether it exceeds 10% of the consolidated net assets: ☐ Yes ☒ No

(3). Implementation of collection arrangements disclosed in previous reporting periods

☐ Fully implemented ☐ Not fully implemented ☒ Not applicable

RELEVANT INFORMATION ON BONDS

2. Liabilities

(1). Interest-bearing debt and changes therein

1.1 Debt structure of the Company

As of the beginning of the Reporting Period and as at the end of the Reporting Period, the balance of the Company's interest-bearing debts (on a non-consolidated basis) amounted to RMB3.460 billion and RMB3.586 billion, respectively, representing a year-on-year change of 3.64% during the Reporting Period.

Unit: '00 million Yuan Currency: RMB

Type of interest-bearing debts	Overdue	Maturity Within 1 year (inclusive)	Over 1 year (exclusive)	Total amount	Amount as a percentage of interest-bearing debts (%)
Corporate credit bonds			15.00	15.00	41.83
Bank loans		2.60	18.26	20.86	58.17
Loans from non-bank financial institutions					
Other interest-bearing debts					
Total		2.60	33.26	35.86	-

As at the end of the Reporting Period, the Company's outstanding corporate credit bonds were composed of RMB0 billion of corporate bonds, RMB0 billion of debentures, and RMB1.5 billion of debt financing instruments of non-financial enterprises.

RELEVANT INFORMATION ON BONDS

1.2 The Company's consolidated interest-bearing debt structure

As of the beginning of the Reporting Period and as at the end of the Reporting Period, the balance of the Company's interest-bearing debts (on a consolidated basis) amounted to RMB46.661 billion and RMB50.583 billion, respectively, representing a year-on-year change of 8.41% during the Reporting Period.

Unit: '00 million Yuan Currency: RMB

Type of interest-bearing debts	Overdue	Maturity Within 1 year (inclusive)	Over 1 year (exclusive)	Total amount	Amount as a percentage of interest-bearing debts (%)
Corporate credit bonds		14.00	15.00	29.00	5.73
Bank loans		94.71	355.49	450.20	89.00
Loans from non-bank financial institutions		23.93	2.70	26.63	5.27
Other interest-bearing debts					
Total		132.64	373.19	505.83	-

As at the end of the Reporting Period, the Company's outstanding corporate credit bonds on a consolidated basis comprised of RMB0 billion of corporate bonds, RMB0 billion of debentures, and RMB2.9 billion of debt financing instruments of non-financial enterprises.

1.3 Overseas bonds

As at the end of the Reporting Period, the balance of overseas bonds issued by the Company on a consolidated basis amounted to RMB0 billion.

- (2). As at the end of the Reporting Period, the Company and its subsidiaries had interest-bearing debts or corporate credit bonds with overdue amounts exceeding RMB10 million

☐ Applicable ☒ Not applicable

- (3). Liabilities for preferential payments against third parties

As of the end of the Reporting Period, there were liabilities for preferential payments against third parties on a consolidated basis:

☐ Applicable ☒ Not applicable

3. Changes in management system for information disclosure during the Reporting Period

- ☐ Changes occurred ☒ No changes occurred

RELEVANT INFORMATION ON BONDS

(V) Debt financing instruments of non-financial enterprises in the inter-bank bond market

1. Basic information of debt financing instruments of non-financial enterprises

Unit: '00 million Yuan Currency: RMB

Name of bonds	Abbreviation	Code	Issuance date	Value date	Maturity date	Balance	Interest rate (%)	Means to repay principal and interest	Trading place	Arrangement to ensure the suitability of investors (if any)	Trading mechanism	Risk of termination of listing and trading
2020 First Tranche of Medium-Term Notes of China Suntien Green Energy Corporation Limited	20 Suntien Green MTN001	102001005	2020/5/13-2020/5/14	2020/5/15	2025/5/15	0	3.86	Interest to be paid annually and principal payable at maturity	Inter-bank market	No	Listed	No
2025 First Tranche of Green Medium-Term Notes of China Suntien Green Energy Corporation Limited	25 Suntien Green MTN001 (Green)	102582476	2025/6/17-2025/6/18	2025/6/19	3+N years	15	2.05	Interest to be paid annually and principal payable at maturity	Inter-bank market	No	Listed	No
2023 First Tranche of Medium-Term Notes of HECIC New Energy Co., Ltd.	23 HECIC New Energy MTN001	102380781	2023/4/3-2023/4/4	2023/4/6	2025/4/6	0	3.23	Interest to be paid annually and principal payable at maturity	Inter-bank market	No	Listed	No
2023 Second Tranche of Medium-Term Notes of HECIC New Energy Co., Ltd.	23 HECIC New Energy MTN002 (Carbon Neutrality Bond)	102382597	2023/9/21-2023/9/22	2023/9/25	2025/9/25	0	3.18	Interest to be paid annually and principal payable at maturity	Inter-bank market	No	Listed	No
2024 First Tranche of Super Short-Term Commercial Papers of HECIC New Energy Co., Ltd.	24 HECIC New Energy SCP001	12483604	2024/11/16-2024/11/17	2024/11/18	2025/8/15	0	2.16	Interest to be paid annually and principal payable at maturity	Inter-bank market	No	Listed	No
2025 First Tranche of Super Short-Term Commercial Papers of HECIC New Energy Co., Ltd.	25 HECIC New Energy SCP001	12580406	2025/2/17	2025/2/19	2025/11/16	0	2.12	Interest and principal payable at maturity	Inter-bank market	No	Listed	No
2025 Second Tranche of Super Short-Term Commercial Papers of HECIC New Energy Co., Ltd.	25 HECIC New Energy SCP002	12580723	2025/3/20	2025/3/24	2025/12/19	0	2.10	Interest and principal payable at maturity	Inter-bank market	No	Listed	No
2025 Third Tranche of Super Short-Term Commercial Papers of HECIC New Energy Co., Ltd.	25 HECIC New Energy SCP003	12581884	2025/8/7	2025/8/11	2026/5/8	5	1.74	Interest and principal payable at maturity	Inter-bank market	No	Listed	No
2025 Fourth Tranche of Super Short-Term Commercial Papers of HECIC New Energy Co., Ltd.	25 HECIC New Energy SCP004	12582653	2025/11/6	2025/11/12	2026/8/9	3	1.71	Interest and principal payable at maturity	Inter-bank market	No	Listed	No
2025 Fifth Tranche of Super Short-Term Commercial Papers of HECIC New Energy Co., Ltd.	25 HECIC New Energy SCP005	12583075	2025/12/15-2025/12/16	2025/12/19	2026/9/13	6	1.79	Interest and principal payable at maturity	Inter-bank market	No	Listed	No

The response of the Company to the risk of termination of trading of the bonds

☐ Applicable ☒ Not applicable

Overdue bonds

☐ Applicable ☒ Not applicable

Settlement of principal and interest payment for bonds during the Reporting Period

Name of bonds	Explanation on settlement of principal and interest payment
20 Suntien Green MTN001	Matured, with interest and principal payments being fully settled on time on 15 May 2025.
25 Suntien Green MTN001 (Green)	Not yet matured, and no payment of principal made.
23 HECIC New Energy MTN001	Matured, with interest and principal payments being fully settled on time on 6 April 2025.
23 HECIC New Energy MTN002 (Carbon Neutrality Bond)	Matured, with interest and principal payments being fully settled on time on 25 September 2025.
24 HECIC New Energy SCP001	Matured, with interest and principal payments being fully settled on time on 15 August 2025.
25 HECIC New Energy SCP001	Matured, with interest and principal payments being fully settled on time on 16 November 2025.
25 HECIC New Energy SCP002	Matured, with interest and principal payments being fully settled on time on 19 December 2025.
25 HECIC New Energy SCP003	Not yet matured, and no payment of principal made.
25 HECIC New Energy SCP004	Not yet matured, and no payment of principal made.
25 HECIC New Energy SCP005	Not yet matured, and no payment of principal made.

RELEVANT INFORMATION ON BONDS

2. *The triggering and execution of option terms of the Company or investors and investors' protection terms*

☐ Applicable ☒ Not applicable

3. *Intermediaries providing services for business in relation to bond issuance and terms*

Name of intermediary	Office address	Contact person	Contact telephone number
Agricultural Bank of China Limited	No. 69 Jianguomennei Avenue, Dongcheng District, Beijing	Liu Zhaoying	010-85109688
China Chengxin International Credit Rating Co., Ltd.	Building 5, Galaxy SOHO, No. 2 Nanzhugan Hutong, Chaoyangmennei Avenue, Dongcheng District, Beijing	Ma Xiao, Wang Linbo	010-66428877

Explanation on the changes in the aforesaid intermediaries

☐ Applicable ☒ Not applicable

4. *Use of proceeds as at the end of the Reporting Period*

Unit: '00 million Yuan Currency: RMB

Name of bond	Total amount of proceeds	Utilised amount	Unutilised amount	Operation of the designated account for the proceeds (if any)	Rectification of non-compliant utilisation of proceeds (if any)	Whether the proceeds were used for the purposes committed and according to the plan of use and other agreements stated in the prospectus
25 Suntien Green MTN001(Green)	15	15	0	Normal	Nil	Yes
25 HECIC New Energy SCP003	5	5	0	Normal	Nil	Yes
25 HECIC New Energy SCP004	3	3	0	Normal	Nil	Yes
25 HECIC New Energy SCP005	6	6	0	Normal	Nil	Yes

Progress and operation efficiency of the use of proceeds for the construction of projects

☐ Applicable ☒ Not applicable

Explanation on the change of aforesaid use of proceeds from bonds during the Reporting Period

☐ Applicable ☒ Not applicable

Other explanations:

☐ Applicable ☒ Not applicable

5. *Adjustment to credit rating result*

☐ Applicable ☒ Not applicable

Other explanations:

☐ Applicable ☒ Not applicable

RELEVANT INFORMATION ON BONDS

6. *The execution and changes and the effect of guarantees, debt repayment scheme and other debt repayment protection practices during the Reporting Period*

☐ Applicable ☒ Not applicable

7. *Description of other information of debt financing instruments of non-financial enterprises*

☐ Applicable ☒ Not applicable

(VI) Consolidated loss exceeds 10% of the Company's net assets at the end of the previous year during the Reporting Period

☐ Applicable ☒ Not applicable

(VII) Interest-bearing debts other than bonds due at the end of the Reporting Period

☐ Applicable ☒ Not applicable

(VIII) Impact on the rights and interests of bond investors in violation of the laws and regulations, the Articles of Association and the requirements of the management system for information disclosure as well as the agreements or commitments stated in the prospectus of bonds during the Reporting Period

☐ Applicable ☒ Not applicable

(IX) Accounting data and financial indicators of the Company for the recent two years as at the end of the Reporting Period

Unit: Yuan Currency: RMB

Major indicators	2025	2024	Increase/ decrease for the period as compared to the same period last year (%)	Reason for changes
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses	1,663,795,023.39	1,637,492,526.83	1.61	This was mainly due to the increase in net profit as compared to the last year
Current ratio	60.79%	63.82%	-4.75	This was mainly due to the increase in short-term interest-bearing liabilities as compared to the same period last year
Quick ratio	46.49%	47.92%	-2.98	This was mainly due to the increase in short-term interest-bearing liabilities as compared to the same period last year
Debt-to-asset ratio (%)	66.30%	67.73%	-2.11	This was mainly due to the increase in other equity instruments during the period
Total debt to EBITDA ratio	0.111	0.117	-5.13	This was mainly due to the increase in external financing during the period
Interest coverage ratio	2.98	2.65	12.45	This was mainly due to the decrease in interest expenses for the period as compared to the same period last year
Cash interest coverage ratio	6.51	3.23	101.55	This was mainly due to the increase in net cash flows from operating activities for the period as compared to the same period last year
EBITDA interest coverage ratio	5.67	4.92	15.24	This was mainly due to the decrease in interest expenses for the period as compared to the same period last year
Loan repayment ratio (%)	100.00%	100.00%		
Interest coverage (%)	100.00%	100.00%		

II. CONVERTIBLE CORPORATE BONDS

☐ Applicable ☒ Not applicable

I. AUDITOR'S REPORT

Ernst & Young Hua Ming (2026) Shen Zi No. 70015920_A01
China Suntien Green Energy Corporation Limited (新天綠色能源股份有限公司)

To all shareholders of China Suntien Green Energy Corporation Limited,

I. AUDIT OPINION

We have audited the financial statements of China Suntien Green Energy Corporation Limited (the "Company"), which comprise the consolidated and the Company's balance sheets as at 31 December 2025, the consolidated and the Company's income statements, the consolidated and the Company's statements of changes in equity and the consolidated and the Company's cash flow statements for the year then ended, and notes to the financial statements.

In our opinion, the accompanying financial statements of China Suntien Green Energy Corporation Limited present fairly, in all material respects, the consolidated and Company's financial position as at 31 December 2025, and the consolidated and the Company's financial performance and cash flows for the year then ended in accordance with Accounting Standards for Business Enterprises ("ASBEs").

II. BASIS FOR OPINION

We conducted our audit in accordance with China Standards on Auditing ("CSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are independent of the Company in accordance with the China's CPA Independence Standard No. 1 – Requirements for Independence of Financial Statement Audit and Review Business and the China Code of Ethics for Certified Public Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We have complied with the independence requirements for auditing public interest entities during the audit process. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

III. KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key audit matter:

How our audit addressed the key audit matter:

Impairment of accounts receivable

As at 31 December 2025, the original value of the China Suntien Green Energy Corporation Limited's accounts receivable was RMB6,765,954,712.93, and the provision for impairment was RMB275,851,275.82.

Assessing the expected credit loss of accounts receivable requires the management of China Suntien Green Energy Corporation Limited to make judgements and estimates. The management estimates the expected credit losses based on the historical default rate and the specific factors considered when evaluating the expected credit loss rate, including the customer type, aging and recent historical payments. Historical credit losses are then adjusted using forward-looking information.

The disclosure by China Suntien Green Energy Corporation Limited about accounts receivable and impairment provision for accounts receivable are set out in Notes V. 13, 42 and Notes VII. 5, 71 to the financial statements.

We performed the following audit procedures to assess the adequacy and accuracy of the provision for bad debts on receivables including:

We reviewed the accounting policy for the provision for impairment of receivables, assessed whether the policy and the expected credit loss calculation methodology comply with the requirements of ASBEs, assessed the reliability of management's assumptions and considered the impact of forward-looking factors;

for accounts receivable for which a provision for bad debts was made based on a combination of credit risk characteristics, we reviewed how the Management configure the credit risk characteristics combination, reviewed the bad debt provision statement and evidence of delivery (including sales invoices and statements) to check key information such as aging, and checked the calculation by the management of the impairment provision for accounts receivable;

for individual impairment charges, we assessed the adequacy of the provision for impairment by reviewing post-balance sheet date receipts to determine whether the debtor in question is experiencing significant financial difficulties, defaulting on interest or principal payments;

we reviewed the management's analysis of historical collections of long-aging accounts receivable;

we checked the Company's ledgers and bank statements to test the recovery status;

In addition, we also reviewed the appropriateness and adequacy of the disclosures related to impairment of accounts receivable.

FINANCIAL REPORT

Impairment of long-term assets (fixed assets and construction in progress)

As of 31 December 2025, the aggregate amount of fixed assets and construction in progress among the long-term assets of China Suntien Green Energy Corporation Limited was RMB65,427,035,687.08. Management assessed that there were indicators of impairment for a small portion of long-lived assets, such as proposed disposal and demolition or lower-than-expected economic performance. Regarding these long-term assets with indicator of impairment, the management conducted impairment testing on the recoverable amount of the asset group to which it belongs. In 2025, the management made provisions for impairment of fixed assets and construction in progress totaling RMB401,085,460.09.

The management needs to assess the future cash flows estimated to be derived from the asset and fair value of the relevant cash-generating unit after deducting disposal costs. The testing process is relatively complicated and involves significant estimates and judgements, subjective assumptions and estimation uncertainties of the management.

The disclosure by China Suntien Green Energy Corporation Limited of the impairment of long-term assets is set out in Notes V. 21, 22, 27 and 41 and Notes VII. 21, 22 and 72 to the financial statements.

Regarding the long-term assets with indicator of impairment (fixed assets and construction in progress), we reviewed the assumptions used by the management when estimating the cash-generating unit of fixed assets and construction in progress among the long-term assets.

We reviewed the recoverable amount determined by the management based on the approved long-term strategic plan and the key assumptions adopted, e.g., assumptions regarding production capacity, operating costs, projected revenue, and the projected gross profit margin; we compared key assumptions with the historical information about the cash-generating unit and the evidence of electricity statements and gas quantity handover sheets obtained after the period; we checked the approvals of the on-grid tariffs for the wind power industry in the region formulated by the National Development and Reform Commission for electricity prices and electricity purchase and sale contracts and invoices. We compared the assets corresponding to market transactions with the assets tested for impairment;

We reviewed the completeness and accuracy of disposal costs. We also invited in-house valuation experts to analyse and review the valuation methodology and key valuation parameters such as discount rate;

We also reviewed the appropriateness and completeness of the disclosures in the consolidated financial statements.

IV. OTHER INFORMATION

The management of China Suntien Green Energy Corporation Limited is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our audit's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, it is our responsibility to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

V. RESPONSIBILITIES OF THE MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

The management is responsible for the preparation and fair presentation of the financial statements in accordance with ASBEs, and for designing, implementing and maintaining the necessary internal control to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management is responsible for assessing the ability of China Suntien Green Energy Corporation Limited to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the management either intends to liquidate China Suntien Green Energy Corporation Limited or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process of China Suntien Green Energy Corporation Limited.

VI. AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with CSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are generally considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with CSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also perform the following procedures:

- (1) Identify and assess the risks of material management's of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (2) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- (3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and related disclosures.
- (4) Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of China Suntien Green Energy Corporation Limited to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements; if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our independent auditor's report. However, future events or conditions may cause China Suntien Green Energy Corporation Limited to cease to continue as a going concern.

FINANCIAL REPORT

- (5) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- (6) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within China Suntien Green Energy Corporation Limited to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Ernst & Young Hua Ming LLP

Chinese Certified Public Accountant: Wang Ning
(Engagement Partner)

Chinese Certified Public Accountant: Zhao Si Qi

Beijing, the PRC
25 March 2026

II. FINANCIAL STATEMENT

CONSOLIDATED BALANCE SHEET

31 December 2025

Prepared by: China Suntien Green Energy Corporation Limited

Unit: Yuan Currency: RMB

Items	Note VII	31 December 2025	31 December 2024
CURRENT ASSETS:			
Cash	1	4,843,375,231.92	3,056,262,802.26
Including: Deposits with finance companies		2,009,469,982.02	1,486,238,704.28
Provision of settlement fund			
Lending to banks and other financial institutions			
Financial assets for trading			
Derivative financial assets			
Bills receivable	4	23,621,966.45	7,270,567.46
Accounts receivable	5	6,490,103,437.11	7,152,026,189.19
Receivable financing	7	333,977,575.22	355,146,814.44
Prepayments	8	926,275,663.07	677,401,054.31
Premium receivable			
Receivables from reinsurers			
Reinsurance deposits receivable			
Other receivables	9	243,134,877.53	257,731,355.73
Including: Interest receivable			
Dividend receivables		43,143,902.71	73,206,109.53
Financial assets purchased under agreements to resell			
Inventory	10	2,007,781,140.81	2,162,586,032.24
Including: Data resources			
Contract assets			
Assets held for sale			
Non-current assets due within one year	12		1,736,578.83
Other current assets	13	735,641,238.37	751,714,585.44
Total current assets		15,603,911,130.48	14,421,875,979.90
NON-CURRENT ASSETS:			
Loans and advances granted			
Debt investments			
Other debt investments			
Long-term receivables			
Long-term equity investments	17	3,683,964,091.48	3,677,406,635.10
Investment in other equity instruments	18	215,013,700.00	215,013,700.00
Other non-current financial assets	19	13,200,000.00	8,800,000.00
Investment properties	20	21,611,527.72	22,716,696.16
Fixed assets	21	51,022,507,769.41	49,808,794,735.97
Construction in progress	22	14,404,527,917.67	8,405,224,853.57
Bearer biological assets			
Oil and gas assets			
Right-of-use assets	25	823,524,291.56	1,117,316,991.51
Intangible assets	26	3,932,487,574.59	3,561,918,592.69
Including: Data resources			
Development expenses		8,797,028.04	16,042,592.82
Including: Data resources			
Goodwill	27	271,385,299.63	166,033,484.07
Long-term deferred expenses	28	153,664,218.64	157,900,165.10
Deferred income tax assets	29	505,179,375.80	275,148,991.21
Other non-current assets	30	2,831,411,622.06	2,162,288,594.56
Total non-current assets		77,887,274,416.60	69,594,606,032.76
Total assets		93,491,185,547.08	84,016,482,012.66

FINANCIAL REPORT

II. FINANCIAL STATEMENT (continued) CONSOLIDATED BALANCE SHEET (continued)

31 December 2025

Prepared by: China Suntien Green Energy Corporation Limited

Unit: Yuan Currency: RMB

Items	Note VII	31 December 2025	31 December 2024
CURRENT LIABILITIES:			
Short-term borrowings	32	3,889,281,345.29	3,938,597,345.65
Loans from central bank			
Loans from banks and other financial institutions			
Financial liabilities for trading			
Derivative financial liabilities			
Bills payable	35		3,047,841.53
Accounts payable	36	879,331,209.42	537,611,223.42
Advances from customers	37	1,161,088,175.47	1,161,170,491.65
Contract liabilities	38	1,564,460,922.85	1,564,443,837.91
Financial assets sold for repurchase			
Customer and inter-bank deposits			
Customer deposits for trading in securities			
Amount due to issuer for securities underwriting			
Employee benefits payable	39	68,728,813.01	69,687,680.70
Taxes payable	40	369,959,746.38	178,780,923.20
Other payables	41	8,202,118,905.97	5,858,360,663.49
Including: Interest payable			
Dividend payable		113,398,051.13	79,820,022.02
Handling charges and commission payable			
Amount payable for reinsurance			
Liabilities held for sale			
Non-current liabilities due within one year	43	8,046,128,230.29	8,689,234,991.39
Other current liabilities	44	1,488,954,104.19	598,146,204.32
Total current liabilities		25,670,051,452.87	22,599,081,203.26
NON-CURRENT LIABILITIES:			
Provisions for insurance contracts			
Long-term borrowings	45	35,549,185,396.30	33,520,656,093.53
Debentures payable	46		
Including: Preferred shares			
Perpetual bonds			
Lease liabilities	47	283,998,942.42	324,946,910.63
Long-term payable	48	164,262,739.46	195,182,234.80
Long-term employee benefits payable			
Accrued liabilities	50	54,925,825.60	56,155,816.33
Deferred income	51	174,188,907.36	140,057,804.18
Deferred income tax liabilities	29	91,940,086.02	67,658,096.52
Other non-current liabilities			
Total non-current liabilities		36,318,501,897.16	34,304,656,955.99
Total liabilities		61,988,553,350.03	56,903,738,159.25
Owners' equity (or shareholders' equity):			
Paid-up capital (or share capital)	53	4,512,693,073.00	4,205,693,073.00
Other equity instruments	54	1,516,512,328.78	
Including: Preferred shares			
Perpetual bonds	54	1,516,512,328.78	
Capital reserve	55	7,818,460,576.91	6,753,869,767.80
Less: treasury stocks	56	-72,316,639.20	-73,627,543.20
Other comprehensive income	57	3,417,535.00	3,417,535.00
Special reserve	58	48,000,816.26	41,731,768.43
Surplus reserve	59	1,362,183,373.37	1,223,911,097.22
General risk provision			
Undistributed profits	60	10,329,302,396.51	9,538,353,902.49
Total equity attributable to owners of the parent company (or shareholders' equity)		25,518,253,460.63	21,693,349,600.74
Minority interests		5,984,378,736.42	5,419,394,252.67
Total owners' equity (or shareholders' equity)		31,502,632,197.05	27,112,743,853.41
Total liabilities and owners' equity (or shareholders' equity)		93,491,185,547.08	84,016,482,012.66

Person in charge of the Company: Tan Jian Xin

Person in charge of accounting: Liu Tao

Head of accounting firm: Bai Jing Wei

II. FINANCIAL STATEMENT (continued)
BALANCE SHEET OF THE PARENT COMPANY

31 December 2025

Prepared by: China Suntien Green Energy Corporation Limited

Unit: Yuan Currency: RMB

Items	Note XIX	31 December 2025	31 December 2024
CURRENT ASSETS:			
Cash		1,694,896,798.16	175,642,204.83
Including: Deposits with finance companies		2,467,771.62	5,990,653.85
Financial assets for trading			
Derivative financial assets			
Bills receivable			
Accounts receivable	1	25,915,350.20	12,269,179.78
Receivable financing			
Prepayments		5,330,697.21	5,404,229.10
Other receivables	2	1,682,825,627.39	2,952,963,429.23
Including: Interest receivable			
Dividend receivables		654,259,902.95	332,362,702.46
Inventory			
Including: Data resources			
Contract assets			
Assets held for sale			
Non-current assets due within one year		4,743,363.97	18,959,509.77
Other current assets		1,392,672.78	
Total current assets		3,415,104,509.71	3,165,238,552.71
NON-CURRENT ASSETS:			
Debt investments			
Other debt investments			
Long-term receivables			
Long-term equity investments	3	17,616,624,553.19	15,260,038,925.65
Investment in other equity instruments		202,000,000.00	202,000,000.00
Other non-current financial assets			
Investment properties			
Fixed assets		14,235,557.57	8,404,780.02
Construction in progress		9,328,457.62	9,255,877.09
Bearer biological assets			
Oil and gas assets			
Right-of-use assets		221,357.10	6,808,969.87
Intangible assets		24,926,262.56	15,665,614.40
Including: Data resources			
Development expenses			
Including: Data resources			
Goodwill			
Long-term deferred expenses		3,214,769.26	4,803,884.08
Deferred income tax assets			
Other non-current assets	6	1,829,756,000.00	2,460,398,700.00
Total non-current assets		19,700,306,957.30	17,967,376,751.11
Total assets		23,115,411,467.01	21,132,615,303.82

FINANCIAL REPORT

II. FINANCIAL STATEMENT (continued) BALANCE SHEET OF THE PARENT COMPANY (continued) 31 December 2025

Prepared by: China Suntien Green Energy Corporation Limited

Unit: Yuan Currency: RMB

Items	Note XIX	31 December 2025	31 December 2024
CURRENT LIABILITIES:			
Short-term borrowings			
Financial liabilities for trading			
Derivative financial liabilities			
Bills payable			
Accounts payable			
Advances from customers			
Contract liabilities			
Employee benefits payable		2,425,467.60	2,593,853.73
Taxes payable		2,598,115.25	2,881,609.58
Other payables		108,992,382.25	96,790,732.43
Including: Interest payable			
Dividend payable			
Liabilities held for sale			
Non-current liabilities due within one year		265,092,245.37	1,314,785,538.70
Other current liabilities			
Total current liabilities		379,108,210.47	1,417,051,734.44
NON-CURRENT LIABILITIES:			
Long-term borrowings		1,826,000,000.00	2,177,730,600.00
Debentures payable			
Including: Preferred shares			
Perpetual bonds			
Lease liabilities		113,803.17	3,041,803.67
Long-term payable			
Long-term employee benefits payable			
Accrued liabilities			
Deferred income		640,000.00	300,000.00
Deferred income tax liabilities			233,405.02
Other non-current liabilities			
Total non-current liabilities		1,826,753,803.17	2,181,305,808.69
Total liabilities		2,205,862,013.64	3,598,357,543.13
Owners' equity (or shareholders' equity):			
Paid-up capital (or share capital)		4,512,693,073.00	4,205,693,073.00
Other equity instruments		1,516,512,328.78	
Including: Preferred shares			
Perpetual bonds		1,516,512,328.78	
Capital reserve		7,810,919,549.25	6,746,061,072.70
Less: treasury stocks		-72,316,639.20	-73,627,543.20
Other comprehensive income			
Special reserve			
Surplus reserve		1,362,183,373.37	1,223,911,097.22
Undistributed profits		5,779,557,768.17	5,432,220,060.97
Total owners' equity (or shareholders' equity)		20,909,549,453.37	17,534,257,760.69
Total liabilities and owners' equity (or shareholders' equity)		23,115,411,467.01	21,132,615,303.82

Person in charge of the Company: Tan Jian Xin

Person in charge of accounting: Liu Tao

Head of accounting firm: Bai Jing Wei

II. FINANCIAL STATEMENT (continued)

CONSOLIDATED INCOME STATEMENT

January – December 2025

Unit: Yuan Currency: RMB

Items	Note VII	2025	2024
I. Total operating revenue		19,830,819,137.01	21,372,124,492.83
Including: Operating revenue	61	19,830,819,137.01	21,372,124,492.83
Interest income			
Premiums earned			
Handling charges and commission income			
II. Total operating costs		17,935,276,488.19	19,563,817,557.06
Including: Operating costs	61	15,711,806,536.82	17,167,814,753.55
Interest expense			
Handling charges and commission expenses			
Surrender payment			
Net compensation expense			
Net provisions for insurance contract			
Insurance policy dividend payment			
Reinsurance cost			
Taxes and surcharges	62	91,717,230.29	89,459,767.26
Selling expenses	63	5,853,918.67	6,035,235.93
Administration expenses	64	800,771,388.40	706,355,014.81
R&D expenses	65	269,983,422.37	376,608,371.90
Finance costs	66	1,055,143,991.64	1,217,544,413.61
Including: Interest expenses		1,068,494,974.26	1,239,238,614.74
Interest income		25,796,096.19	34,093,777.18
Add: Other gains	67	671,774,454.61	710,396,457.47
Investment gains (losses are indicated with "-")	68	319,849,601.02	148,143,008.64
Including: Gains from investment in associates and joint ventures		239,431,330.78	135,979,899.49
Gains on derecognition of financial assets measured at amortised cost			
Exchange gains (losses are indicated with "-")			
Net gain on exposure hedging (losses are indicated with "-")			
Gains from changes in fair value (losses are indicated with "-")			
Credit impairment losses (losses are indicated with "-")	71	11,398,917.58	-20,439,119.80
Asset impairment losses (losses are indicated with "-")	72	-483,370,496.25	-307,770,482.79
Asset disposal gains (losses are indicated with "-")	73	731,321.31	622,282.71
III. Operating profit (losses are indicated with "-")		2,415,926,447.09	2,339,259,082.00
Add: Non-operating income	74	131,110,690.15	17,257,016.19
Less: Non-operating expenses	75	3,895,585.47	9,822,870.00
IV. Gross profit (total losses are indicated with "-")		2,543,141,551.77	2,346,693,228.19
Less: Income tax expenses	76	529,224,696.47	446,332,472.47

FINANCIAL REPORT

II. FINANCIAL STATEMENT (continued) CONSOLIDATED INCOME STATEMENT (continued)

January – December 2025

Unit: Yuan Currency: RMB

Items	Note VII	2025	2024
V. Net profit (net losses are indicated with "-")		2,013,916,855.30	1,900,360,755.72
(I) By continuity as a going concern			
1. Net profit from continuing operations (net losses are indicated with "-")		2,013,916,855.30	1,900,360,755.72
2. Net profit from discontinued operations (net losses are indicated with "-")			
(II) By ownership			
1. Net profit attributable to shareholders of the parent company (net losses are indicated with "-")		1,826,333,548.28	1,672,367,020.97
2. Gain or loss attributable to minority interests (net losses are indicated with "-")		187,583,307.02	227,993,734.75
VI. Net other comprehensive income after tax			
(I) Net other comprehensive income after tax attributable to owners of the parent company			
1. Other comprehensive income that may not be reclassified to profit or loss			
(1) Change in re-measurement of defined benefit plans			
(2) Other comprehensive income that may not be transferred to profit or loss under equity method			
(3) Change in fair value of other equity instruments			
(4) Change in fair value of own credit risk			
2. Other comprehensive income that may be reclassified to profit or loss			
(1) Other comprehensive income that may be transferred to profit or loss under equity method			
(2) Change in fair value of other debt investments			
(3) Amount included in other comprehensive income on reclassification of financial assets			
(4) Provision for credit-impairment of other debt investments			
(5) Cash flows hedging reserve			
(6) Exchange differences arising from translation of foreign currency financial statements			
(7) Others			
(II) Net other comprehensive income after tax attributable to minority interests			
VII. Total comprehensive income		2,013,916,855.30	1,900,360,755.72
(I) Total comprehensive income attributable to owners of the parent company		1,826,333,548.28	1,672,367,020.97
(II) Total comprehensive income attributable to minority interests		187,583,307.02	227,993,734.75
VIII. Earnings per share:			
(I) Basic earnings per share (Yuan/share)		0.43	0.40
(II) Diluted earnings per share (Yuan/share)		0.43	0.40

In case of business combination involving enterprises under common control in the current period, the net profit realized by the combining entities before the combination was RMB0, and the net profit realized by the combining entities in the previous period was RMB0.

Person in charge of the Company: Tan Jian Xin

Person in charge of accounting: Liu Tao

Head of accounting firm: Bai Jing Wei

II. FINANCIAL STATEMENT (continued)
INCOME STATEMENT OF THE PARENT COMPANY

January – December 2025

Unit: Yuan Currency: RMB

Items	Note XIX	2025	2024
I. Operating revenue	4	76,209,850.00	78,828,529.60
Less: Operating costs	4	52,377,996.82	53,768,384.29
Taxes and surcharges		650,993.81	271,474.95
Selling expenses			
Administration expenses		54,456,559.63	54,710,201.41
R&D expenses		7,547,277.38	10,528,754.99
Finance costs		-15,259,878.91	-44,145,084.10
Including: Interest expenses		25,696,341.53	34,233,818.42
Interest income		44,768,107.61	83,297,563.76
Add: Other gains		893,934.69	958,653.12
Investment gains (losses are indicated with "-")	5	1,434,251,667.99	1,988,485,492.91
Including: Gains from investment in associates and joint ventures		141,602,967.49	59,529,095.65
Gains on derecognition of financial assets measured at amortised cost			
Net gain on exposure hedging (losses are indicated with "-")			
Gains from changes in fair value (losses are indicated with "-")			
Credit impairment losses (losses are indicated with "-")		-365,937.67	-141,827.84
Asset impairment losses (losses are indicated with "-")		-28,958,876.90	-34,361,684.64
Asset disposal gains (losses are indicated with "-")		361,706.80	
II. Operating profit (losses are indicated with "-")		1,382,619,396.18	1,958,635,431.61
Add: Non-operating income		0.08	1.46
Less: Non-operating expenses		130,039.82	14,091.66
III. Total profit (total losses are indicated with "-")		1,382,489,356.44	1,958,621,341.41
Less: Income tax expenses		-233,405.02	-337,958.54
IV. Net profit (net losses are indicated with "-")		1,382,722,761.46	1,958,959,299.95
(I) Net profit from continuing operations			
(net losses are indicated with "-")		1,382,722,761.46	1,958,959,299.95
(II) Net profit from discontinued operations			
(net losses are indicated with "-")			
V. Net other comprehensive income after tax			
(I) Other comprehensive income that may not be reclassified to profit or loss			
1. Change in re-measurement of defined benefit plans			
2. Other comprehensive income that may not be transferred to profit or loss under equity method			
3. Change in fair value of other equity instruments			
4. Change in fair value of own credit risk			
(II) Other comprehensive income that may be reclassified to profit or loss			
1. Other comprehensive income that may be transferred to profit or loss under equity method			
2. Change in fair value of other debt investments			
3. Amount included in other comprehensive income on reclassification of financial assets			
4. Provision for credit-impairment of other debt investments			
5. Cash flows hedging reserve			
6. Exchange differences arising from translation of foreign currency financial statements			
7. Others			
VI. Total comprehensive income		1,382,722,761.46	1,958,959,299.95
VII. Earnings per share:			
(I) Basic earnings per share (Yuan/share)			
(II) Diluted earnings per share (Yuan/share)			

Person in charge of the Company: Tan Jian Xin

Person in charge of accounting: Liu Tao

Head of accounting firm: Bai Jing Wei

FINANCIAL REPORT

II. FINANCIAL STATEMENT (continued)

CONSOLIDATED CASH FLOW STATEMENT

January – December 2025

Unit: Yuan Currency: RMB

Items	Note VII	2025	2024
I. Cash flows from operating activities:			
Cash received from sale of goods and rendering of services		22,267,099,500.61	22,123,875,034.15
Net increase in deposits from customers and deposits from other banks			
Net increase in loans from central bank			
Net increase in loans from other financial institutions			
Cash received from premiums under original insurance contract			
Net cash received from reinsurance business			
Net increase in deposits of policyholders and investment			
Cash receipts of interest, fees and commission			
Net increase in loans from banks and other financial institutions			
Net increase in sale and repurchase operations			
Net cash received from securities trading agency services			
Cash received from tax refund		419,941,158.58	384,330,895.88
Cash received from other operating activities	78	493,613,212.37	398,786,756.53
Sub-total of cash inflows from operating activities		23,180,653,871.56	22,906,992,686.56
Cash paid for goods and services		13,611,240,595.08	16,785,894,855.62
Net increase in loans and advances to customers			
Net increase in deposit with central bank and inter-banks			
Cash paid for compensation payments under original insurance contract			
Net increase in lending to banks and other financial institutions			
Cash paid for interest, fees and commission			
Cash paid for insurance policy dividend			
Cash paid to and on behalf of employees		888,352,919.38	785,522,762.17
Payments of taxes and surcharges		1,124,406,886.35	1,247,835,188.77
Cash paid relating to other operating activities	78	259,961,269.18	366,951,044.22
Sub-total of cash outflows from operating activities		15,883,961,669.99	19,186,203,850.78
Net cash flows from operating activities	79	7,296,692,201.57	3,720,788,835.78
II. Cash flows from investing activities:			
Cash received from investment		992,158.00	1,320,000,000.00
Cash received from investment income		326,742,624.57	324,094,810.26
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		14,462,797.49	18,549,558.86
Net cash received from disposal of subsidiaries and other business units	79	430,328,296.23	
Cash received from other investing activities	78	21,343,237.07	44,382,137.67
Sub-total of cash inflows from investing activities		793,869,113.36	1,707,026,506.79
Cash paid to acquire fixed assets, intangible assets and other long-term assets		9,272,889,393.68	7,525,151,712.34
Cash paid for investments		100,440,000.00	1,108,029,000.00
Net increase in secured loans			
Net cash paid to acquire subsidiaries and other business units		197,535,083.18	
Cash paid to other investing activities	78	19,775,437.88	15,927,688.67
Sub-total of cash outflows from investing activities		9,590,639,914.74	8,649,108,401.01
Net cash flows from investing activities		-8,796,770,801.38	-6,942,081,894.22

II. FINANCIAL STATEMENT (continued)
CONSOLIDATED CASH FLOW STATEMENT (continued)
January – December 2025

Unit: Yuan Currency: RMB

Items	Note VII	2025	2024
III. Cash flows from financing activities:			
Cash received from investment absorbed		2,004,581,814.70	791,058,580.00
Including: Cash received from minority shareholders' investment absorbed by subsidiaries		624,306,100.00	714,798,580.00
Cash received from issuance of other equity instruments		1,500,000,000.00	
Cash received from borrowings		18,705,294,541.13	17,477,179,716.30
Cash received from other financing activities	78	410,404,612.88	66,119,209.54
Sub-total of cash inflows from financing activities		22,620,280,968.71	18,334,357,505.84
Cash paid for loan repayments		16,847,988,587.85	11,219,203,744.00
Cash paid for dividends, profits appropriation or payments of interest		2,345,595,664.26	2,694,262,809.06
Including: Dividends and profits paid by subsidiaries to minority shareholders		218,438,119.58	422,914,215.14
Cash paid for redemption of other equity instruments			1,040,000,000.00
Cash paid relating to other financing activities	78	133,109,939.60	490,764,731.72
Sub-total of cash outflows from financing activities		19,326,694,191.71	15,444,231,284.78
Net cash flows from financing activities		3,293,586,777.00	2,890,126,221.06
IV. Effect of changes in foreign exchange rate on cash and cash equivalents		-4,827,948.34	-4,168,990.27
V. Net increase in cash and cash equivalents	79	1,788,680,228.85	-335,335,827.65
Add: Cash and cash equivalents at the beginning of the period	79	2,944,023,399.18	3,279,359,226.83
VI. Cash and cash equivalents at the end of the period	79	4,732,703,628.03	2,944,023,399.18

Person in charge of the Company: Tan Jian Xin

Person in charge of accounting: Liu Tao

Head of accounting firm: Bai Jing Wei

FINANCIAL REPORT

II. FINANCIAL STATEMENT (continued) CASH FLOW STATEMENT OF THE PARENT COMPANY

January – December 2025

Unit: Yuan Currency: RMB

Items	Note	2025	2024
I. Cash flows from operating activities:			
Cash received from sale of goods and rendering of services		67,179,951.24	116,189,608.41
Cash received from tax refund			
Cash received from other operating activities		1,229,185,414.43	1,179,763,618.05
Sub-total of cash inflows from operating activities		1,296,365,365.67	1,295,953,226.46
Cash paid for goods and services		20,868,657.54	19,992,726.70
Cash paid to and on behalf of employees		50,678,022.50	50,696,106.65
Payments of taxes and surcharges		5,030,476.10	2,449,227.31
Cash paid relating to other operating activities		693,590,686.20	487,148,869.60
Sub-total of cash outflows from operating activities		770,167,842.34	560,286,930.26
Net cash flows from operating activities		526,197,523.33	735,666,296.20
II. Cash flows from investing activities:			
Cash received from investment		457,347,756.44	1,320,000,000.00
Cash received from investment income		1,089,306,331.32	2,240,917,146.63
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		28,761.06	
Net cash received from disposal of subsidiaries and other business units			
Cash received from other investing activities		3,042,121,622.36	233,890,215.53
Sub-total of cash inflows from investing activities		4,588,804,471.18	3,794,807,362.16
Cash paid to acquire fixed assets, intangible assets and other long-term assets		15,802,290.83	5,325,560.84
Cash paid for investments		2,594,382,500.00	2,619,799,600.00
Net cash paid to acquire subsidiaries and other business units			
Cash paid to other investing activities		1,499,632,016.00	114,140,215.53
Sub-total of cash outflows from investing activities		4,109,816,806.83	2,739,265,376.37
Net cash flows from investing activities		478,987,664.35	1,055,541,985.79
III. Cash flows from financing activities:			
Cash received from investment absorbed		1,380,275,714.70	76,260,000.00
Cash received from borrowings		240,000,000.00	156,560,000.00
Cash received from other financing activities		1,500,000,000.00	
Sub-total of cash inflows from financing activities		3,120,275,714.70	232,820,000.00
Cash paid for loan repayments		1,614,718,700.00	796,971,900.00
Cash paid for dividends, profits appropriation or payments of interest		987,492,607.95	1,091,831,172.82
Cash paid relating to other financing activities		565,000.00	1,045,603,025.94
Sub-total of cash outflows from financing activities		2,602,776,307.95	2,934,406,098.76
Net cash flows from financing activities		517,499,406.75	-2,701,586,098.76
IV. Effect of changes in foreign exchange rate on cash and cash equivalents		-3,430,001.10	23,999.87
V. Net increase in cash and cash equivalents		1,519,254,593.33	-910,353,816.90
Add: Cash and cash equivalents at the beginning of the period		175,642,204.83	1,085,996,021.73
VI. Cash and cash equivalents at the end of the period		1,694,896,798.16	175,642,204.83

Person in charge of the Company: Tan Jian Xin

Person in charge of accounting: Liu Tao

Head of accounting firm: Bai Jing Wei

II. FINANCIAL STATEMENT (continued)
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

January – December 2025

Unit: Yuan Currency: RMB

Items	2025													
	Equity attributable to owners of the parent company													
	Paid-up capital (or share capital)	Other equity instruments		Capital reserve	Less: Treasury stocks	Other comprehensive income	Special reserve	Surplus reserve	General risk provision	Undistributed profits	Others	Sub-total	Minority interests	Total owners' equity
		Preferred share	Perpetual bonds											
I. Balance at the end of last year	4,205,693,073.00			6,753,649,767.80	-73,697,543.20	3,417,335.00	41,731,168.43	1,223,911,097.22		9,538,353,902.49		21,693,349,600.74	5,419,394,252.67	27,112,743,853.41
Add: Effects of change in accounting policies														
Effects of correction of prior year errors														
Others														
II. Balance at the beginning of this year	4,205,693,073.00			6,753,649,767.80	-73,697,543.20	3,417,335.00	41,731,168.43	1,223,911,097.22		9,538,353,902.49		21,693,349,600.74	5,419,394,252.67	27,112,743,853.41
III. Increase/decrease in the period														
Increase/decrease in the period														
(decrease is represented by "-")														
(I) Total comprehensive income	307,000,000.00		151,651,228.78	1,044,500,009.11	1,310,904.00		6,494,947.83	138,272,276.15		790,949,494.02		3,824,930,693.89	544,964,483.75	4,369,895,177.64
(II) Owners' contribution and decrease in capital	307,000,000.00		1,500,000,000.00	1,061,097,233.96	1,310,904.00					1,826,353,548.28		1,826,353,548.28	1,877,383,507.02	2,019,146,855.30
1. Ordinary shares contributed by owners	307,000,000.00			1,061,097,233.96	1,310,904.00					1,826,353,548.28		1,826,353,548.28	1,877,383,507.02	2,019,146,855.30
2. Capital contributed by holders of other equity instruments			1,500,000,000.00											
3. Share-based payments credited to owners' equity				-450,000.00										
4. Others				861,538.83										
(III) Profit distribution			16,512,228.78		1,310,904.00		-1,502,076.75	138,272,276.15		-1,035,385,854.26		-882,105,236.08	-187,266.79	1,123,637.21
1. Appropriation to surplus reserve														
2. Appropriation to general risk provision														
3. Distribution to owners (or shareholders)														
4. Others														
(IV) Internal transfer of owners' equity			16,512,228.78				-1,502,076.75	138,272,276.15		-138,272,276.15			-245,792,439.54	-1,127,895,765.62
1. Conversion of capital reserve into capital (or share capital)														
2. Conversion of surplus reserve into capital (or share capital)														
3. Making good of loss with surplus reserve														
4. Change in defined benefit plan transferred to related earnings														
5. Other comprehensive income transferred to related earnings														
6. Others														
(V) Special reserve														
1. Appropriation for the period														
2. Application for the period														
(VI) Others														
IV. Balance at the end of the current period	4,512,693,073.00		151,651,228.78	7,818,440,576.91	-72,316,639.20	3,417,335.00	48,000,016.26	1,362,183,373.37		10,229,302,796.51		25,518,253,440.63	5,984,378,736.42	31,502,632,177.05

II. FINANCIAL STATEMENT (continued)
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

January – December 2025

Unit: Yuan Currency: RMB

Items	2024													
	Equity attributable to owners of the parent company													
	Paid-up capital (or share capital)	Other equity instruments		Capital reserve	Less: Treasury stocks	Other comprehensive income	Special reserve	Surplus reserve	General risk provision	Undistributed profits	Others	Sub-total	Minority interest	Total owners' equity
		Preferred share	Perpetual bonds											
I. Balance at the end of last year	4,187,093,073.00		1,038,376,000.00	6,681,407,780.33		3,417,355.00	44,870,064.23	1,002,015,167.23		8,940,553,185.93		21,876,733,637.92	4,840,058,930.32	26,740,789,568.24
Add: Effects of change in accounting policies														
Effects of correction of prior year errors														
Others														
II. Balance at the beginning of the year	4,187,093,073.00		1,038,376,000.00	6,681,407,780.33		3,417,355.00	44,870,064.23	1,002,015,167.23		8,940,553,185.93		21,876,733,637.92	4,840,058,930.32	26,740,789,568.24
III. Increase/decrease in the period														
(decrease is represented by "-")	18,600,000.00		-1,038,376,000.00	142,441,997.27	-73,627,542.00		-5,191,127.80	195,895,929.99		57,800,716.56		-183,384,037.18	555,358,322.55	371,974,285.17
(I) Total comprehensive income	18,600,000.00		-1,038,376,000.00	142,441,997.27	-73,627,542.00		-5,191,127.80	195,895,929.99		57,800,716.56		-183,384,037.18	555,358,322.55	371,974,285.17
(II) Owners' contribution and decrease in capital	18,600,000.00		-1,038,376,000.00	142,441,997.27	-73,627,542.00		-5,191,127.80	195,895,929.99		57,800,716.56		-183,384,037.18	555,358,322.55	371,974,285.17
1. Ordinary shares contributed by owners	18,600,000.00		-1,038,376,000.00	57,660,000.00	-73,627,542.00		-5,191,127.80	195,895,929.99		57,800,716.56		-183,384,037.18	555,358,322.55	371,974,285.17
2. Capital contributed by holders of other equity instruments			-1,038,376,000.00	-43,000.00								0.00	714,318,580.00	714,318,580.00
3. Share-based payments credited to owners' equity												-1,040,000,000.00		-1,040,000,000.00
4. Others				8,433,926.85								8,433,926.85	231,668.15	10,750,790.00
(III) Profit distribution				75,387,791.66	2,624,456.80			195,895,929.99		-1,081,544,304.41		-898,070,374.42	44,502,913.91	122,563,162.37
1. Appropriation to surplus reserve								195,895,929.99		-1,081,544,304.41		-898,070,374.42	44,502,913.91	122,563,162.37
2. Appropriation to general risk provision								195,895,929.99		-1,081,544,304.41		-898,070,374.42	44,502,913.91	122,563,162.37
3. Distribution to owners (or shareholders)													-438,072,493.56	-1,329,342,867.98
4. Others														
(IV) Internal transfer of owners' equity														
1. Conversion of capital reserve into capital (or share capital)														
2. Conversion of surplus reserve into capital (or share capital)														
3. Making good of loss with surplus reserve														
4. Change in defined benefit plan transferred to related earnings														
5. Other comprehensive income transferred to related earnings														
6. Others														
(V) Special reserve														
1. Appropriation for the period														
2. Application for the period														
(VI) Others														
IV. Balance at the end of the current period	4,205,693,073.00			6,753,849,778.00	-73,627,542.00	3,417,355.00	41,721,084.43	1,223,911,097.22		9,538,355,904.49		21,893,049,000.74	5,419,934,256.67	27,112,983,257.41

Person in charge of the Company: Tan Jian Xin

Person in charge of accounting: Liu Tao

Head of accounting firm: Bai Jing Wei

II. FINANCIAL STATEMENT (continued)
STATEMENT OF CHANGES IN EQUITY OF THE PARENT COMPANY

January – December 2025

Unit: Yuan Currency: RMB

2025											
Items	Paid-up capital (or share capital)	Other equity instruments			Capital reserve	Less: Treasury stocks	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profits	Total owners' equity
		Preferred share	Perpetual bonds	Others							
I. Balance at the end of last year	4,205,693,073.00				6,746,061,072.70	-73,627,543.20			1,223,911,097.22	5,432,220,060.97	17,534,257,760.69
Add: Effects of change in accounting policies											
Effects of correction of prior year errors											
Others											
II. Balance at the beginning of the year	4,205,693,073.00				6,746,061,072.70	-73,627,543.20			1,223,911,097.22	5,432,220,060.97	17,534,257,760.69
III. Increase (decrease in the period (decrease is represented by "-"))	307,000,000.00		15,165,123,328.78		1,044,898,476.55	1,310,904.00			138,272,716.15	347,337,707.20	3,375,291,692.68
(i) Total comprehensive income											
(ii) Owners' contribution and decrease in capital	307,000,000.00		1,500,000,000.00		1,061,235,877.53	1,310,904.00				1,382,722,761.46	2,889,546,781.53
1. Ordinary shares contributed by owners	307,000,000.00		1,500,000,000.00		1,040,698,386.13						1,367,698,385.13
2. Capital contributed by holders of other equity instruments					-430,000.00						1,499,550,000.00
3. Share-based payments credited to owners' equity					987,492.40						987,492.40
4. Others						1,310,904.00					1,310,904.00
(iii) Profit distribution			16,512,328.78						138,272,716.15	-1,035,385,056.26	-880,600,449.33
1. Appropriation to surplus reserve									138,272,716.15	-138,272,716.15	
2. Distribution to owners (or shareholders)									138,272,716.15	-880,600,449.33	-880,600,449.33
3. Others			16,512,328.78							-16,512,328.78	
(iv) Internal transfer of owners' equity											
1. Conversion of capital reserve into capital (or share capital)											
2. Conversion of surplus reserve into capital (or share capital)											
3. Making good of loss with surplus reserve											
4. Change in defined benefit plan transferred to retained earnings											
5. Other comprehensive income transferred to retained earnings											
6. Others											
(v) Special reserve											
1. Appropriation for the period											
2. Application for the period											
(vi) Others					3,622,599.02	-72,316,639.20			1,362,183,373.37	5,779,557,768.17	3,622,599.02
IV. Balance at the end of the current period	4,512,693,073.00		15,165,123,328.78		7,810,919,549.25	-72,316,639.20			1,362,183,373.37	5,779,557,768.17	20,909,549,453.37

II. FINANCIAL STATEMENT (continued)
STATEMENT OF CHANGES IN EQUITY OF THE PARENT COMPANY (continued)

January – December 2025

Unit: Yuan Currency: RMB

2024											
Items	Paid-up capital (or share capital)	Other equity instruments			Capital reserve	Less: Treasury stocks	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profits	Total owners' equity
		Preferred share	Perpetual bonds	Others							
I. Balance at the end of last year	4,187,093,073.00		1,039,376,000.00		6,677,329,756.37				1,028,015,167.23	4,567,827,065.43	17,494,641,062.03
Add: Effects of change in accounting policies											
Effects of correction of prior year errors											
Others											
II. Balance at the beginning of the year	4,187,093,073.00		1,039,376,000.00		6,677,329,756.37				1,028,015,167.23	4,567,827,065.43	17,494,641,062.03
III. Increase/decrease in the period (decrease is represented by "-")	18,600,000.00		-1,039,376,000.00		68,731,316.33	-73,627,543.20			195,895,929.99	864,392,995.54	34,616,698.66
(i) Total comprehensive income									195,895,929.99	1,958,959,299.95	1,958,959,299.95
(ii) Owners' contribution and decrease in capital	18,600,000.00		-1,039,376,000.00		67,786,790.00	-73,627,543.20					-1,026,616,753.20
1. Ordinary shares contributed by owners	18,600,000.00				57,660,000.00	-73,627,543.20					-1,040,000,000.00
2. Capital contributed by holders of other equity instruments			-1,039,376,000.00		-624,000.00						10,750,790.00
3. Share-based payments credited to owners' equity					10,750,790.00						
4. Others						26,321,563.80			195,895,929.99	-1,094,566,304.41	26,321,563.80
(iii) Profit distribution									195,895,929.99	-1,094,566,304.41	-898,670,374.42
1. Appropriation to surplus reserve									195,895,929.99	-1,094,566,304.41	
2. Distribution to owners (or shareholders)									195,895,929.99	-1,094,566,304.41	
3. Others										-898,670,374.42	-898,670,374.42
(iv) Internal transfer of owners' equity											
1. Conversion of capital reserve into capital (or share capital)											
2. Conversion of surplus reserve into capital (or share capital)											
3. Making good of loss with surplus reserve											
4. Change in defined benefit plan transferred to retained earnings											
5. Other comprehensive income transferred to retained earnings											
6. Others											
(v) Special reserve											
1. Appropriation for the period					944,526.33						944,526.33
2. Application for the period					6,746,081,072.70						17,534,257,760.69
(vi) Others											
IV. Balance at the end of the current period	4,205,693,073.00				6,746,081,072.70	-73,627,543.20			1,223,911,097.22	5,432,220,609.97	17,534,257,760.69

Person in charge of the Company: Tan Jian Xin

Person in charge of accounting: Liu Tao

Head of accounting firm: Bai Jing Wei

III. GENERAL INFORMATION OF THE COMPANY

1. Company Overview

China Suntien Green Energy Corporation Limited (the "Company") is a joint stock limited company incorporated in Hebei Province, the People's Republic of China, on 9 February 2010. On 13 October 2010, the Company's H shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange") in an initial public offering. On 28 May 2020, the Company was listed on the Shanghai Stock Exchange in an initial public offering of A-shares, with the approval of the China Securities Regulatory Commission (Zheng Jian Xu Ke [2020] No. 1012). On 14 May 2024, the Company completed the registration of the grant of shares under the 2023 A-share Restricted Share Incentive Scheme. The number of shares granted this time was 18,600,000 shares. After this grant, the total share capital of the Company is 4,205,693,073 shares, comprising: 2,366,688,677 A shares, representing 56.27% of the Company's total share capital; and 1,839,004,396 H shares, representing 43.73% of the Company's total share capital. On 7 November 2025, the Company issued 307,000,000 overseas-listed foreign shares to specific targets. After this issuance, the total share capital of the Company is 4,512,693,073 shares, including 2,366,688,677 A shares, accounting for 52.45% of the total share capital of the Company, and 2,146,004,396 H shares, accounting for 47.55% of the total share capital of the Company.

The head office and registered office of the Company is located at No. 9 Yuhua West Road, Shijiazhuang City, Hebei Province, PRC.

The Company and its subsidiaries (hereinafter collectively referred to as the "Group") are principally engaged in the investment, development, management and operation of wind power and solar energy generation, sale of natural gas and gas appliances, and the connection and construction of natural gas pipelines.

The parent and ultimate parent of the Company is Hebei Construction & Investment Group Co., Ltd. ("HECIC"), an enterprise incorporated in China.

The financial statements have been approved and authorised for issue by the Company's Board on 25 March 2026.

FINANCIAL REPORT

IV. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

1. Basis of Preparation

The financial statements are prepared in accordance with Accounting Standards for Business Enterprises – Basic Standards issued by the Ministry of Finance and the specific accounting standards, interpretation and other relevant provisions promulgated and revised thereafter (the "Accounting Standards for Business Enterprises"). In addition, these financial statements disclose financial information in accordance with the Compilation Rule No. 15 for Information Disclosure by Companies Offering Securities to the Public–General Provisions for Financial Reporting.

The financial statements of the Company are prepared on a going concern basis.

2. Continuing operations

The financial statements are prepared on a going concern basis.

As at 31 December 2025, the Group's current liabilities exceeded its current assets by approximately RMB10.066 billion. Management has considered the following sources of funding available for the next 12 months:

- (1) expected net cash inflows from operating activities;
- (2) unutilised banking facilities as at 31 December 2025 of approximately RMB73.802 billion;
- (3) The Group registered super short-term commercial papers of RMB2.0 billion with the National Association of Financial Market Institutional Investors in April 2024. Such facilities were approved for revolving use before April 2026. As at 31 December 2025, the unutilised facilities amounted to RMB0.6 billion.
- (4) The Group registered medium-term notes of RMB3.0 billion with the National Association of Financial Market Institutional Investors in November 2024. On 18 June 2025, the Group issued medium-term notes of RMB1.5 billion through book-building and centralized placement. As at 31 December 2025, the unutilised facilities amounted to RMB1.5 billion.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

Reminders of specific accounting policies and accounting estimates:

The Group has developed specific accounting policies and accounting estimates based on the characteristics of its actual production and operation, mainly reflected in impairment of financial assets, transfer of construction in progress to fixed assets, impairment of long-term assets, as well as revenue recognition and measurement.

1. Declaration of Following Accounting Standards for Business Enterprises (ASBE)

These financial statements comply with the requirements of the Accounting Standards for Business Enterprises and give a true and fair view of the financial position of the Company and the Group as at 31 December 2025 and of their financial performance and cash flows for the year 2025.

2. Accounting Period

The accounting year of the Group is the calendar year, that is, from 1 January to 31 December each year.

3. Operating Cycle

The Group's operating cycle is 12 months.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

4. Functional Currency

The Group adopts Renminbi as its functional currency and to prepare its financial statements. Unless otherwise stated, the financial statements are all presented in RMB.

The Group's subsidiaries, joint ventures and affiliates determine their own functional currency based on the major economic environment in which they operate and translate such currency into RMB for the preparation of financial statements.

5. Determination Methodology and Selection Basis of Materiality Criteria

Items	Materiality Criteria
Significant receivables for which bad debt provision has been made on an individual basis	The balance of an individual receivable for which bad debt provision has been made accounts for more than 10% of the total amount of various receivables and exceeds RMB50 million
Bad debt provision for receivables with significant recovered or reversed amount	The amount of bad debt provision recovered or reversed for an individual receivable exceeds RMB50 million
Significant receivables write-offs	The write-off amount of an individual receivable exceeds RMB50 million
Significant dividends receivable aging over 1 year	Dividends receivable exceed RMB50 million
Significant prepayments aging over 1 year	The balance of an individual prepayment aging over 1 year accounts for more than 10% of the total amount of prepayments and exceeds RMB50 million
Significant construction in progress	The budget of a project exceeds RMB500 million
Significant accounts payable aging over 1 year	An individual account payable aging over one year accounts for more than 10% of the total accounts payable and exceeds RMB50 million
Significant contract liabilities aging over 1 year	An individual contract liability aging over one year accounts for more than 10% of the total contract liabilities and exceeds RMB50 million
Significant advances from customers aging over 1 year	An individual advance from customers aging over one year accounts for more than 10% of the total advances from customers and exceeds RMB50 million
Significant dividends payable aging over 1 year	Dividends payable exceed RMB50 million
Significant other payables aging over 1 year	Other individual payable aging over one year accounts for more than 10% of other payables in total and exceeds RMB50 million
Subsidiaries with significant minority interests	The net assets of a subsidiary account for 5% or more of the Group's net assets, or its minority interests account for 1% or more of the Group's net assets, with an annual net profit exceeding RMB100 million
Significant joint ventures and affiliates	The carrying amount of long-term equity investments in joint ventures or associates accounts for more than 1% of the consolidated net assets and exceeds RMB500 million while the investment income for the year exceeds RMB50 million
Significant capitalised R&D costs	The closing balance of a project accounts for more than 10% of the closing balance of development expenditure and exceeds RMB50 million
Significant cash flows from investment activities	Amount of the cash flow of an individual item exceeds RMB100 million

FINANCIAL REPORT

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

6. Accounting Treatment for Business Combinations under Common Control and Non-common Control

Business combinations are classified into combinations involving enterprises under common control and business combinations involving enterprises not under common control.

A business combination involving enterprises under common control is a business combination in which all of the combining enterprises are ultimately controlled by the same party or parties before and after the combination, and that control is not transitory. Assets and liabilities that are obtained in a business combination involving enterprises under common control, including goodwill arising from the acquisition of the merging party by the ultimate controller, shall be accounted for on the basis of the carrying amounts on the financial statements of the ultimate controller on the combination date. The difference between the carrying amount of the net assets obtained and the carrying amount of the consideration paid for the combination (or the aggregate face value of shares issued) is adjusted to the share premium in capital reserve. If the share premium is not sufficient to absorb the difference, any excess is adjusted against retained earnings.

A business combination involving enterprises not under common control is a business combination in which all of the combining enterprises are not ultimately controlled by the same party or parties before and after the combination. The acquiree's identifiable assets, liabilities and contingent liabilities acquired in the business combination involving enterprises not under common control are measured at fair value at the acquisition date. The excess of the cost of the combination over the fair value of the acquiree's identifiable net assets acquired in combination, was recognized as goodwill, which is subsequently measured at cost less cumulative impairment loss. In case the cost of consolidation is less than the fair value of the acquiree's identifiable net assets acquired in combination, a review of the measurement of the fair values of the various identifiable assets, liabilities and contingent liabilities, the cost of consolidation date is conducted. If the review indicates that the cost of consolidation is indeed less than the fair value of the acquiree's identifiable net assets acquired in combination, the difference is recognized in the current profit or loss.

7. Criteria for Judging Control and Preparation of Consolidated Financial Statements

The scope of consolidation for the consolidated financial statements is determined based on control, including the financial statements of the Company and all its subsidiaries. Subsidiary refers to an entity controlled by the Company (including the enterprise, separable parts of investees, and structured entities controlled by the Company). An investor controls an investee if and only if the investor possesses all three factors: the investor has power over the investee; entitle to variable return through involvement in the activities of the investee; able to influence the amount of return using the power over the investee.

If the accounting policies or accounting periods used by the subsidiaries are not consistent with those of the Company, necessary adjustments are made to the financial statements of the subsidiaries in accordance with the Company's accounting policies and accounting periods in the preparation of the consolidated financial statements. All intra-group assets, liabilities, interests, income, expenses and cash flows are eliminated in full on consolidation.

Where the amount of losses of a subsidiary attributable to the minority shareholders in the current period exceeds their share of the opening balance of owners' equity of the subsidiary, the excess shall be allocated against minority interests.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

7. Criteria for Judging Control and Preparation of Consolidated Financial Statements (continued)

For a subsidiary acquired through a business combination involving enterprises not under common control, the operating results and cash flows of the acquiree shall be included in the consolidated financial statement from the date on which the Group gains control till the Group ceases the control of it. While preparing the consolidated financial statements, the acquirer shall adjust the subsidiary's financial statements, on the basis of the fair values of the identifiable assets, liabilities and contingent liabilities recognized on the acquisition date.

For subsidiaries acquired through business combinations involving enterprises under common control, the operating results and cash flows of the acquiree shall be included in the consolidated financial statements from the beginning of the period in which the combination occurs. While preparing the comparative consolidated financial statements, adjustments are made to related items in the financial statements for the prior period as if the reporting entity established through combination had been existing since the ultimate controller begins to exercise control.

The Group's control over an investee is re-assessed if change in relevant facts and situations causes changes in one or more of the elements of control.

Where there is no loss of control, the change in minority interests is accounted for as an equity transaction.

8. Accounting for Classification of Joint Arrangements and Joint Operations

There are two types of joint arrangements – joint operations and joint ventures. A joint operation is a joint arrangement whereby the joint operators have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby parties to the joint venture only have rights to the net assets of the arrangement.

A joint operator recognizes the following items in relation to its interest in a joint operation: its solely-held assets, and its share of any assets held jointly; its solely-assumed liabilities, and its share of any liabilities incurred jointly; its revenue from the sale of its share of the output arising from the joint operation; its share of the revenue from the sale of the output by the joint operation; its solely-incurred expenses, and its share of any expenses incurred jointly.

9. Criteria for Determining Cash and Cash Equivalents

Cash comprises the Group's cash on hand and deposits that can be readily withdrawn on demand. Cash equivalents are the Group's short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

FINANCIAL REPORT

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

10. Translation of Transactions and Financial Statements Denominated in Foreign Currencies

The Group translates the amount of foreign currency transactions which occurred into its functional currency.

Foreign currency transactions are recorded, on initial recognition, in the functional currency, by applying the foreign currency amount the spot exchange rate prevailing on the transaction dates. At the balance sheet date, foreign currency monetary items are translated using the spot exchange rate prevailing on the balance sheet date. All the resulting differences on settlement and monetary item translation are taken to profit or loss in the current period, except for those relating to foreign currency borrowings specifically for construction and acquisition of qualifying assets, which are capitalized in accordance with the principle of capitalization of borrowing costs. Non-monetary foreign currency items measured at historical cost shall still be translated at the exchange rate prevailing on initial recognition, and the amount denominated in the functional currency is not changed. Non-monetary foreign currency items measured at fair value are translated at the spot exchange rate prevailing at the date on which the fair values are determined. The difference thus resulted are recognised in profit or loss for the current period or as other comprehensive income based on the nature of the non-monetary items.

For foreign operations, the Group translates their functional currency amounts into RMB when preparing the financial statements as follows: as at the balance sheet date, the assets and liabilities are translated using the spot exchange rate at the balance sheet date, and equity items other than "unappropriated profit" are translated at the spot exchange rates at the dates of transactions; revenue and expense items in the income statement are translated using the spot exchange rate at the transaction date. The resulting exchange differences are recognized in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognized in profit or loss. If the disposal only involves a portion of a particular foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognized in profit or loss on a pro-rata basis.

Foreign currency cash flows and the cash flows of foreign subsidiaries are translated using the spot exchange rates prevailing on the dates of cash flows. The effect of exchange rate changes on cash is separately presented as an adjustment item in the statement of cash flows.

11. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(1) Recognition and Derecognition of Financial Instruments

A financial asset or financial liability is recognized when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (or part of a financial asset, or part of a group of similar financial assets) is derecognised, i.e., transferred out from the balance sheet, when the following conditions are met:

- (1) the rights to receive cash flows from the financial asset expire;
- (2) the Group has transferred its rights to receive cash flows from the financial asset, or has assumed an obligation to pay them in full without material delay to a third party under a "pass-through arrangement"; and either has transferred substantially all the risks and rewards of ownership of the financial asset, or has neither transferred nor retained substantially all the risks and rewards of ownership of the financial asset, but has not retained control of the financial asset.

If the underlying obligation of a financial liability has been discharged or cancelled or has expired, the financial liability is derecognized. If an existing financial liability is replaced by the same creditor with a new financial liability that has substantially different terms, or if the terms of an existing financial liability are substantially revised, such replacement or revision is accounted for as the derecognition of the original liability and the recognition of a new liability, and the resulting difference is recognized in profit or loss for the current period.

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales of financial assets refer to purchasing or selling financial assets in accordance with the provisions of a contract, and the terms of the contract stipulate that financial assets are delivered according to the time schedule usually determined by laws and regulations or market practices. The trade date is the date on which the Group undertakes to buy or sell a financial asset.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

11. Financial Instruments (continued)

(2) Classification and Measurement of Financial Assets

The Group's financial assets are, on initial recognition, classified into the following categories based on the business model of the Group's financial asset management and the characteristics of the financial assets' contractual cash flows: financial assets measured at amortised cost, financial assets measured at fair value through other comprehensive income, and financial assets at fair value through profit or loss. All affected related financial assets will be reclassified only if the Group changes its business model for managing financial assets.

A financial asset is initially recognised at fair value. However, if the accounts receivable or bills receivable arising from sale of goods or rendering of services do not include significant financing components or do not consider financing components not exceeding one year, it shall be initially measured at the transaction price.

For financial assets measured at fair value through profit or loss, the related transaction expenses are directly recognised in profit or loss for the current period, transaction costs related to other types of financial assets are included in their initial recognition amount.

Subsequent measurement of a financial asset is determined by its category as follows:

Debt instrument investments measured at amortised cost

Financial assets are classified as financial assets measured at amortised cost if the financial assets meet the following conditions: The Group's business model for managing the financial assets is to collect contractual cash flows; the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. For such financial assets, the effective interest method is used for recognition of interest income. The gains or losses arising from derecognition, modification or impairment are recognised in profit or loss of the current period.

Debt instrument investments measured at fair value through other comprehensive income

The Group measures financial assets at fair value through other comprehensive income if both of the following conditions are met: the financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income is recognised using the effective interest method. The interest income, impairment losses and foreign exchange revaluation are recognised in profit or loss. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to profit or loss.

Equity instrument investments at fair value through other comprehensive income

The Group irrevocably opts to assign some of the investments in non-tradable equity instruments to financial assets at fair value through other comprehensive income, and only recognizes relevant dividend income in profit or loss for the current period, while subsequent changes in fair value are recognized in other comprehensive income (except for the dividend income recovered as investment costs), without needing to withdraw impairment provision. When the financial assets are derecognized, the cumulative gains or losses previously recognized in other comprehensive income are reclassified from other comprehensive income to retained earnings.

Financial assets at fair value through profit or loss

The financial assets other than those measured at amortized cost and at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. For such financial assets, fair value is used for subsequent measurement, and all changes in fair value are recognized in profit or loss for the current period.

In accordance with the above conditions, such financial assets determined by the Group mainly include other investment in equity instruments.

FINANCIAL REPORT

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

11. Financial Instruments (continued)

(3) Classification and Measurement of Financial Liabilities

Except for financial guarantee contracts issued and financial liabilities arising from the transfer of financial assets that do not meet the derecognition criteria or from the continued involvement in the transferred financial assets, on initial recognition, the Group's financial liabilities are classified as: financial liabilities at fair value through profit or loss and financial liabilities measured at amortized cost. For financial liabilities at fair value through profit or loss, related transaction expenses are directly charged to profit or loss for the current period; and transaction expenses relating to financial liabilities measured at amortised cost are included in the initial recognised amount.

The subsequent measurement of financial liability is determined by its category:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading (including derivative financial liabilities) and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities held for trading (including derivative financial liabilities) are subsequently measured at fair value, and all of them will be recognized in the current profit or loss. For such financial liabilities, the subsequent measurement is based on fair value. Except for changes in fair value arising from changes in the Group's own credit risk, changes in fair value are recognized in profit or loss. The Group changes all fair value changes (including the impact of changes in its own credit risk) in the current profit or loss, if the changes in fair value of the Group's own credit risk are included in other comprehensive income.

Financial liabilities measured at amortised cost

Such financial liabilities are measured at amortized cost by using the effective interest method.

(4) Impairment of Financial Instruments

Determination method and accounting treatment of expected credit losses

The Group performs impairment treatment on financial assets measured at amortised cost and financial guarantee contracts and provides impairment provision on the basis of expected credit losses.

For receivables and contract assets which do not contain significant financing components and contract assets, the Group uses a simplified measurement method to measure loss allowance at the full lifetime expected credit loss.

In addition to the financial assets and financial guarantee contracts described above using the simplified measurement method, the Group assesses whether its credit risk has increased significantly since the initial recognition on each balance sheet date. If the credit risk has not increased significantly since the initial recognition, it is at the first stage, and the Group measures loss allowance according to the amount of expected credit loss in the next 12 months, and calculates the interest income according to the book balance and the actual interest rate; if the credit risk has increased significantly since the initial recognition, but no credit impairment occurs, it is at the second stage, and the Group measures loss allowance at the full lifetime expected credit loss, and calculates the interest income according to the book balance and the actual interest rate; if the credit impairment occurs after the initial recognition, it is at the third stage, and the Group measures loss allowance at the full lifetime expected credit loss, and calculates the interest income according to the amortised cost and the actual interest rate. For financial instruments with relatively low credit risk only on the balance sheet date, the Group assumes that its credit risk has not increased significantly since the initial recognition.

For the disclosure of the Group's judgment criteria for significant increase in credit risk, and the definition of credit-impaired assets, please refer to Note XII.1.

The Group's approach to measuring expected credit losses on financial instruments reflects factors such as the weighted average amount of unbiased probabilities determined by evaluating a range of possible outcomes, the time value of money, and reasonable and substantiated information about past events, current conditions and projections of future economic conditions that is available at the balance sheet date without unnecessary additional cost or effort.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

11. Financial Instruments (continued)

(4) Impairment of Financial Instruments (continued)

Portfolio classification and determination basis of provisions for impairment on a combination of credit risk characteristics

The Group considers credit risk characteristics of different customers, and assesses the expected credit losses on financial instruments carried at amortised cost based on the common risk characteristics and their ageing portfolio. The Group's portfolio classification: portfolio with extremely low recovery risk, and ageing portfolio. The Group assesses credit impairment losses based on two portfolios: extremely low recovery risk and ageing.

Ageing methodology for determining credit risk characteristic portfolios on ageing

The Group determines the ageing based on the invoice date.

Individual provision determination criteria for bad debt impairment provision made on an individual basis

If the credit risk characteristics of a counterparty are significantly different from those of other counterparties in the portfolio, loss provision for the amount receivable from that counterparty shall be made on an individual basis.

Write-off of impairment provisions

When the Group no longer reasonably expects to be able to fully or partially recover the contractual cash flows of financial assets, the Group writes down the carrying amount of the financial assets directly.

(5) Offsetting of Financial Instruments

The net amount resulting from the set-off between financial assets and financial liabilities shall be presented in the balance sheet only if all of the following criteria are met: there is a legal right to offset recognised amounts which is currently enforceable; there is an intention to settle on a net basis, or the realisation of the financial asset and the settlement of the financial liability take place at the same time.

(6) Financial Guarantee Contracts

A financial guarantee contract is a contract under which the issuer shall indemnify the contract holder suffering losses with a specified amount in the event that the specific debtor fails to repay its debt in accordance with the initial or revised terms of the debt instrument. Financial guarantee contracts are initially recognised as liability at fair value. Except for the financial guarantee contracts which are financial liabilities designated at fair value through profit or loss, other financial guarantee contracts are, after initial recognition, subsequently measured at the higher of the amount of provision for losses determined at the balance sheet date and the initial amount less accumulated amortisation determined in accordance with the revenue recognition principle.

(7) Transfer of Financial Assets

The Group derecognises a financial asset when it has transferred substantially all the risks and rewards of ownership of the financial asset to the transferee; the Group does not derecognise the financial assets when it retains substantially all the risks and rewards of ownership of the financial assets.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership of financial assets, the related accounting treatments of such financial assets are as follows: if the control of the financial assets is abandoned, the financial assets are derecognised and the assets and liabilities arising are recognised. If the control of the financial assets is not abandoned, the relevant financial assets are recognised according to the extent to which they continue to be involved in the transferred financial assets and the related liabilities are recognised accordingly.

If the transferred financial assets continue to be involved through the provision of financial guarantee method, the assets that continue to be involved are recognised according to carrying amount of the financial assets and the financial guarantee amount, whichever is lower. The amount of the financial guarantee is the maximum amount of the consideration received that will be required to be repaid.

FINANCIAL REPORT

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

12. Bills Receivable

☐ Applicable ☒ Not Applicable

13. Accounts Receivable

☐ Applicable ☒ Not Applicable

14. Receivable Financing

☐ Applicable ☒ Not Applicable

15. Other Receivables

☐ Applicable ☒ Not Applicable

16. Inventory

Types of inventories, valuation methods, inventory system, amortization of low value consumables and packing materials

Inventories include raw materials, goods in stock and turnover materials.

Inventories are initially measured at cost. Inventory costs include purchase costs, processing costs and other costs. The actual cost of inventories is calculated using the FIFO method when the inventories are removed. Turnover materials include low-value consumables and packaging materials, which are amortised using one-time resale method.

Inventories are accounted for using the perpetual inventory system.

Criteria for recognizing and providing for provision for decline in value of inventories

At the balance sheet date, inventories are measured at the lower of cost and net realizable value. If the cost is higher than the net realizable value, provision for impairment of inventories is made and recognized in profit or loss for the period.

Portfolio classification and determination basis of provision for decline in value of inventories on a group basis, determination basis of net realisable value of different categories of inventories

Net realisable value is the amount of the estimated inventory selling price in the ordinary course of business less the estimated costs of completion, the estimated selling expenses and relevant taxes. Provision for decline in value of inventories is made on the basis of individual inventory items for raw materials, on the basis of categories for turnover materials, and on the basis of individual inventory items for goods in stock. Inventories that are related to product lines manufactured and sold in the same region, have the same or similar end-use or purpose, and are difficult to measure separately from other items, are consolidated when providing provision for decline in value of inventories.

Calculation methodology and determination basis of net realisable value for each ageing group for which net realisable value of inventories is recognized based on ageing

☐ Applicable ☒ Not Applicable

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

17. Contract Assets

The Group presents contract assets or contract liabilities in the balance sheet based on the relationship between the completion of performance obligations and customer payments. The Group offsets contract assets and contract liabilities under the same contract and presents in net amount

Recognition method and standards of contract assets

The right to consideration for goods or services transferred to a customer before the customer actually pays the contract consideration or before the consideration becomes due (and such right is dependent on factors other than the passage of time) is recognized as a contract asset; When the unconditional right to receive payment is subsequently obtained, it is transferred to accounts receivable.

For details on the determination method and accounting treatment of expected credit losses for contract assets of the Group, please refer to Note V.11.

Portfolio classification and determination basis of provisions for bad debt on a combination of credit risk characteristics

For details, please refer to Note V.11. Financial Instruments.

Aging methodology for determining credit risk characteristic portfolios based on ageing

☐ Applicable ☒ Not Applicable

Individual provision determination criteria of provision for bad debts on an individual basis

☐ Applicable ☒ Not Applicable

18. Non-current Assets and Disposal Groups Held for Sale

☐ Applicable ☒ Not Applicable

Recognition criteria and accounting treatment for non-current assets or disposal groups classified as held for sale

☐ Applicable ☒ Not Applicable

Recognition criteria and presentation of discontinued operations

☐ Applicable ☒ Not Applicable

19. Long-term Equity Investments

Long-term equity investments include equity investments in subsidiaries, joint ventures and associates.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

19. Long-term Equity Investments (continued)

Long-term equity investments were initially recorded at initial investment cost on acquisition. For long-term equity investments acquired through the business combination of entities under common control, the initial investment cost shall be the share of carrying value of the owners' equity of the merged party at the date of combination as stated in the consolidated financial statements of the ultimate controlling party; Any difference between the initial investment cost and the carrying value of the consideration for the combination shall be dealt with by adjusting the capital reserve (if the capital reserve is insufficient for setting off the difference, such difference shall be further set off against retained earnings). For long-term equity investments acquired through the business combination of entities not under common control, the initial investment cost shall be the cost of combination (for business combinations of entities not under common control achieved in stages through multiple transactions, the initial investment cost shall be the sum of the carrying value of the equity investment in the acquired party held at the date of acquisition and new investment cost incurred as at the date of acquisition). The initial investment cost of long-term equity investments other than those acquired through business combination shall be recognised in accordance with the following: for those acquired by way of cash payments, the initial investment cost shall be the consideration actually paid plus expenses, tax amounts and other necessary outgoings directly related to the acquisition of the long-term equity investments. For long-term equity investments acquired by way of the issue of equity securities, the initial investment cost shall be the fair value of the equity securities issued.

In the financial statements of the Company, the cost method is used for long term equity investments in investees over which the Company exercises control. Control is defined as the power exercisable over the investee, the entitlement to variable return through involvement in the activities of the investee and the ability to influence the amount of return using the power over the investee.

When the cost method is used, long-term equity investments are measured at initial cost on acquisition. When additional investments are made or investments are recouped, the cost of long-term equity investments shall be adjusted. Cash dividends or profit distribution declared by the investee shall be recognised as investment gains for the period.

The equity method is used to account for long-term equity investments when the Group can jointly control or has significant influence over the invested entity. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Significant influence means having the authority to take part in the decision over the financial and operational policies but not the authority to control or jointly control with other parties the formulation of such policies.

Under the equity method, any excess of the initial investment cost over the Company's share of the net fair value of the investment's identifiable assets and liabilities is included in the initial investment cost of the long-term equity investment. When the carrying amount of the investment is less than the Company's share of the fair value of the investment's identifiable net assets, the difference is recognised in profit or loss of the current period and debited to long-term equity investments.

Under the equity method, after the long-term equity investments are acquired, investment gains or losses and other comprehensive income are recognised according to the entitled share of net profit or loss and other comprehensive income of the investee and the carrying amount of the long-term equity investment is adjusted accordingly. When recognising the Group's share of the net profit or loss of the invested entity, the Group makes adjustments based on fair values of the investees' identifiable assets and liabilities at the acquisition date in accordance with the Group's accounting policy and accounting period to investee's net profits, eliminating pro-rata profit or loss from internal transactions with associates and joint ventures attributed to investor (except that loss from inter-group transactions deemed as asset impairment loss shall be fully recognised), provided that invested or sold assets constituting businesses shall be excluded. When the invested enterprise declares profit appropriations or cash dividends, the carrying amount of investment is adjusted down by the Group's share of the profit appropriations and dividends. The Group shall discontinue recognising its share of the losses of the investee after the long-term equity investment together with any long-term interests that in substance forms part of the Group's net investment in the investee are reduced to zero, except to the extent that the Group has incurred obligations to assume additional losses. The Group also adjusts the carrying amount of long-term equity investments for other changes in owners' equity of the investees (other than the net-off of net profit or loss, other comprehensive income and profit allocation of the investee), and includes the corresponding adjustment in equity.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

20. Investment Properties

(1). If the model of measured at costs is adopted:

Depreciation or amortisation method

Investment property is property held to earn rentals or for capital appreciation or for both purposes.

An investment property is measured initially at cost. Subsequent expenditures incurred for such investment property are included in the cost of the investment property if it is probable that economic benefits associated with an investment property will flow to the Group and the cost can be measured reliably. Otherwise, such expenditures shall be recognised in profit or loss for the period during which they are incurred.

The Group uses the cost model for subsequent measurement of investment property. The useful life, estimated net residual value rate and annual depreciation rate of investment property are as follows:

Category	Useful life	Estimated residual value rate%	Annual depreciation rate%
Houses and buildings	30 years	5.00	3.17

21. Fixed Assets

(1). Conditions of recognition

A fixed asset is recognised only when the economic benefits associated with the asset will probably flow to the Group and the cost of the asset can be measured reliably. Subsequent expenditures incurred for a fixed asset that meets the recognition criteria shall be included in its cost, and the carrying amount of the component of the fixed asset that is replaced shall be derecognised. Otherwise, it is recognized in the current profit or loss or the cost of related assets according to the beneficiary when incurred.

Fixed assets are initially measured at cost and the effect of any expected costs of abandoning the assets is considered. The cost of a purchased fixed asset comprises the purchase price, relevant taxes and any other directly attributable expenditure for bringing the asset to working condition for its intended use.

(2). Depreciation method

Category	Depreciation method	Depreciation period (year)	Residual value rate	Annual depreciation rate
Houses and buildings	Straight-line method	20-40 years	5.00%	2.38%-4.75%
Mechanical equipment	Straight-line method	5-40 years	5.00%	2.38%-19.00%
Transportation equipment	Straight-line method	5-8 years	5.00%	11.88%-19.00%
Electronic and office equipment	Straight-line method	3-5 years	5.00%	19.00%-31.67%
Other equipment	Straight-line method	10 years	5.00%	9.50%

This table applies to fixed assets other than those formed using withdrawn safety production fees.

Where individual component parts of an item of fixed assets have different useful lives or provide benefits to the enterprise in different patterns, different depreciation rates are applied.

The Group reviews the useful life and estimated net residual value of a fixed asset and the depreciation method applied at least at each financial year end, and makes adjustments if necessary.

FINANCIAL REPORT

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

22. Construction in Progress

Construction in progress is recognized at its actual costs. The actual costs include various necessary construction expenditures during the construction period, borrowing costs capitalized before it is ready for intended use and other relevant costs.

Construction in progress is transferred to fixed assets when it is ready for intended use according to the following criteria:

Criteria for transferring to fixed assets	
Houses and buildings	Actual start of use/completion and acceptance, whichever is earlier
Mechanical equipment	Design requirements met and trial run completed
Electronic and office equipment	Accepted by the asset manager or user
Transportation equipment and others	Accepted by the asset manager or user

23. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalized, and other borrowing costs are recognized in profit or loss for the period.

Capitalization of borrowing costs commences when capital expenditures and borrowing costs have been incurred and the acquisition, construction or production activities which are necessary to prepare the asset for its intended use or sale have started.

Capitalization of borrowing costs ceases when the qualifying assets being acquired, constructed or produced becomes ready for its intended use or sale. Borrowing costs incurred subsequently are recognized in the current profit or loss.

Interest in each accounting period is determined by the following methods: For dedicated borrowings, the amount of interest is the interest expenses actually incurred in the current period less the interest income earned on temporary deposits or investment income; For general borrowings utilized, the amount of interest is the weighted average asset expenditures of the excess of accumulative asset expenditure over the dedicated borrowings multiplying the weighted average interest rate of the general borrowings.

Where the acquisition and construction or production of a qualified asset is interrupted abnormally and the interruption period lasts for more than 3 consecutive months, other than those necessary to prepare the asset for its intended use or sale, the capitalization of the borrowing costs shall be suspended. Borrowing costs incurred during the interruption period are recognized as costs in profit or loss for the current period, until the acquisition or construction is resumed.

24. Biological Assets

☐ Applicable ☒ Not Applicable

25. Oil and Gas Assets

☐ Applicable ☒ Not Applicable

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

26. Intangible Assets

(1). Useful life and its determination basis, estimating, amortizing methodology or reviewing procedure

Intangible asset is amortized over its useful life period by using the straight-line method as follows:

	Useful life	Determination basis
Land use rights	20-50 years	Term of land use
Concession rights	25 years	Term of concession
Proprietary technologies	10 years	Term of the franchise agreement term of use, whichever is shorter
Software	10 years	Estimated useful life
Rights to use sea areas	15 years	Term of rights to use sea areas

Concession rights

Intangible assets (concession rights) are recognised to the extent that the Group receives a right to charge users of the infrastructure.

The concession rights are based on the above policy. Details regarding revenue and costs of operating services are set out in Note V, 34.

The Group has contractual obligations it must fulfil as a condition of its right to restore the infrastructure to a specified condition at the end of the service concession arrangement. Contractual obligations to restore the infrastructure site are detailed in Note V, 41.

(2). Scope of attribution of R&D expenditures and related accounting treatment

The Group classifies the expenditure in an internal research and development project into expenditure in the research phase and expenditure in the development phase. R&D investment represents expenditures directly related to the enterprise's R&D activities, including R&D personnel remuneration, direct input costs, depreciation expenses, design fees, equipment commissioning fees, amortization expenses of intangible assets, entrusted external research and development expenses, other expenses, etc. Expenditure during the research phase is recognized in profit or loss for the current period when incurred. Expenditure in the development phase is capitalised when the Group can demonstrate all of the following: the technical feasibility of completing the intangible asset so that it will be available for use or sale; the intention to complete the intangible asset and use or sell it; how the intangible asset will generate probable future economic benefits. Among other things, the Group can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset; the availability of adequate technical, financial and other resources to complete the development and the ability to use or sell the intangible asset; and the expenditure attributable to the intangible asset during its development can be measured reliably. Expenditure in the development phase that does not meet the above criteria is recognised in profit or loss for the period in which it is incurred.

FINANCIAL REPORT

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

27. Impairment on Assets

The impairment of assets other than inventories, contract assets and assets relating to contract costs, deferred income tax, financial assets and assets held for sale is determined using the following methods: The Group assesses at the balance sheet date whether there is any indication that an asset may be impaired. If any indication exists that an asset may be impaired, the Group estimates the recoverable amount of the asset and performs testing for impairment; Goodwill arising from a business combination and intangible assets with indefinite useful life and that have not been ready for intended use are tested for impairment at least once at the end of each year, irrespective of whether there is any indication that the asset may be impaired.

The recoverable amount of an asset is the higher of its fair value less costs to sell and the present value of the future cash flows estimated to be derived from the asset. The Group estimates the recoverable amount on an individual basis. If it is not possible to estimate the recoverable amount of the individual asset, the Group determines the recoverable amount of the asset group to which the asset belongs. Identification of an asset group is based on whether major cash inflows generated by the asset group are largely independent of the cash inflows from other assets or asset groups.

When the recoverable amount of an asset or an asset group is less than its carrying amount, the carrying amount is reduced to the recoverable amount. The reduction in carrying amount is treated as impairment loss and recognised in profit or loss for the current period. A provision for impairment loss of the asset is recognised accordingly.

For the purpose of goodwill impairment testing, the carrying amount of goodwill is allocated from the acquisition date on a reasonable basis to each of the related asset groups or set of asset groups. Each of the related asset groups or set of asset groups is an asset group or set of asset groups that is able to benefit from the synergy of the business combination and shall not be larger than an operating segment determined by the Group.

The carrying amount of the related asset group or set of asset groups including goodwill is compared to its recoverable amount. If the recoverable amount of the asset group or set of asset groups is lower than its carrying amount, the amount of the impairment loss is first reduced by the carrying amount of the goodwill allocated to the asset group or set of asset groups, and then by the carrying amount of other assets (other than the goodwill) within the asset group or set of asset groups, based on the carrying amount of each asset on a pro rata basis.

Once the above impairment loss is recognised, it cannot be reversed in subsequent accounting periods.

28. Long-term Deferred Expenses

Long-term deferred expenses include the expenditure for improvements to fixed assets held under operating leases, and other expenditures that have been incurred but should be recognised as expenses over more than one year in the current and subsequent periods. Long-term deferred expenses are amortised on the straight-line basis over the expected beneficial period and are presented at actual expenditure, net of accumulated amortisation.

29. Contract Liabilities

The Group presents contract assets or contract liabilities in the balance sheet based on the relationship between the completion of performance obligations and customer payments. The Group offsets contract assets and contract liabilities under the same contract and presents in net amount.

Obligations to transfer goods or services to a customer for consideration already received or for which an unconditional right to receive consideration has been obtained before the transfer of goods or services are recognized as contract liabilities.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

30. Employee Benefits

Employee benefits refer to all forms of consideration or compensation other than share-based payments given by the Group in exchange for services rendered by employees or for termination of employment. Employee benefits include short-term benefits, post-employment benefits and termination benefits.

(1). Accounting treatment for short-term benefits

The liabilities of employee benefits are recognized in the accounting period in which the service is rendered by the employees, with a corresponding charge to the profit or loss for the current period or the cost of relevant assets.

(2). Accounting treatment for post-employment benefits

The employees of the Group participate in a pension scheme and unemployment insurance managed by the local government and enterprise annuity, for which the corresponding expenses shall be included in the cost of related assets or profit or loss.

(3). Accounting treatment for termination benefits

Where the Group provides termination benefits to employees, it recognises employee compensation liabilities in the current profit or loss for termination benefits at the earlier of: when it can no longer unilaterally withdraw the termination benefits provided for the plan of the termination of labor relations or the proposal on layoff; and when it recognises costs or expenses for a restructuring that includes the payment of termination benefits.

(4). Accounting treatment for other long-term employment benefits

☐ Applicable ☒ Not Applicable

31. Accrued Liabilities

Except for contingent considerations and contingent liabilities assumed in a business combination involving enterprises not under common control, the Group recognizes obligations related to contingencies as accrued liabilities when the obligations are present obligations of the Group and it is probable that the performance of such obligations will result in an outflow of economic benefits from the Group and the related amount can be measured reliably.

Accrued liabilities are initially measured at the best estimate of the expenditure required to settle the related present obligation, taking into account factors pertaining to a contingency such as the risks, uncertainties and time value of money as a whole. The carrying value of accrued liabilities is reviewed at the balance sheet date and adjusted appropriately to reflect the current best estimates.

The contingent liabilities of the acquiree acquired in the business combination not under common control are measured at fair value at initial recognition. After initial recognition, contingent liabilities are subsequently measured by the higher of: the amount that would be recognised based on accrued liabilities and the balance of the amount initially recognised less the cumulative amortisation determined by the revenue recognition principle.

Financial guarantee contracts that are subsequently measured at expected credit losses are presented under accrued liabilities.

FINANCIAL REPORT

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

32. Share-based Payment

Share-based payments are divided into equity-settled share-based payments and cash-settled share-based payments. Equity-settled share-based payment refers to a transaction where the Group obtains services in exchange for shares or other equity instruments as consideration.

Equity-settled share-based payments in exchange for employee services are measured at the fair value of the equity instruments granted to employees. For grants that vest immediately, the fair value is recognized on the grant date in relevant costs or expenses, with a corresponding increase in capital reserve; For grants that vest only after completion of services during the waiting period or upon meeting specified performance conditions, on each balance sheet date during the waiting period, based on the best estimate of the number of exercisable equity instruments, the services obtained in the current period are recognized in relevant costs or expenses at the grant-date fair value, with a corresponding increase in capital reserve.

If the terms of an equity-settled share-based payment are modified, the services received are recognized at least as if the terms had not been modified. In addition, any modification that increases the fair value of the equity instruments granted or is otherwise beneficial to the employee on the modification date is recognized as an increase in services received.

If an equity-settled share-based payment is cancelled, it is treated as vesting on the cancellation date, and any unrecognized amount is recognized immediately. If an employee or other party can choose to meet non-vesting conditions but fails to do so during the waiting period, it is treated as a cancellation of the equity-settled share-based payment. However, if new equity instruments are granted and, on the grant date, are identified as replacements for the cancelled equity instruments, the replacement equity instruments are accounted for in the same manner as a modification of the original equity instrument's terms and conditions.

33. Other Equity Instruments

The perpetual capital instruments are issued by the Group, the term of which can be extended by the Group for an unlimited number of times upon maturity and the coupon interest payment for which can be deferred by the Group. The Group has no contractual obligation to pay cash or other financial assets and they are classified as equity instruments.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

34. Revenue

(1). Disclosure of accounting policies adopted for revenue recognition and measurement by business types

Income from sales of commodities and income from the provision of connections and gas pipeline construction

The Group recognises revenue when a performance obligation is satisfied, i.e. when control of the goods or services underlying the particular performance obligation is transferred to the customer. Taking control of the relevant goods or services means being able to dominate the use of the goods or the provision of the services and obtain almost all of the economic benefits from them.

(1) Contracts on sale of goods

The Group usually recognises revenue at the time of transfer of control on the basis of comprehensive consideration of the following factors. The acquisition of the right to collect goods, the transfer of main risks and rewards of goods ownership, the transfer of legal ownership of goods, the transfer of physical assets, and the acceptance of goods by customers.

The amount of consideration that the Group expects to be entitled to receive as a result of the transfer of goods to the customer is used as the transaction price, and is determined in accordance with the terms of the contract, taking into account past business practices. Some of the contracts of the Group provide for certain discounts when customer purchases more than a certain quantity of goods, which directly offsets the amount payable by the customer for the goods purchased for the period. The Group makes its best estimate of the discount based on the most probable amount, which is included in the transaction price to the extent that the estimated transaction price after the discount does not exceed the amount by which it is highly probable that there will not be a material reversal of the cumulative recognized revenue when the related uncertainty is removed, and is re-estimated at each balance sheet date.

For contracts with significant financing, the Group determines the transaction price based on the amount payable in cash as soon as the customer obtains control of the goods, and uses a discount rate that discounts the notional amount of the contractual consideration to the spot price of the goods, and amortizes the difference between the determined transaction price and the contractually committed amount of consideration over the contractual period, using the effective interest method. As the difference between the amount of consideration committed in the contract and the cash price is due to reasons other than the provision of financing benefits to the customer or the business, and this difference is proportionate to the reasons for which it arises, the Group has not taken into account the existence of a significant financing element in the contract.

Revenue from wind/photovoltaic power generation is recognised when the power is supplied to the provincial power grid company where each power generation field is located, with the volume of power settled confirmed by both parties as the volume of power sold for the month and the on-grid tariff approved by the National Development and Reform Commission or contracted tariff as the sales unit price.

For natural gas sales, the gas consumption set out in the natural gas measurement certificate confirmed by both parties shall be considered as the volume of natural gas sold for the month, and the pipeline transmission fee and natural gas sales unit price approved by the price authorities shall be considered as the sales unit price.

For the LNG trading business, the Group, after considering the legal form of contracts and the relevant facts and circumstances (the primary responsibility for the transfer of goods to customers, the inventory risk assumed before or after the transfer of goods, whether it has the right to independently determine the price of goods to be traded, etc.), is of the opinion that the Group owns the control of the goods because it is able to dominate the use of the goods and derive almost all the economic benefits from the goods prior to the transfer of the goods to customers and is therefore the primary responsible party, and recognises the revenue on the basis of the total consideration received or receivable at the time of the delivery of the goods to customers for acceptance.

FINANCIAL REPORT

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

34. Revenue (continued)

(1). Disclosure of accounting policies adopted for revenue recognition and measurement by business types (continued)

(2) Service contract for connection and construction of gas pipeline network

Service contracts for connection and construction of gas pipeline between the Group and its customers usually contain a set of promises to transfer goods and services concerning construction design, equipment procurement, construction and installation. As the Group needs to integrate the above goods or services into a contractually agreed combined outputs to be transferred to customers, the Group accounts for them as separate performance obligations.

In accordance with contractual agreements and legal requirements among others, the Group provides quality assurance for the gas pipeline projects it builds. For warranty-type quality assurance to assure customers that the assets built meet the established standards, the Group accounts for them in accordance with Note V. 31.

The amount of consideration that the Group expects to be entitled to receive as a result of the transfer of goods to the customer is used as the transaction price, and is determined in accordance with the terms of the contract, taking into account past business practices. The Group meets its performance obligations by providing gas pipeline connection and construction services to its customers. As its customers are able to control the assets under construction in the process of performance, the Group regards them as performance obligations to be performed within a specific period and recognises their revenue based on the performance progress, unless the performance progress cannot be reasonably determined. The Group determines the performance progress of construction services using the input method and based on the cost incurred. If the performance progress cannot be reasonably determined and the cost incurred by the Group is expected to be compensated for, the revenue shall be recognised according to the amount of the cost incurred until the performance progress can be reasonably determined.

(2). The adoption of different business models for the same type of business involves different revenue recognition and measurement methods

☐ Applicable ☒ Not Applicable

35. Contract Costs

☐ Applicable ☒ Not Applicable

36. Government Grants

A government grant is recognised when the Group can comply with the conditions attached to it and it can be received. If a government grant is in the form of a transfer of a monetary asset, it is measured at the amount received or receivable. If a government grant is in the form of a transfer of a non-monetary asset, it is measured at fair value; if fair value is not reliably determinable, it is measured at a nominal amount.

Pursuant to government documents, if the government grant is a compensation for constructing or forming long-term assets, the government grant is recognised as a government grant related to assets. When government documents are not stated clearly, the fundamental conditions attached to the grant should be the criterion for judgements. If the fundamental conditions attached to the grant are for constructing or forming long-term assets, the government grant is recognised as a government grant related to assets. Otherwise, the government grant is recognised as a government grant related to income.

A government grant related to income is accounted as follows: if the grant is a compensation for related costs, expenses or losses to be incurred in subsequent periods, the grant is recognised as deferred income, and recognised in profit or loss or offset the related costs over the periods in which the related costs, expenses or losses are recognised; if the grant is a compensation for related costs, expenses or losses already incurred, it is recognised immediately in profit or loss or used to offset the related costs of the current period.

Government grants relating to assets shall offset the carrying value of related assets; or be recognised as deferred income, and reasonably and systematically amortised to profit or loss over the useful life of the related asset. However, a government grant measured at a nominal amount is recognised immediately in profit or loss of the current period. If related assets have been sold, disposed of, scrapped or damaged, the unamortised deferred income should be recognised in profit or loss in the period of disposal.

If the financial subsidy funds are directly allocated to the Group, the corresponding subsidy will be offset against the relevant borrowing costs.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

37. Deferred Tax Assets/Deferred Tax Liabilities

The Group recognises deferred tax based on temporary differences using the balance sheet liability method. Temporary differences are differences between the carrying amount of assets or liabilities in the balance sheet and their tax base on the balance sheet date. Temporary differences also include the differences between the carrying amounts and tax bases of items not recognised as assets or liabilities where the tax base can be calculated according to the relevant tax regulations.

Deferred income tax liabilities are recognised for all taxable temporary differences, except:

- (1) where the taxable temporary differences arise from the initial recognition of goodwill, or the initial recognition of an asset or liability in an individual transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit or deductible tax loss, and the assets and liabilities initially recognised do not lead to equivalent taxable temporary differences and deductible temporary differences;
- (2) in respect of taxable temporary differences associated with investments in subsidiaries, joint ventures and associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not be reversed in the foreseeable future.

A deferred income tax asset is recognised for deductible temporary differences, and unused deductible tax losses and tax credits that can be carried forward, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, deductible tax losses and tax credits can be utilised, except:

- (1) where the deductible temporary differences arise from an individual transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit or deductible tax loss, and the assets and liabilities initially recognised do not lead to equivalent taxable temporary differences and deductible temporary differences;
- (2) in respect of deductible temporary differences associated with investments in subsidiaries, joint ventures and associates, where it is probable that the temporary difference will be reversed in the foreseeable future, and it is probable that there will be taxable income that can be used to deduct the deductible temporary difference in the future.

At the balance sheet date, deferred income tax assets and liabilities are measured at the tax rates that are estimated to apply to the period when the asset is recovered or the liability is settled, according to the requirements of tax laws.

The carrying amount of deferred income tax assets is reviewed at the balance sheet date and reduced to the extent that taxable profit is no longer sufficient in future periods to allow the deferred income tax assets to be utilised. Unrecognised deferred income tax assets are reassessed at the balance sheet date and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset and presented on a net basis when the following conditions are met simultaneously: there is a legally enforceable right to set off current tax assets and current tax liabilities on a net basis; the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

38. Leases

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As lessee

Except for short-term leases and leases of low-value assets, the Group recognizes right-of-use assets and lease liabilities for leases.

Where a contract contains both lease and non-lease components, the Group does not split the lease assets and treats each lease component and the non-lease component associated with it together as a lease.

On the date of commencement of the lease term, the Group recognises its right to use the leased asset during the lease term as a right-of-use asset, including: those initially measured at cost. The cost of right-of-use assets includes: the initial measurement amount of lease liabilities; for the lease payment made on or before the beginning of the lease term, the relevant amount of lease incentive enjoyed which shall be deducted; the initial direct expenses incurred by the lessee; the costs expected to be incurred by the lessee for dismantling and removing the leased assets, restoring the leased assets' site or restoring the leased assets to the agreed state in the lease terms. If the Group remeasures the lease liabilities due to changes in lease payments, the carrying amount of the right-of-use assets is adjusted accordingly. The Group subsequently adopts the straight-line method to accrue depreciation for the right-of-use assets. If it can be reasonably determined that the ownership of the leased asset will be obtained at the expiration of the lease term, the Group shall accrue depreciation during the remaining useful life of the leased asset. If it is impossible to reasonably determine whether the ownership of the leased asset can be obtained at the end of the lease term, the Group shall accrue depreciation within the shorter of the lease term and the remaining useful life of the leased asset.

On the commencement date of the lease term, the Group recognized the present value of the lease payments that have not been paid as lease liabilities, except for short-term leases and leases of low-value assets. Lease payments include fixed payments and actual fixed payments net of lease incentives, variable lease payments based on an index or rate, amounts expected to be payable based on the residual value of the guarantee and also include the exercise price of a purchase option or amounts payable upon exercise of a termination option, provided that the Group is reasonably certain that the option will be exercised or the lease term reflects that the Group will exercise the termination option.

The amount of variable lease payments not included in the measurement of lease liabilities shall be included in the current profit and loss when they are actually incurred, otherwise, it is required to be included in relevant costs of assets.

When the actual fixed payment amount changes; the expected amount of the guarantee residual value changes; the index or ratio used to determine the lease payment changes, or the assessment results or actual exercise of the purchase option, the renewal option or the termination option change, the Group re-measures the lease liability based on the present value of the changed lease payments.

Judgment basis and accounting treatment of short-term leases and leases of low-value assets as a simplified treatment for lessees

The Group recognizes the lease whose lease term is not more than 12 months and the lease does not include the purchase option on the commencement date of the lease term as a short-term lease; The Group recognizes the lease of low-value while the single leased asset is new as a low-value lease. The Group does not recognize the right-of-use assets and lease liabilities for short-term leases and low-value asset leases. During each period of the lease term, the related asset costs or profit or loss for the current period are included by using the straight-line method.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

38. Leases (continued)

Classification criteria and accounting treatment of leases as lessor

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset, at the inception date and all other leases are operating leases. If a contract contains both lease and non-lease components, the Group apportions the contract consideration according to the relative proportion of the separate prices of each component.

Rent income under an operating lease is recognised on a straight-line basis over the lease term through profit or loss. Variable lease payments that are not included in the measurement of lease receivables are charged to profit or loss as incurred. Initial direct costs are capitalised and amortised over the lease term on the same basis as rental income and recognised in profit or loss by instalment for the current period.

At the commencement date of the lease term, the Group recognizes a finance lease receivable in respect of the finance lease and derecognizes the finance lease asset. When the Group initially measures finance lease receivables, the net investment in leases is used as the carrying value of the finance lease receivables. Net investment in leases is the sum of the unguaranteed residual value and the present value of lease receipts not yet received at the commencement date of the lease term discounted at the interest rate embedded in the lease, including initial direct charges. The Group calculates and recognizes interest income at a fixed periodic rate for each period during the lease term. Variable lease payments acquired by the Group that are not included in the measurement of the net investment in leases are recognized in profit or loss when they are actually incurred.

39. Other Significant Accounting Policies and Accounting Estimates

Safety production fee

Safety production fee provided for as required is included in cost of product or the current profit and loss, and credited in special reserve; the fee is treated separately depending on whether fixed assets are resulted when being used: fee related to expenditure is offset against special reserve directly; while those resulted in fixed assets will consolidate expenditure incurred and recognised as fixed assets when such assets are ready for their intended use, at the same time offsetting equivalent amounts in the special reserve and recognising equivalent amounts of accumulated depreciation.

Fair value measurement

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole: Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities; Level 2 – Input that is observable for related assets or liabilities, either directly or indirectly, but other than the input of Level 1; Level 3 – Input that is unobservable for related assets or liabilities.

For assets and liabilities that are recognised in the financial statements on a recurring basis at fair value, the Group determines whether transfers have occurred between levels at fair value in the hierarchy by re-assessing categorisation at each of the balance sheet date.

40. Changes in Significant Accounting Policies and Accounting Estimates

For details, please see "THE COMPANY'S ANALYSIS AND EXPLANATION ON THE REASONS FOR AND IMPACTS OF CHANGES OF ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES OR CORRECTION OF SIGNIFICANT ACCOUNTING ERRORS" in the section headed "SIGNIFICANT EVENTS"

41. Adjustments to financial statements at the beginning of the year in which the new accounting standards or interpretations were implemented for the first time since 2025

☐ Applicable ☒ Not Applicable

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

42. Others

Significant accounting judgments and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that will affect the reported amounts and disclosure of revenue, expenses, assets and liabilities, and the disclosure of contingent liabilities at the balance sheet date. The outcomes of the uncertainties in relation to these assumptions and estimates would result in a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

(1) Judgements

In the process of applying the Group's accounting policies, management has made the following judgements which have the most significant effect on the amounts recognised in the financial statements:

Scope of consolidation – the Group holds less than half of the voting rights in the investee

HECIC New Energy Co., Ltd. ("HECIC New Energy"), a subsidiary of the Company and Beijing Tenglong Xinda Technology Co., Ltd. ("Beijing Tenglong Xinda") (48% shareholding) and Langfang Longxin Power Automation Control Technology Co., Ltd. ("Langfang Longxin Power") (3% shareholding), two other shareholders of its subsidiary, Zhangbei Huashi CIC Wind Energy Co., Ltd. ("Zhangbei Huashi"), have entered into an agreement on the exercise of shareholders' voting rights, pursuant to which Beijing Tenglong Xinda and Langfang Longxin Power have agreed to align themselves with HECIC New Energy when exercising their proposal rights and voting rights with regard to the operational and financial policy matters of Zhangbei Huashi, and so that HECIC New Energy can control Zhangbei Huashi.

HECIC New Energy, a subsidiary of the Company and China Longyuan Power Group Corporation Limited (龍源電力集團股份有限公司) ("Longyuan Power"), another shareholder of its subsidiary, HECIC Longyuan Chongli Wind Energy Co., Ltd. ("Longyuan Chongli"), who holds 50% equity of Longyuan Chongli, have entered into an agreement on the exercise of shareholders' voting rights, pursuant to which Longyuan Power has agreed to align itself with HECIC New Energy when exercising its proposal rights and voting rights with regard to the operational and financial policy matters of Longyuan Chongli, and so that HECIC New Energy can control Longyuan Chongli.

HECIC New Energy, a subsidiary of the Company, entered into an agreement on the exercise of shareholders' voting rights with Hebei Huiya Energy Investment Management Co., Ltd. ("Hebei Huiya") (holding 37.5% stake) and Chengde State-Controlled Investment Group Co., Ltd. ("Chengde State-Controlled") (holding 2.5% stake), two shareholders of Chengde Yuyuan Wind Energy Co., Ltd. ("Chengde Yuyuan"), pursuant to which Hebei Huiya and Chengde State-Controlled will act in concert with HECIC New Energy in exercising their rights to propose and vote on the operation and financial policy matters of Chengde Yuyuan. Accordingly, HECIC New Energy can control Chengde Yuyuan.

Method for determining the performance progress for construction contracts

The input method is adopted by the Group to determine the progress of performance of construction contracts. Specifically, the construction costs actually incurred on a cumulative basis as a percentage of estimated total costs is used to ascertain progress of performance. Costs actually incurred on a cumulative basis include direct and indirect costs incurred by the Group in the course of transfer of goods to customers. The Group considers that the consideration of construction contracts entered into with customers is determined based on construction costs. The construction costs actually incurred as a percentage of estimated total costs can practically reflect the progress of performance of the construction service. As the period of validity of construction contracts is relatively long and may span over a number of accounting periods, the Group will review and revise budget as the duration of the construction contracts continues, and adjust the amount of recognised revenue accordingly.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

42. Others (continued)

(2) Estimation uncertainties

The key assumptions concerning the future and other key sources of estimation uncertainties at the balance sheet date which would result in significant adjustments to the carrying amounts of assets and liabilities in future accounting periods are set out as follows.

Impairment of financial instruments

The Group uses an expected credit loss model to assess the impairment of financial instruments. The application of the expected credit loss model requires significant judgement and estimation, taking into account all reasonable and substantiated information, including forward-looking information. In making these judgements and estimation, the Group inferred expected changes in debtors' credit risk based on factors such as historical repayment data combined with economic policies, macroeconomic indicators and industry risks. Different estimation may affect the provision for impairment and the amount of impairment provision made may not equal the actual amount of future impairment loss.

Impairment of non-current assets other than financial assets (except goodwill)

The Group determines at the balance sheet date whether there is an indication that non current assets, other than financial assets, may be impaired. Non-current assets, other than financial assets, are tested for impairment when there is an indication that the carrying amount may not be recoverable. An impairment is indicated when the carrying amount of an asset or a group of assets exceeds its recoverable amount, being the higher of the net fair value less costs of disposal and the present value of estimated future cash flows. The net fair value less costs of disposal is determined by reference to the agreed price in a sales agreement of a similar asset in an arm's length transaction or an observable market price, less incremental costs directly attributable to the disposal of the asset. In estimating the present value of future cash flows, the management must estimate the estimated future cash flows of the asset or group of assets and determine the present value of the future cash flows at an appropriate discount rate. For details, please refer to Notes VII. 17, VII. 21 and VII. 22.

Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. It requires the estimation of the present value of future cash flows for the asset group or portfolio of assets to which goodwill has been allocated. In estimating the present value of future cash flows, the Group is required to estimate the future cash flows generated by the asset group or portfolio of assets and to select an appropriate discount rate to determine the present value of future cash flows. For details, please refer to Note VII. 27.

Fair value of unlisted equity investments

The Group uses the market approach to determine the fair value of its investments in unlisted equity securities. This requires the Group to, among others, identify comparable listed companies, select market multipliers, make estimates of liquidity discounts, so there are uncertainties.

Deferred income tax assets

Deferred income tax assets should be recognised for all unused deductible losses to the extent that it is probable that sufficient taxable income will be available against which deductible losses can be utilised. This requires significant judgement of management in estimating the timing and amount of future taxable income, combined with tax planning strategies, to determine the amount of deferred income tax assets to be recognised.

FINANCIAL REPORT

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

42. Others (continued)

(2) Estimation uncertainties (continued)

Depreciation of fixed assets

Depreciation of the Group's fixed assets is calculated on a straight line basis over their estimated useful lives, with asset's recorded value less its estimated net residual value. The Group regularly assesses the estimated useful lives and estimated net residual values to ensure that the depreciation methods and rates are consistent with the expected pattern of realisation of economic benefits from fixed assets. The Group's estimates of the estimated useful lives and net residual values of fixed assets are based on historical experience and take into account expected technological updates. When there is a significant change in the estimated useful life and estimated net residual value, depreciation expense may have to be adjusted accordingly and therefore estimates based on current experience may differ from actual results for the next period, which may result in significant adjustments to the carrying value of fixed assets and accumulated depreciation amounts.

Incremental borrowing rate of lessee

For leases where the implicit interest rate in the lease cannot be determined, the Group uses the lessee's incremental borrowing rate as the discount rate to calculate the present value of the lease payments. In determining the incremental borrowing rate, the Group uses observable interest rates as a reference for determining the incremental borrowing rate based on the economic environment in which it operates. On this basis, the reference rate is adjusted to calculate the applicable incremental borrowing rate based on the specific circumstances of the leasing business, including its own circumstances, the subject assets, the lease term and the amount of the lease liabilities.

Retirement obligation

The Group estimates the obligations expected to be undertaken for retirement costs and environmental cleanup costs based on estimates of the amount and timing of future cash outlays. The estimated outlays are adjusted for inflation and discounted at a rate that reflects current market expectations of the time value of money and the risks specific to the liability, such that the amount of the provision reflects the present value of the obligations expected to be undertaken. The Group determines the amount of the relevant outlays by considering factors such as the method of dismantling the wind turbines in the future and the dismantling costs. As the consideration of the above factors is a matter of judgment and estimation by the Group, the actual outlays incurred may deviate from the accrued liabilities.

VI. TAXATION

1. Major Categories of Taxes and Respective Tax Rates

Major categories of taxes and tax rates

Tax category	Taxation basis	Tax rate
Value-added tax	Difference between sales and sales tax calculated at the applicable tax rate, net of deductible input tax credits	6%, 9%, 13%
City maintenance and construction tax	Actual amount of value-added tax paid	7%, 5%
Education surcharges	Actual amount of value-added tax paid	3%
Local educational surcharges	Actual amount of value-added tax paid	2%
Enterprise income tax	Taxable income	25%

VI. TAXATION (continued)

1. Major Categories of Taxes and Respective Tax Rates (continued)

Explanations for the disclosure of the entities paying taxes being entitled to different enterprise income tax rates

Name of entity paying taxes	Income tax rate (%)
Hong Kong subsidiaries of the Group	16.50

All overseas subsidiaries of the Company (including the Hong Kong Special Administrative Region and the Macau Special Administrative Region of the People's Republic of China) calculate and pay taxes according to the applicable tax categories and tax rates in accordance with the requirements of local tax laws.

2. Tax Preference

Enterprise income tax

According to Article 27 of the Enterprise Income Tax Law of the PRC, enterprises engaged in the investment in and operation of public infrastructure projects supported by the state may be exempted or enjoy reduced enterprise income tax. Starting from the tax year in which the project obtains the first production and operation income, the enterprise income tax will be exempt from the first to the third year, and the enterprise income tax will be reduced by half from the fourth to the sixth year. The consolidated wind power generation and photovoltaic power generation subsidiaries of the Company meet the requirements of the Catalogue of Public Infrastructure Projects Entitled to Preferential Tax Treatment.

Pursuant to the provisions of the Announcement of the Ministry of Finance and the State Taxation Administration on Policies Regarding the Deduction of Equipment and Appliances for Enterprise Income Tax Purposes (Announcement [2023] No. 37 of the Ministry of Finance and the State Taxation Administration): For equipment and appliances newly acquired by the enterprise during the period from 1 January 2024 to 31 December 2027, if the unit value does not exceed RMB5 million, they are allowed to be included in the current costs and expenses at one time and deducted when calculating the taxable income, without being subject to annual depreciation calculations.

According to the Announcement on continuation of preferential enterprise income tax policies in the western region (Announcement No. 23 [2020]) released by the Ministry of Finance, the State Taxation Administration and the National Development and Reform Commission, between 1 January 2021 and 31 December 2030, enterprise income tax will be levied at a reduced rate of 15% on enterprises engaged in the encouraged industries in the western region. Enterprises engaged in the encouraged industries refer to enterprises whose main business belongs to the industries specified in the Catalogue of Encouraged Industries in the Western Region and the main business income accounts for over 60% of their gross revenues.

Value-added tax

Pursuant to the provision of the Circular on Comprehensively Promoting the Pilot Program of the Collection of Value-added Tax in Lieu of Business Tax (Cai Shui [2016] No. 36) that [Refund of VAT upon collection: (1) For general taxpayers providing natural gas pipeline transportation services, the policy of refund of VAT upon collection is applied to the excess of their effective VAT burden over 3%], the subsidiaries controlled by the Company that engage in pipeline transportation business enjoy the preferential policy of refund of VAT upon collection for the excess of their effective VAT burden over 3% with effect from 1 May 2016.

The Circular on the Value-added Tax Policy for Comprehensive Utilisation of Resources and Other Products (Cai Shui [2008] No. 156) jointly issued by the Ministry of Finance and the State Administration of Taxation on 9 December 2008 provides that [The policy of refund of 50% VAT upon collection is applied to the sales of the following self-produced goods: (5) Electricity produced by wind]; and the Circular on Value-added Tax Policy for Wind Power Generation (Cai Shui [2015] No. 74) jointly issued by the Ministry of Finance and the State Administration of Taxation on 12 June 2015 provides that [The policy of refund of 50% VAT upon collection is applied to the sales by taxpayers of self-produced power products produced by wind with effect from 1 July 2015].

The Circular on Adjusting Value-Added Tax Policies for Wind Power Generation jointly issued by the Ministry of Finance, the General Administration of Customs, and the State Administration of Taxation on 17 October 2025 provides that [From 1 November 2025 to 31 December 2027, the policy of refund of 50% VAT upon collection shall apply to taxpayers selling self-produced electricity generated from offshore wind power]. Concurrently, the Circular on Value-Added Tax Policies for Wind Power Generation (Cai Shui [2015] No. 74) is repealed effective 1 November 2025.

The subsidiaries controlled by the Company that are engaged in onshore wind power business enjoyed the policy of refund of 50% VAT upon collection during the period from 1 January 2025 to 31 October 2025; and the subsidiaries controlled by the Company that are engaged in offshore wind power business enjoyed the policy of refund of 50% VAT upon collection in 2025.

FINANCIAL REPORT

VI. TAXATION (continued)

3. Others

☐ Applicable ☒ Not Applicable

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

1. Cash

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Cash on hand		
Bank deposits	2,723,233,646.01	1,457,784,694.90
Other cash	110,671,603.89	112,239,403.08
Deposits with finance companies	2,009,469,982.02	1,486,238,704.28
Total	4,843,375,231.92	3,056,262,802.26
Including: Total amount deposited abroad	26,483,160.39	26,225,739.00

Other explanations:

Nil

2. Financial Assets for Trading

☐ Applicable ☒ Not Applicable

3. Derivative Financial Assets

☐ Applicable ☒ Not Applicable

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

4. Bills Receivable

(1). Categories of bills receivable presented

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Bank acceptance notes	23,621,966.45	7,270,567.46
Commercial acceptance notes		
Total	23,621,966.45	7,270,567.46

(2). Bills receivable pledged by the Company at the end of the period

Unit: Yuan Currency: RMB

Items	Amount pledged at the end of the period
Bank acceptance notes	2,783,395.45
Commercial acceptance notes	
Total	2,783,395.45

(3). Endorsed or discounted bills receivable that are not mature on balance sheet date at the end of the period

Unit: Yuan Currency: RMB

Items	Closing derecognised amount	Closing non-derecognised amount
Bank acceptance notes		15,021,966.45
Commercial acceptance notes		
Total		15,021,966.45

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

4. Bills Receivable (continued)

(4). Classified disclosure by the method of provision for bad debts

☐ Applicable ☒ Not Applicable

Provision for bad debts on an individual basis:

☐ Applicable ☒ Not Applicable

Provision for bad debts on a group basis:

☐ Applicable ☒ Not Applicable

Provision for bad debts is made according to the general model of expected credit losses

☐ Applicable ☒ Not Applicable

Basis of segregation and bad debt provisioning ratio by stages

Nil

Explanation for the significant changes in the book balance of bills receivable for which the loss provisions have changed during the period:

☐ Applicable ☒ Not Applicable

(5). Provision for bad debts

☐ Applicable ☒ Not Applicable

Including: significant amounts of provision for bad debts recovered or reversed for the period:

☐ Applicable ☒ Not Applicable

Other explanations:

Nil

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

4. Bills Receivable (continued)

(6). Actual write-off of bills receivable during the period

☐ Applicable ☒ Not Applicable

Including: significant bills receivable write-offs:

☐ Applicable ☒ Not Applicable

Explanation on bills receivable write-off:

☐ Applicable ☒ Not Applicable

Other explanations:

☐ Applicable ☒ Not Applicable

5. Accounts Receivable

(1). Disclosure by aging

Unit: Yuan Currency: RMB

Age	Closing book balance	Opening book balance
Within 1 year (inclusive)	2,845,724,226.16	2,803,340,805.96
Including: Sub-items within 1 year		
Within 6 months	1,679,914,568.25	1,550,524,009.42
6 months to 1 year	1,165,809,657.91	1,252,816,796.54
1 to 2 years	2,039,833,578.00	2,263,901,103.60
2 to 3 years	926,801,317.92	1,003,938,144.30
3 to 4 years	426,900,255.12	656,269,176.52
4 to 5 years	241,138,255.03	402,388,369.34
Over 5 years	285,557,080.70	506,491,014.03
Less: Provision for bad debts of accounts receivable	-275,851,275.82	-484,302,424.56
Total	6,490,103,437.11	7,152,026,189.19

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

5. Accounts Receivable (continued)

(2). Classified disclosure by the method of provision for bad debts

Unit: Yuan Currency: RMB

Category	Closing balance					Opening balance				
	Carrying balance		Provision for bad debts		Carrying value	Carrying balance		Provision for bad debts		Carrying value
	Amount	Percentage (%)	Amount	Provision percentage		Amount	Percentage (%)	Amount	Provision percentage	
Bad debt provision on an individual basis	180,864,829.04	2.67	180,864,829.04	100.00		384,533,611.82	5.04	384,533,611.82	100.00	
Of which:										
Bad debt provision on a group basis	6,585,089,883.89	97.33	94,986,446.78	1.44	6,490,103,437.11	7,251,795,001.93	94.96	99,768,812.74	1.38	7,152,026,189.19
Of which:										
Provision for bad debts made on a combination of credit risk characteristics	6,585,089,883.89	97.33	94,986,446.78	1.44	6,490,103,437.11	7,251,795,001.93	94.96	99,768,812.74	1.38	7,152,026,189.19
Total	6,765,954,712.93	100.00	275,851,275.82	/	6,490,103,437.11	7,636,328,613.75	100.00	484,302,424.56	/	7,152,026,189.19

Provision for bad debts on individual basis:

Unit: Yuan Currency: RMB

Name	Closing balance			Reasons for provision
	Carrying balance	Provision for bad debts	Provision ratio (%)	
Hebei Daguangming Industrial Group Jiajing Glass Co., Ltd. (河北大光明實業集團嘉晶玻璃有限公司)	163,716,204.33	163,716,204.33	100.00	Expected unrecoverable
Receivables for carbon emission reduction	11,149,907.12	11,149,907.12	100.00	Expected unrecoverable
Hebei Daguangming Industrial Group Juwuba Tanhei Co., Ltd. (河北大光明實業集團巨無霸炭黑有限公司)	5,998,717.59	5,998,717.59	100.00	Expected unrecoverable
Total	180,864,829.04	180,864,829.04	100.00	/

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

5. Accounts Receivable (continued)

(2). Classified disclosure by the method of provision for bad debts (continued)

Explanation on provision for bad debts on an individual basis:

☐ Applicable ☒ Not Applicable

Provision for bad debts on a group basis:

Item provision on a group basis: Provision for bad debts on a combination of credit risk characteristics

Unit: Yuan Currency: RMB

Name	Closing balance		
	Carrying balance	Provision for bad debts	Provision ratio (%)
Grouping with extremely low recovery risk	6,386,037,248.81	63,860,372.49	1.00
Aging group	199,052,635.08	31,126,074.29	15.64
Total	6,585,089,883.89	94,986,446.78	/

Explanation on bad debt provision on a group basis:

☐ Applicable ☒ Not Applicable

Provision for bad debts is made according to the general model of expected credit losses

☐ Applicable ☒ Not Applicable

Basis of segregation and bad debt provisioning ratio by stages

Nil

Explanation for the significant changes in the book balance of receivables for which the loss provisions have changed during the period:

☐ Applicable ☒ Not Applicable

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

5. Accounts Receivable (continued)

(3). Provision for bad debts

Unit: Yuan Currency: RMB

Category	Opening balance	Change for the Period				Closing balance
		Provision	Recovered or reversed	Write-off or cancellation	Other changes	
Provision for bad debts of accounts receivable	484,302,424.56	17,906,984.98	19,114,769.60	203,668,782.78	-3,574,581.34	275,851,275.82
Total	484,302,424.56	17,906,984.98	19,114,769.60	203,668,782.78	-3,574,581.34	275,851,275.82

Of which, significant amounts of provision for bad debts recovered or reversed for the period:

☐ Applicable ☒ Not Applicable

Other explanations:

Nil

(4). Actual write-off of accounts receivable for the current period

Unit: Yuan Currency: RMB

Item	Write-off amount
Actual write-off of accounts receivable	203,668,782.78

Including: significant accounts receivable write-offs

Unit: Yuan Currency: RMB

Name of entity	Nature	Amount of write-off	Reasons for write-off	Write-off procedures performed	Whether arising from related transactions
Hebei Yuanhua Glass Co., Ltd. (河北元華玻璃股份有限公司) ("Yuanhua Glass")	Payments for natural gas	203,668,782.78	The bankruptcy proceedings of Yuanhua Glass were concluded by court ruling, and the claims were confirmed to be irrecoverable	Management review	No
Total	/	203,668,782.78	/	/	/

Explanation on accounts receivable write-off:

☐ Applicable ☒ Not Applicable

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

5. Accounts Receivable (continued)

(5). Accounts receivable and contract assets with the top five closing balances collected as per the borrowers

Unit: Yuan Currency: RMB

Name of entity	Closing balance of accounts receivable	Closing balance of contract assets	Closing balance of accounts receivable and contract assets	Percentage of total closing balance of accounts receivable and contract assets (%)	Closing balance of provision for bad debts
State Grid Jibei Electric Power Co., Ltd. (國網冀北電力有限公司)	3,686,764,118.68		3,686,764,118.68	54.49	36,867,641.19
State Grid Hebei Electric Power Co., Ltd. (國網河北省電力有限公司)	868,959,860.22		868,959,860.22	12.84	8,689,598.60
Yunnan Power Grid Co., Ltd. (雲南電網有限責任公司)	396,361,165.50		396,361,165.50	5.86	3,963,611.66
State Grid Shanxi Electric Power Co., Ltd. (國網山西省電力有限公司)	280,138,353.25		280,138,353.25	4.14	2,801,383.53
State Grid East Inner Mongolia Electric Power Co., Ltd. (國網內蒙古東部電力有限公司)	268,741,760.76		268,741,760.76	3.97	2,687,417.61
Total	5,500,965,258.41		5,500,965,258.41	81.30	55,009,652.59

Other explanations:

Nil

Other explanations:

☐ Applicable ☒ Not Applicable

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

6. Contract Assets

(1). Contract assets

☐ Applicable ☒ Not Applicable

(2). The amount of and reason for the significant change in the carrying amount during the Reporting Period

☐ Applicable ☒ Not Applicable

(3). Classified disclosure by the method of provision for bad debts

☐ Applicable ☒ Not Applicable

Provision for bad debts on an individual basis:

☐ Applicable ☒ Not Applicable

Explanation on provision for bad debts on an individual basis:

☐ Applicable ☒ Not Applicable

Provision for bad debts on a group basis:

☐ Applicable ☒ Not Applicable

Provision for bad debts is made according to the general model of expected credit losses

☐ Applicable ☒ Not Applicable

Basis of segregation and bad debt provisioning ratio by stages

Nil

Explanation for the significant changes in the book balance of contract assets for which the loss provisions have changed during the period:

☐ Applicable ☒ Not Applicable

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

6. Contract Assets (continued)

(4). Provision for bad debts on contract assets for the period

☐ Applicable ☒ Not Applicable

Of which, significant amounts of provision for bad debts recovered or reversed for the period:

☐ Applicable ☒ Not Applicable

Other explanations:

Nil

(5). Actual write-off of contract assets for the current period

☐ Applicable ☒ Not Applicable

Including: significant contract assets write-offs

☐ Applicable ☒ Not Applicable

Explanation on contract assets write-off:

☐ Applicable ☒ Not Applicable

Other explanations:

☐ Applicable ☒ Not Applicable

7. Receivable Financing

(1). Categories of receivables financing presented

Unit: Yuan Currency: RMB

Item	Closing balance	Opening balance
Bank acceptance bills	333,977,575.22	355,146,814.44
Total	333,977,575.22	355,146,814.44

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

7. Receivable Financing (continued)

(2). Receivables financing pledged by the Company at the end of the period

☐ Applicable ☒ Not Applicable

(3). Endorsed or discounted receivables financing that are not mature on balance sheet date at the end of the period

Unit: Yuan Currency: RMB

Item	Closing derecognised amount	Closing non-derecognised amount
Bank acceptance bills	398,607,964.57	
Total	398,607,964.57	

(4). Classified disclosure by the method of provision for bad debts

☐ Applicable ☒ Not Applicable

Provision for bad debts on an individual basis:

☐ Applicable ☒ Not Applicable

Explanation on provision for bad debts on an individual basis:

☐ Applicable ☒ Not Applicable

Provision for bad debts on a group basis:

☐ Applicable ☒ Not Applicable

Provision for bad debts is made according to the general model of expected credit losses

☐ Applicable ☒ Not Applicable

Basis of segregation and bad debt provisioning ratio by stages

Nil

Explanation for the significant changes in the book balance of receivables financing for which the loss provisions have changed during the period:

☐ Applicable ☒ Not Applicable

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

7. Receivable Financing (continued)

(5). Provision for bad debts

☐ Applicable ☒ Not Applicable

Of which, significant amounts of provision for bad debts recovered or reversed for the period:

☐ Applicable ☒ Not Applicable

Other explanations:

Nil

(6). Actual write-off of receivables financing for the current period

☐ Applicable ☒ Not Applicable

Including: significant receivables financing write-offs

☐ Applicable ☒ Not Applicable

Explanation on write-off:

☐ Applicable ☒ Not Applicable

(7). The changes in the current amount and fair value of accounts receivable financing in this period:

☐ Applicable ☒ Not Applicable

(8). Other explanations

☐ Applicable ☒ Not Applicable

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

8. Prepayments

(1). Advances to suppliers by aging analysis presented

Unit: Yuan Currency: RMB

Age	Closing balance		Opening balance	
	Amount	Percentage (%)	Amount	Percentage (%)
Within 6 months	799,843,380.35	86.35	545,304,475.67	80.50
6 to 12 months	3,664,793.55	0.40	66,868,485.05	9.87
1 to 2 years	59,703,714.79	6.44	57,826,915.43	8.54
2 to 3 years	57,112,777.90	6.17	5,432,584.50	0.80
3 to 4 years	4,910,792.87	0.53	875,868.05	0.13
4 to 5 years	263,203.91	0.03	0.00	0.00
Over 5 years	776,999.70	0.08	1,092,725.61	0.16
Total	926,275,663.07	100.00	677,401,054.31	100.00

Explanation on the reasons for significant advances to suppliers over 1 year and not settled in time:

Creditor	Debtor	Closing balance	Age	Explanation on settlement
Hebei Natural Gas Company Limited (河北省天然氣有限責任公司)	PipeChina Group Tianjin Liquified Natural Gas Co., Ltd. (國家管網集團天津液化天然氣有限責任公司)	101,790,000.00	1-2 years, 2-3 years	Unsettled

(2). Advances to suppliers from top five prepaid parties classified based on the closing balance

Unit: Yuan Currency: RMB

Name of entity	Closing balance	Percentage of the closing balance of total prepayments (%)
CNPC Hebei Natural Gas Sales Branch (中國石油天然氣股份有限公司天然氣銷售河北分公司)	552,172,615.59	59.61
PipeChina Group Tianjin Liquified Natural Gas Co., Ltd. (國家管網集團天津液化天然氣有限責任公司)	152,685,000.00	16.48
Shanxi Huaxin Gas Sales Co., Ltd. (山西華新燃氣銷售有限公司)	30,088,665.08	3.25
Sinopec Natural Gas Company, Hebei Natural Gas Sales Centre (中國石油化工有限公司天然氣分公司河北天然氣銷售中心)	25,838,440.65	2.79
CNOOC Gas and Power Group Co., Ltd. Hebei Sales Branch (中海石油氣電集團有限責任公司河北銷售分公司)	20,842,693.69	2.25
Total	781,627,415.01	84.38

Other explanations:

Nil

Other explanations:

☐ Applicable ☒ Not Applicable

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

9. Other Receivables

Items presented

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Interest receivable		
Dividend receivables	43,143,902.71	73,206,109.53
Other receivables	199,990,974.82	184,525,246.20
Total	243,134,877.53	257,731,355.73

Other explanations:

☐ Applicable ☒ Not Applicable

Interest receivable

(1). Classification of interest receivable

☐ Applicable ☒ Not Applicable

(2). Significant overdue interest

☐ Applicable ☒ Not Applicable

(3). Classified disclosure by the method of provision for bad debts

☐ Applicable ☒ Not Applicable

Provision for bad debts on an individual basis:

☐ Applicable ☒ Not Applicable

Explanation on provision for bad debts on an individual basis:

☐ Applicable ☒ Not Applicable

Provision for bad debts on a group basis:

☐ Applicable ☒ Not Applicable

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

9. Other Receivables (continued)

Items presented (continued)

(4). Provision for bad debts is made according to the general model of expected credit losses

☐ Applicable ☒ Not Applicable

Basis of segregation and bad debt provisioning ratio by stages

Nil

Explanation for the significant changes in the book balance of interest receivable for which the loss provisions have changed during the period:

☐ Applicable ☒ Not Applicable

(5). Provision for bad debts

☐ Applicable ☒ Not Applicable

Of which, significant amounts of provision for bad debts recovered or reversed for the period:

☐ Applicable ☒ Not Applicable

Other explanations:

Nil

(6). Actual write-off of interest receivable for the current period

☐ Applicable ☒ Not Applicable

Including: significant interests receivable write-offs

☐ Applicable ☒ Not Applicable

Explanation on write-off:

☐ Applicable ☒ Not Applicable

Other explanations:

☐ Applicable ☒ Not Applicable

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

9. Other Receivables (continued)

Dividend receivables

(1). Dividend receivables

Unit: Yuan Currency: RMB

Projects (or investees)	Closing balance	Opening balance
Longyuan HECIC (Chengde) Wind Power Co., Ltd. (龍源建投(承德)風力發電有限公司) ("Chengde Wind Power")	20,774,907.59	23,370,079.12
Zhangbei HECIC Huashi Wind Energy Co., Ltd. (張北建投華實風能有限公司) ("Zhangbei HECIC")		18,240,952.04
Hebei Weichang Longyuan HECIC Wind Power Co., Ltd. (河北圍場龍源建投風力發電有限公司) ("Hebei Weichang")		18,555,678.96
Chongli HECIC Huashi Wind Energy Co., Ltd. (崇禮建投華實風能有限公司) ("Chongli HECIC")		7,881,943.16
Huihai Financial Leasing Co., Ltd. (匯海融資租賃股份有限公司) ("Huihai Leasing")	6,535,521.92	5,157,456.25
Chengde Dayuan New Energy Co., Ltd. (承德大元新能源有限公司) ("Chengde Dayuan")	15,833,473.20	
Total	43,143,902.71	73,206,109.53

(2). Significant dividends receivable aging over 1 year

☐ Applicable ☒ Not Applicable

(3). Classified disclosure by the method of provision for bad debts

☐ Applicable ☒ Not Applicable

Provision for bad debts on an individual basis:

☐ Applicable ☒ Not Applicable

Explanation on provision for bad debts on an individual basis:

☐ Applicable ☒ Not Applicable

Provision for bad debts on a group basis:

☐ Applicable ☒ Not Applicable

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

9. Other Receivables (continued)

Dividend receivables (continued)

(4). Provision for bad debts is made according to the general model of expected credit losses

☐ Applicable ☒ Not Applicable

Basis of segregation and bad debt provisioning ratio by stages:

Nil

Explanation for the significant changes in the book balance of dividend receivables for which the loss provisions have changed during the period:

☐ Applicable ☒ Not Applicable

(5). Provision for bad debts

☐ Applicable ☒ Not Applicable

Of which, significant amounts of provision for bad debts recovered or reversed for the period:

☐ Applicable ☒ Not Applicable

Other explanations:

Nil

(6). Actual write-off of dividend receivables for the current period

☐ Applicable ☒ Not Applicable

Including: significant dividend receivables write-offs

☐ Applicable ☒ Not Applicable

Explanation on write-off:

☐ Applicable ☒ Not Applicable

Other explanations:

☐ Applicable ☒ Not Applicable

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

9. Other Receivables (continued)

Other receivables

(1). Disclosure by aging

Unit: Yuan Currency: RMB

Age	Closing book balance	Opening book balance
Within 1 year (inclusive)	183,367,346.07	178,773,378.82
Including: Sub-items within 1 year		
Within 6 months	181,676,809.67	169,947,996.00
6 months to 1 year	1,690,536.40	8,825,382.82
1 to 2 years	33,568,429.11	11,135,886.64
2 to 3 years	8,988,744.92	14,786,769.63
3 to 4 years	6,788,052.96	15,715,611.24
4 to 5 years	15,539,515.16	3,726,129.30
Over 5 years	33,629,767.51	52,469,484.44
Less: Provision for bad debts of other receivables	-81,890,880.91	-92,082,013.87
Total	199,990,974.82	184,525,246.20

(2). Classified by the nature

Unit: Yuan Currency: RMB

Nature	Closing book balance	Opening book balance
Deposits	51,331,184.35	62,639,765.16
Advances	14,139,609.85	27,241,827.67
Payment for transfer of the equity interest and business of a subsidiary	45,314,672.74	89,301,857.43
Others	171,096,388.79	97,423,809.81
Total	281,881,855.73	276,607,260.07

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

9. Other Receivables (continued)

Other receivables (continued)

(3). Provision made for bad debts

Unit: Yuan Currency: RMB

Provision for bad debts	The first stage	The second stage	The third stage	Total
	Expected credit losses over the next 12 months	Lifetime expected credit losses (no credit impairment occurred)	Lifetime expected credit losses (credit impairment occurred)	
Balance as at 1 January 2025	20,089,788.87	57,478,385.76	14,513,839.24	92,082,013.87
Balance at 1 January 2025 during the period				
- Transfer into the second stage	-3,366,848.02	3,366,848.02		
- Transfer into the third stage				
- Reversal to the second stage				
- Reversal to the first stage				
Provision during the period	22,810,603.48	3,423,413.88		26,234,017.36
Reversal during the period	-13,209,639.52	-8,782,671.56	-14,432,839.24	-36,425,150.32
Transferral during the period				
Write-off during the period				
Other changes				
Balance at 31 December 2025	26,323,904.81	55,485,976.10	81,000.00	81,890,880.91

Basis of segregation and bad debt provisioning ratio by stages

Nil

Explanation for the significant changes in the book balance of other receivables for which the loss provisions have changed during the period:

☐ Applicable ☒ Not Applicable

Basis for the provisions for bad debts in this period and the assessment of whether the credit risk of financial instruments has increased significantly:

☐ Applicable ☒ Not Applicable

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

9. Other Receivables (continued)

Other receivables (continued)

(4). Provision for bad debts

Unit: Yuan Currency: RMB

Category	Opening balance	Change for the Period				Closing balance
		Provision	Recovered or reversed	Write-off or cancellation	Other changes	
Provision for bad debts of other receivables	92,082,013.87	26,234,017.36	36,425,150.32			81,890,880.91
Total	92,082,013.87	26,234,017.36	36,425,150.32			81,890,880.91

Among them, significant amounts of provision for bad debts during the period have been reversed or recovered:

☐ Applicable ☒ Not Applicable

Other explanations:

Nil

(5). Actual write-off of other receivables for the current period

☐ Applicable ☒ Not Applicable

Including: significant other receivable write-offs:

☐ Applicable ☒ Not Applicable

Explanation on other receivables write-off:

☐ Applicable ☒ Not Applicable

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

9. Other Receivables (continued)

Other receivables (continued)

(6). Other receivables from the top five debtors by closing balance

Unit: Yuan Currency: RMB

Name of entity	Closing balance	Percentage of the total closing balance of other receivables (%)	Nature of the amount	Age	Closing balance of provision for bad debts
Ganghua Natural Gas (Tangshan) Co., Ltd. (港華天然氣(唐山)有限公司)	62,669,676.87	22.23	Others	Within 6 months	3,133,483.84
Hebei Shuijian New Energy Co., Ltd. (河北水建新能源有限公司)	45,314,672.74	16.08	Payment for transfer of the equity interest and business of a subsidiary	Within 6 months	2,265,733.64
Beidaihe New District Branch, Qinhuangdao Municipal Bureau of Natural Resources and Planning (秦皇島市自然資源和規劃局北戴河新區分局)	13,007,726.00	4.61	Others	Within 6 months	
Shuangqiao District Land Acquisition and Reserve Center (雙橋區土地收購儲備中心)	10,014,277.25	3.55	Advances	3 to 4 years, 4 to 5 years, over 5 years	10,014,277.25
Bank of Communications Financial Leasing Co., Ltd. (交銀金融租賃有限責任公司)	9,540,000.00	3.38	Deposits	4 to 5 years	9,540,000.00
Total	140,546,352.86	49.85	/	/	24,953,494.73

(7). Presented in other receivables due to centralised management of funds

☐ Applicable ☒ Not Applicable

Other explanations:

2025

Item	31 December 2025				
	Carrying balance		Provision for bad debts		Book value
	Amount	Percentage (%)	Amount	Percentage (%)	
Provision for bad debts made on individual basis	81,000.00	0.03	81,000.00	100.00	
Provision for bad debts made on a combination of credit risk characteristics	281,800,855.73	99.97	81,809,880.91	29.03	199,990,974.82
Total	281,881,855.73	100.00	81,890,880.91	/	199,990,974.82

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

9. Other Receivables (continued)

Other receivables (continued)

(7). Presented in other receivables due to centralised management of funds (continued)

2024

Item	31 December 2024				
	Carrying balance		Provision for bad debts		Book value
	Amount	Percentage (%)	Amount	Percentage (%)	
Provision for bad debts made on individual basis	14,513,839.24	5.25	14,513,839.24	100.00	
Provision for bad debts made on a combination of credit risk characteristics	262,093,420.83	94.75	77,568,174.63	29.60	184,525,246.20
Total	276,607,260.07	100.00	92,082,013.87	/	184,525,246.20

Other receivables with provision made for bad debts on an individual basis are as follows:

Name of entity	2025				2024	
	Carrying balance	Provision for bad debts	Provision ratio (%)	Reasons for provision	Carrying balance	Provision for bad debts
Datang Hunyuan Mimazongliang New Energy Co., Ltd. (大唐渾源密馬鬃梁新能源有限公司)					13,421,959.24	13,421,959.24
Siemens Gamesa Renewable Energy Technology (China) Co., Ltd. (西門子歌美颯可再生能源科技(中國)有限公司)					1,010,880.00	1,010,880.00
Shenzhen Taifu Commercial Operation Co., Ltd. (深圳市泰富商業運營有限公司)	81,000.00	81,000.00	100.00	Expected unrecoverable	81,000.00	81,000.00
Total	81,000.00	81,000.00	/	/	14,513,839.24	14,513,839.24

As at 31 December 2025, other receivables with provision made for bad debts on a group basis are as follows:

	Carrying balance	Impairment provisions	Provision ratio (%)
Aging group	281,800,855.73	81,809,880.91	29.03

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

10. Inventory

(1). Classification of inventories

Unit: Yuan Currency: RMB

Items	Closing balance			Opening balance		
	Carrying balance	Provision for decline in value of inventories/ provision for impairment in contract performance cost	Book value	Carrying balance	Provision for decline in value of inventories/ provision for impairment in contract performance cost	Book value
Raw materials	105,035,044.82	1,555,104.24	103,479,940.58	73,653,057.61	1,555,104.24	72,097,953.37
Products in process						
Goods in stock (note)	1,904,301,200.23		1,904,301,200.23	2,090,488,078.87		2,090,488,078.87
Circulating materials						
Consumable Biological assets						
Contract performance cost						
Total	2,009,336,245.05	1,555,104.24	2,007,781,140.81	2,164,141,136.48	1,555,104.24	2,162,586,032.24

Note: As at 31 December 2025, the Group's inventories with a carrying amount of RMB949,330,252.62 (31 December 2024: RMB1,037,635,670.65) were restricted. Please refer to Note VII. 31.

(2). Data resources recognized as inventories

☐ Applicable ☒ Not Applicable

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

10. Inventory (continued)

(3). Provision for decline in value of inventories/provision for impairment of contract performance cost

Unit: Yuan Currency: RMB

Items	Opening balance	Addition during the period		Decrease during the period		Closing balance
		Provision	Others	Reversal or write-off	Others	
Raw materials (note)	1,555,104.24					1,555,104.24
Products in process						
Goods in stock						
Circulating materials						
Consumable biological assets						
Contract performance cost						
Total	1,555,104.24					1,555,104.24

Note: Net realisable value is the amount of the estimated inventory selling price in the ordinary course of business less the estimated costs of completion, the estimated selling expenses and relevant taxes.

Reasons for reversal or write-off of provision for decline in value of inventories during the period

☐ Applicable ☒ Not Applicable

Provision for decline in value of inventories on a group basis

☐ Applicable ☒ Not Applicable

Criteria for making provision for decline in value of inventories on a group basis

☐ Applicable ☒ Not Applicable

(4). Capitalised amount of borrowing costs included in the closing balance of the inventories and its calculation criteria and basis

☐ Applicable ☒ Not Applicable

(5). Information on the amortised amount of cost of contract performance for the period

☐ Applicable ☒ Not Applicable

Other explanations:

☐ Applicable ☒ Not Applicable

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

11. Assets Held for Sale

☐ Applicable ☒ Not Applicable

12. Non-current Assets Due within One Year

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Debt investments due within one year		
Other debt investments due within one year		
Long-term receivables due within one year		1,736,578.83
Total		1,736,578.83

Debt investments due within one year

☐ Applicable ☒ Not Applicable

Other debt investments due within one year

☐ Applicable ☒ Not Applicable

Other explanations on non-current assets due within one year:

Nil

13. Other Current Assets

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Contract obtainment cost		
Right of return assets		
Input VAT to be deducted and certified	681,137,187.26	732,261,457.17
Enterprise income tax prepaid	54,504,051.11	19,453,128.27
Total	735,641,238.37	751,714,585.44

Other explanations:

Nil

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

14. Debt Investments

(1). Debt investments

☐ Applicable ☒ Not Applicable

Change during the period in provision for impairment of debt investments

☐ Applicable ☒ Not Applicable

(2). Significant debt investments at the end of period

☐ Applicable ☒ Not Applicable

(3). Provision for impairment

☐ Applicable ☒ Not Applicable

Basis and bad debt provisioning ratio by stages:

Nil

Explanation for the significant changes in the book balance of debt investment for which the loss provisions have changed during the period:

☐ Applicable ☒ Not Applicable

The amount of provision for bad debts for the current period and the basis for assessing whether the credit risk of financial instruments has increased significantly

☐ Applicable ☒ Not Applicable

(4). Actual write-off of debt investments during the period

☐ Applicable ☒ Not Applicable

Including: significant debt investments write-offs

☐ Applicable ☒ Not Applicable

Explanations on the write-off of debt investments:

☐ Applicable ☒ Not Applicable

Other explanations:

☐ Applicable ☒ Not Applicable

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

15. Other Debt Investments

(1). Other debt investments

☐ Applicable ☒ Not Applicable

Movement in provision for impairment of other debt investments during the period

☐ Applicable ☒ Not Applicable

(2). Significant other debt investments at the end of period

☐ Applicable ☒ Not Applicable

(3). Provision for impairment

☐ Applicable ☒ Not Applicable

Basis and bad debt provisioning ratio by stages:

Nil

Explanation for the significant changes in the book balance of other debt investments for which the loss provisions have changed during the period:

☐ Applicable ☒ Not Applicable

The amount of provision for bad debts for the current period and the basis for assessing whether the credit risk of financial instruments has increased significantly

☐ Applicable ☒ Not Applicable

(4). Actual write-off of other debt investments for the current period

☐ Applicable ☒ Not Applicable

Including: significant other debt investments write-offs

☐ Applicable ☒ Not Applicable

Explanations on the write-off of other debt investments:

☐ Applicable ☒ Not Applicable

Other explanations:

☐ Applicable ☒ Not Applicable

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

16. Long-term Receivables

(1). Long-term receivables

☐ Applicable ☒ Not Applicable

(2). Classified disclosure by the method of provision for bad debts

☐ Applicable ☒ Not Applicable

Provision for bad debts on an individual basis:

☐ Applicable ☒ Not Applicable

Explanation on provision for bad debts on an individual basis:

☐ Applicable ☒ Not Applicable

Provision for bad debts on a group basis:

☐ Applicable ☒ Not Applicable

(3). Provision for bad debts is made according to the general model of expected credit losses

☐ Applicable ☒ Not Applicable

Basis of segregation and bad debt provisioning ratio by stages

Nil

Explanation for the significant changes in the book balance of long-term receivables for which the loss provisions have changed during the period:

☐ Applicable ☒ Not Applicable

Amount of provision for bad debts made during the current period and basis for assessing whether the credit risk of financial instruments has increased significantly

☐ Applicable ☒ Not Applicable

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

16. Long-term Receivables (continued)

(4). Provision for bad debts

☐ Applicable ☒ Not Applicable

Of which, significant amounts of provision for bad debts recovered or reversed for the period:

☐ Applicable ☒ Not Applicable

Other explanations:

Nil

(5). Actual write-off of long-term receivables for the current period

☐ Applicable ☒ Not Applicable

Including: significant long-term receivables write-offs

☐ Applicable ☒ Not Applicable

Explanation on long-term receivables write-offs:

☐ Applicable ☒ Not Applicable

Other explanations:

☐ Applicable ☒ Not Applicable

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

17. Long-term Equity Investments

(1). Particulars of long-term equity investments

Unit: Yuan Currency: RMB

Investee	Opening balance (carrying value)	Changes in the period								Closing balance (carrying value)	Closing balance of impairment provisions
		Opening balance of impairment provisions	Additional investments	Decrease in investments	Gain or loss of investment recognized using equity approach	Adjustments to other comprehensive income	Changes in other equity	Declaration of payment of cash dividend or profit	Impairment provisions	Others	
I. Joint ventures											
Harbin Qingfeng New Energy Co., Ltd. (哈爾濱慶風新能源有限公司) ("Harbin Qingfeng")	70,200,767.71		29,800,000.00		19,757,825.02		122,628.85			119,881,221.58	
Chengde Dayuan New Energy Co., Ltd. (承德大元新能源有限公司) ("Chengde Dayuan")	276,348,252.11		36,240,000.00		43,284,931.66		1,148,751.88	-76,067,977.66		280,953,957.99	
Hebei Suntieng Guohua Gas Co., Ltd. (河北新天國化燃氣有限公司) ("Suntieng Guohua")	53,759,608.49				-4,030,452.82		814,338.97			50,543,494.64	
Xinying Energy Trading Co., Ltd. (新英能源貿易有限公司) ("Xinying Energy")	14,811,180.49				543,312.52					15,354,493.01	
Chongli CIC Huashi Wind Energy Co., Ltd. (崇禮建設華實風能有限公司) ("Chongli CIC") (Note1)	1,714,642.94									-1,714,642.94	
Zhangbei CIC Huashi Wind Energy Co., Ltd. (張北建設華實風能有限公司) ("Zhangbei CIC") (Note1)	58,027,672.98				4,657,711.85		27,277.21			-62,712,662.04	
Dongning Xinfeng New Energy Co., Ltd. (東寧市新風新能源有限公司) ("Dongning Xinfeng")	15,000,035.91				577.86					15,000,613.77	
Sub-total	489,862,160.63		66,040,000.00		64,213,906.09		2,112,996.91	-76,067,977.66		-64,427,304.98	481,733,780.99
II. Associates											
HECIC Rongtan Asset Management Co., Ltd. (河北建設融碳資產管理有限公司) ("CIC Rongtan")	16,641,634.23				237,138.43			-96,705.88		16,782,066.78	
Hebei Fansheng Technology Co., Ltd. (河北凱昇科技有限公司) (Note2)	25,331,204.85				617,919.37					25,949,124.22	
Hebei Fengning Pumped Storage Co., Ltd. (河北豐寧抽水蓄能有限公司) ("Fengning Pumped Storage")	712,595,887.76				78,103,509.54		1,536,879.32	-32,000,000.00		760,236,276.62	
Hebei Jinjianjia Natural Gas Co., Ltd. (河北金建佳天然氣有限公司) ("Jinjianjia")											
Huludao Liaohe Oil Field Gas Co., Ltd. (葫蘆島遼河油田燃氣有限公司) ("Huludao Natural Gas")	1,540,937.05				-960,547.25					580,389.80	
Hebei Yan Zhao Energy Storage Co., Ltd. (河北燕趙儲能有限公司) ("Yan Zhao Energy Storage")	22,770,851.84		30,000,000.00		4,049,331.02					56,820,182.86	
Longyuan HECIC (Chengde) Wind Power Co., Ltd. (龍源建設(承德)風力發電有限公司) ("Chengde Wind Power")	263,024,235.17				15,078,100.36		-361,160.41	-20,774,907.59		256,966,267.53	
Hebei Weichang Longyuan HECIC Wind Power Co., Ltd. (河北圍場龍源建設風力發電有限公司) ("Hebei Weichang")	145,256,536.29				4,900,914.75		421,050.95	-12,341,466.45		138,237,035.54	

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

17. Long-term Equity Investments (continued)

(1). Particulars of long-term equity investments (continued)

Unit: Yuan Currency: RMB

		Changes in the period								Closing balance (carrying value)	Closing balance of impairment provisions
		Opening balance of impairment provisions	Additional investments	Decrease in investments	Gain or loss of investment recognized using equity approach	Adjustments to other comprehensive income	Changes in other equity	Declaration of payment of cash dividend or profit	Impairment provisions		
Investee	Opening balance (carrying value)										
Huihai Financial Leasing Co., Ltd. (匯海融資租賃股份有限公司) ("Huihai Leasing")	204,605,555.46				4,441,314.62			-5,512,262.69			203,534,607.39
Hebei Suntien Green Shuifa Carbon Neutrality Equity Investment Fund (Limited Partnership) (河北新天綠色水發碳中和脫碳投資基金(有限合夥)) ("Shuifa Carbon Neutrality")	983,353.57			986,867.51	3,513.94						
Hengshui Honghua Gas Co., Ltd. (衡水鴻華燃氣有限公司) ("Hengshui Honghua")	10,544,793.31				-424,438.57						10,120,354.74
PipeChina Group North China Natural Gas Pipeline Co., Ltd. (國家管網集團華北天然氣管道有限公司) ("North China Natural Gas Pipeline")	463,542,958.99				-111,044,255.24		94,238.92				352,592,942.67
PetroChina Jingtang LNG Co., Ltd. (中石油京唐液化天然氣有限公司) ("Jingtang LNG")	1,320,706,525.95				180,214,923.72		-510,387.33	-120,000,000.00			1,380,411,062.34
Chengde Shuangluan District HECIC LNG Co., Ltd. (承德市雙溝區建設液化天然氣有限責任公司) ("Chengde Shuangluan")		3,164,390.70									
小計	3,187,544,474.47	3,164,390.70	30,000,000.00	986,867.51	175,217,424.69		1,180,621.45	-190,725,342.61			3,202,230,310.49
Total	3,677,406,635.10	3,164,390.70	96,040,000.00	986,867.51	239,431,330.78		3,293,618.36	-266,793,320.27		-64,427,304.98	3,683,964,091.48

Note 1: During the year, the Company's wholly-owned subsidiary, HECIC New Energy, acquired the 49% equity interests held by Luneng New Energy (Group) Co., Ltd. (魯能新能源(集團)有限公司), the minority shareholder of Chongli HECIC and Zhangbei HECIC, through public bidding and offer placement. Following the acquisition, HECIC New Energy's equity interests in Chongli HECIC and Zhangbei HECIC increased from 51% to 100%. As a result, HECIC New Energy obtained control over Chongli HECIC and Zhangbei HECIC, and these entities were reclassified from joint ventures to subsidiaries for accounting purposes. For details, please refer to Note V.1.

Note 2: HECIC AVIC Saihan Green Energy Technology Development Co., Ltd. changed its company name to Hebei Fansheng Technology Co., Ltd. in December 2025.

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

17. Long-term Equity Investments (continued)

(2). Impairment testing for long-term equity investments

☐ Applicable ☒ Not Applicable

Other explanations:

	Opening balance	Increase during the year	Decrease during the year	Closing balance
Chengde Shuangluan	3,164,390.70			3,164,390.70

The recoverable amount is determined based on the net amount after deducting disposal costs from fair value

☐ Applicable ☒ Not Applicable

The recoverable amount was determined based on the present value of the estimated future cash flow

☐ Applicable ☒ Not Applicable

Reasons for the significant discrepancy between the foregoing information and information used in impairment testing for prior years or external information

☐ Applicable ☒ Not Applicable

Reasons for the significant discrepancy between the information used by the Company in impairment tests in prior years and the actual situations in the current year

☐ Applicable ☒ Not Applicable

Other explanations:

Nil

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

18. Investment in Other Equity Instruments

(1). Investments in other equity instruments

Unit: Yuan Currency: RMB

Items	Opening balance	Changes in the period				Closing balance	Dividend income recognised in the period	Profits accumulated in other comprehensive income	Losses accumulated in other comprehensive income	Reason for designating as measured at fair value through other comprehensive income
		Additional investments	Decrease in investments	Profits included in other comprehensive income during the period	Losses included in other comprehensive income during the period					
HECIC Group Finance Company Limited (河北建投集團財務有限公司) ("HECIC Finance")	200,000,000.00					200,000,000.00	14,290,389.37			Strategic investment and long term holding
Baoding PetroChina Kunlun Gas Co., Ltd. (保定中石油昆侖天然氣有限公司) ("Baoding Kunlun")	13,013,700.00					13,013,700.00	511,397.65	11,805,700.00	5,592,000.00	Strategic investment and long term holding
HECIC Wellness Industry Investment Co., Ltd. (河北建投康養產業投資有限公司)	2,000,000.00					2,000,000.00				Strategic investment and long term holding
Total	215,013,700.00					215,013,700.00	14,801,787.02	11,805,700.00	5,592,000.00	/

(2). Explanation on derecognition during the period

☐ Applicable ☒ Not Applicable

Other explanations:

☐ Applicable ☒ Not Applicable

19. Other Non-current Financial Assets

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Financial assets at fair value through profit or loss Yangzhou HECIC Phase I Technology Venture Capital Partnership (Limited Partnership)	13,200,000.00	8,800,000.00
Total	13,200,000.00	8,800,000.00

Other explanations:

☐ Applicable ☒ Not Applicable

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

20. Investment Properties

Measurement model of investment properties

(1). Investment properties under cost measurement model

Unit: Yuan Currency: RMB

Items	Houses and buildings	Total
I. Original carrying amount		
1. Opening balance	37,410,850.85	37,410,850.85
2. Addition during the period		
(1) Acquisition		
(2) Transfer from inventories\fixed assets\construction in progress		
(3) Increase in business combinations		
3. Decrease during the period		
(1) Disposal		
(2) Other transfer-out		
4. Closing balance	37,410,850.85	37,410,850.85
II. Accumulated depreciation and accumulated amortization		
1. Opening balance	14,694,154.69	14,694,154.69
2. Addition during the period	1,105,168.44	1,105,168.44
(1) Provision or amortization	1,105,168.44	1,105,168.44
3. Decrease during the period		
(1) Disposal		
(2) Other transfer-out		
4. Closing balance	15,799,323.13	15,799,323.13
III. Impairment provisions		
1. Opening balance		
2. Addition during the period		
(1) Provision		
3. Decrease during the period		
(1) Disposal		
(2) Other transfer-out		
4. Closing balance		
IV. Carrying value		
1. Closing carrying value	21,611,527.72	21,611,527.72
2. Opening carrying value	22,716,696.16	22,716,696.16

(2). Investment properties with pending title certificates:

☐ Applicable ☒ Not Applicable

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

20. Investment Properties (continued)

Measurement model of investment properties (continued)

(3). Impairment testing on investment properties under cost measurement model

☐ Applicable ☒ Not Applicable

Other explanations:

As at 31 December 2025, the Group had no investment property with restricted ownership, and all investment properties had obtained the relevant title certificates.

The investment properties of the Group are located in commercial buildings in Beijing, which are valued by management under market method, with reference to similar property transaction prices and other factors, such as housing features and location. As at 31 December 2025, the fair value of these investment properties was approximately RMB39,154,292.52 (31 December 2024: RMB43,279,383.94).

The investment properties were leased to third parties and companies under common control of the parent company in the form of operating lease.

21. Fixed Assets

Items presented

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Fixed assets	50,987,954,874.25	49,808,794,735.97
Fixed assets in liquidation	34,552,895.16	
Total	51,022,507,769.41	49,808,794,735.97

Other explanations:

☐ Applicable ☒ Not Applicable

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

21. Fixed Assets (continued)

Fixed assets

(1). Fixed assets

Unit: Yuan Currency: RMB

Items	Houses and buildings	Mechanical equipment	Transportation equipment	Electronic equipment and office equipment	Other equipment	Total
I. Original carrying amount:						
1. Opening balance	3,621,404,960.86	61,637,825,436.36	108,803,246.79	397,288,465.74	215,877,398.79	65,981,199,508.54
2. Addition during the period	110,140,744.55	4,865,291,487.99	4,652,866.79	43,363,459.79		5,023,448,559.12
(1) Acquisition	185,403.73	61,429,379.71	3,055,655.80	28,798,994.40		93,469,433.64
(2) Transfer from construction in progress	58,636,049.95	3,837,914,403.02	1,584,176.99	14,450,858.35		3,912,585,488.31
(3) Completion settlement adjustment item	1,099,026.27	25,662,609.93				26,761,636.20
(4) Transfer from right-of-use assets		381,265,711.84				381,265,711.84
(5) Transfer from development expenses		4,247,601.77				4,247,601.77
(6) Business combinations	50,220,264.60	554,771,781.72	13,034.00	113,607.04		605,118,687.36
3. Decrease during the period	45,504,867.25	1,389,199,448.04	2,487,087.23	8,454,129.30	11,145,568.71	1,456,791,100.53
(1) Disposal of subsidiaries and business	44,662,175.85	668,079,808.16		3,280,719.23	500,569.87	716,523,273.11
(2) Transfer to construction in progress		14,244,536.26				14,244,536.26
(3) Disposal or scrapping	842,691.40	706,875,103.62	2,487,087.23	5,173,410.07	10,644,998.84	726,023,291.16
4. Closing balance	3,686,040,838.16	65,113,917,476.31	110,969,026.35	432,197,796.23	204,731,830.08	69,547,856,967.13
II. Accumulated depreciation						
1. Opening balance	768,164,479.18	14,507,151,808.49	77,328,671.38	216,300,382.11	137,724,779.14	15,706,670,120.30
2. Addition during the period	137,021,349.37	2,822,166,365.52	6,826,088.94	44,462,311.94	13,065,882.82	3,023,541,998.59
(1) Provision	137,021,349.37	2,735,986,370.30	6,826,088.94	44,462,311.94	13,065,882.82	2,937,362,003.37
(2) Transfer from right-of-use assets		86,179,995.22				86,179,995.22
3. Decrease during the period	20,804,332.56	788,406,642.19	2,063,157.33	7,428,938.93	8,371,833.11	827,074,904.12
(1) Disposal of subsidiaries and business	20,463,301.17	281,862,855.69		2,585,668.13	466,353.44	305,378,178.43
(2) Transfer to construction in progress		2,679,313.95				2,679,313.95
(3) Disposal or scrapping	341,031.39	503,864,472.55	2,063,157.33	4,843,270.80	7,905,479.67	519,017,411.74
4. Closing balance	884,381,495.99	16,540,911,531.82	82,091,602.99	253,333,755.12	142,418,828.85	17,903,137,214.77
III. Impairment provisions						
1. Opening balance	4,119,266.40	461,615,385.87				465,734,652.27
2. Addition during the period	12,292,242.15	374,097,514.80	40,715.00	287,144.38		386,717,616.33
(1) Provision	12,292,242.15	374,097,514.80	40,715.00	287,144.38		386,717,616.33
3. Decrease during the period		195,687,390.49				195,687,390.49
(1) Disposal or retirement		153,617,423.44				153,617,423.44
(2) Disposal of subsidiaries and business		42,069,967.05				42,069,967.05
4. Closing balance	16,411,508.55	640,025,510.18	40,715.00	287,144.38		656,764,878.11
IV. Carrying value						
1. Closing carrying value	2,785,247,833.62	47,932,980,434.31	28,836,708.36	178,576,896.73	62,313,001.23	50,987,954,874.25
2. Opening carrying value	2,849,121,215.28	46,669,058,242.00	31,474,575.41	180,988,083.63	78,152,619.65	49,808,794,735.97

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

21. Fixed Assets (continued)

Fixed assets (continued)

(2). Temporarily idle fixed assets

☐ Applicable ☒ Not Applicable

(3). Fixed assets leased by way of operating lease

☐ Applicable ☒ Not Applicable

(4). Fixed assets with pending title certificates

Unit: Yuan Currency: RMB

Items	Book value	Reasons for fixed assets with pending title certificates
Central Control Room (Building) in Caoniangou Wind Farm	2,100,167.39	Pending title certificate
Distribution Installation Room in Caoniangou Wind Farm	638,574.19	Pending title certificate
Garage in Caoniangou Wind Farm	355,294.04	Pending title certificate
Multipurpose room in Bafang Station	889,780.18	Pending title certificate
Complex Building in Gaoyi	2,449,816.44	Pending title certificate
Natural Gas Gaobeidian Multipurpose room in Hebei Province	332,887.03	Pending title certificate
Gaoyi Station Building	529,298.60	Pending title certificate
Building 10 in Century Headquarter Project of Zhao City	2,454,485.09	Pending title certificate
Office building in Xishizhuang	5,715,482.76	Pending title certificate
Public room in the station area of Feixiang gas unloading station	1,361,208.60	Pending title certificate
Auxiliary room of gas unloading station of Feixiang	465,088.10	Pending title certificate
Natural Gas Multipurpose room in Hebei Province	1,318,422.46	Pending title certificate
Hebei province natural gas auxiliary room	350,955.85	Pending title certificate
Shop A8-6, Jingzhou International City, Xinji	1,334,959.12	Pending title certificate
Master control building in Changli Datan Wind Farm	1,436,713.11	Pending title certificate
Power distribution building in Changli Datan Wind Farm	1,553,692.47	Pending title certificate

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

21. Fixed Assets (continued)

Fixed assets (continued)

(4). Fixed assets with pending title certificates (continued)

Unit: Yuan Currency: RMB

Items	Book value	Reasons for fixed assets with pending title certificates
Joint pump house in Changli Datan Wind Farm	1,769,183.61	Pending title certificate
Production room in Putidao Wind Farm	1,553,678.78	Pending title certificate
Domestic fire pump room in Harbin Ruifeng	944,682.00	Pending title certificate
Deep Well Pump House (with Fire Tank) in Harbin Ruifeng	222,784.92	Pending title certificate
Reactive power compensation room in Harbin Ruifeng	97,007.43	Pending title certificate
Complex Building in Harbin Ruifeng	3,463,790.12	Pending title certificate
Power Distribution Room (Production Building) Harbin Ruifeng	1,441,462.55	Pending title certificate
Storage room in Harbin Ruifeng	876,042.29	Pending title certificate
Production room in Daqinghe Wind Farm	15,365,824.99	Pending title certificate
101, 1/F, Zichenyuan, Jiran, Shijiazhuang	3,077,042.45	Pending title certificate
102, 1/F, Zichenyuan, Jiran, Shijiazhuang	1,179,328.03	Pending title certificate
Complex in Chongli Suntien Wind Energy	2,221,680.03	Pending title certificate
Auxiliary production room in Chongli Suntien Wind Energy	1,121,732.81	Pending title certificate
Step-up substation in Kangzhuang Wind Farm	13,868,666.62	Pending title certificate
Fengcheng boiler room in Gaoyi County	29,219.12	Pending title certificate
Fengcheng Beiyuan Office Building Phase II in Gaoyi County	69,459.74	Pending title certificate
Ground Floor Shop, No. 06, 07, 08, Hanlinxuefu	4,289,896.28	Pending title certificate
Jing-Shi-Han Double Track Project Baoding Station Building	239,380.64	Pending title certificate
Jing-Shi-Han Double Track Project Xushui Station Building	3,112,723.96	Pending title certificate
Jing-Shi-Han Double Track Project Zhuozhou Station Building	810,959.34	Pending title certificate
Jing-Shi-Han Double Track Project Gaobeidian Station Building	1,026,681.67	Pending title certificate
Total	80,068,052.81	

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

21. Fixed Assets (continued)

Fixed assets (continued)

(5). Impairment testing on fixed assets

Recoverable amount is determined based on the net amount after deducting disposal costs from fair value

Unit: Yuan Currency: RMB

Items	Book value	Recoverable amount	Impairment amount	Determination of fair value and disposal costs	Key parameters	Basis of determination of key parameters
Natural gas filling station	52,226,775.00		52,226,775.00	Market inquiry	Market unit price	The proposed disposal is the retirement of assets Transaction price specified in the transfer agreement
Photovoltaic power station	280,959,711.42	241,542,298.81	39,417,412.61	Fair value is based on the price in the transfer agreement; Disposal costs are expenses related to the disposal of assets	Transfer price	
Senjitu Phase II 200MW Wind Power Project	15,830,858.16	579,185.84	15,251,672.32	Market inquiry	Market unit price	The proposed disposal is the retirement of assets
Weihui Dongshuanma 48MW Wind Power Land	3,820,259.41		3,820,259.41	Market inquiry	Market unit price	The proposed disposal is the retirement of assets
Solar Power Generation Project of the Cangzhou Yundong Wastewater Treatment Plant	3,412,984.10	2,706,300.00	706,684.10	Market inquiry	Market unit price	The proposed disposal is the retirement of assets
Total	356,250,588.09	244,827,784.65	111,422,803.44	/	/	/

The recoverable amount was determined based on the present value of the estimated future cash flow

Unit: Yuan Currency: RMB

Items	Book value	Recoverable amount	Impairment amount	Years in the forecast period	Key parameters for the forecast period	Key parameters for the stabilisation period	Basis of determining key parameters for the stabilisation period
Kangbao Wolongshan Phase II 49.5MW Wind Power (康保臥龍山二期49.5MW風電)	122,452,229.76	34,533,557.84	87,918,671.92	January-June 2026	Average annual electricity sales, average annual unit price of electricity sold, pre-tax discount rate: 11.35%	N/A	N/A
Guyuan Wuhaping Phase II 49.5MW Wind Power (沽源五花坪二期49.5MW風電)	95,838,290.98	39,326,233.64	56,512,057.34	January-June 2026	Average annual electricity sales, average annual unit price of electricity sold, pre-tax discount rate: 12.00%	N/A	N/A
Fuping Jixin 100MW Wind Power (富平冀新100MW風電)	543,759,567.93	421,619,178.36	122,140,389.57	2026 - June 2042	Average annual electricity sales, average annual unit price of electricity sold, pre-tax discount rate: 7.33%	N/A	N/A
Gaoan Xiangfu 100MW Grid-Parity Wind Power Farm Project (高安祥符100MW平價風電場項目)	408,198,172.34	399,474,478.28	8,723,694.06	2026 - September 2044	Average annual electricity sales, average annual unit price of electricity sold, pre-tax discount rate: 8.51%	N/A	N/A
Total	1,170,248,261.01	894,953,448.12	275,294,812.89	/	/	/	/

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

21. Fixed Assets (continued)

Reasons for the significant discrepancy between the foregoing information and information used in impairment testing for prior years or external information

☐ Applicable ☒ Not Applicable

Reasons for the significant discrepancy between the information used by the Company in impairment tests in prior years and the actual situations in the current year

☐ Applicable ☒ Not Applicable

Other explanations:

The Group determines the recoverable amount of an asset group for which there is an indication of impairment based on the net present value of the estimated future cash flows of the asset group or the net amount of fair value less disposal costs, and provides for impairment of each asset group accordingly.

In 2025, the Group performed an impairment test for the remaining asset groups, other than those mentioned above, for which there was an indication of impairment. In performing the impairment test, the present value of the estimated future cash flows of the asset group is determined on the basis of estimates of factors such as future markets, policies and characteristics of the region and approved forecasts for future periods, taking into account the comparability of forecast parameters for asset groups in the same region. The key parameters used in the wind power asset group include future sales (equivalent operating hours) and discount rate, while other parameters applied in the impairment test mainly include average electricity sales price and market recycling price of major materials for wind turbines; The key parameters of the natural gas project asset group include the volume of gas sold and the discount rate, while other parameters applied in the impairment test include the average unit price of gas sold and rentals, and the projected period for the impairment test is determined based on the economic useful life of the wind turbines and natural gas facilities. In addition, the Group determines the pre-tax discount rate based on the weighted average cost of capital ("WACC"), and the calculated pre-tax discount rates for the aforesaid generation asset group and the natural gas asset group range from 8.30% to 12.46%.

Fixed assets in liquidation

Unit: Yuan Currency: RMB

Item	Closing balance	Opening balance
Disposal of old and retired equipment of the "Repowering" Expansion and Renovation Project	33,668,424.72	
Disposal of obsolete wind turbine equipment	791,010.84	
Others	93,459.60	
Total	34,552,895.16	

Other explanations:

Nil

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

22. Construction in progress

Items presented

Unit: Yuan Currency: RMB

Item	Closing balance	Opening balance
Construction in progress	14,340,482,237.53	8,340,680,603.91
Construction materials	64,045,680.14	64,544,249.66
Total	14,404,527,917.67	8,405,224,853.57

Other explanations:

☐ Applicable ☒ Not Applicable

Construction in Progress

(1). Construction in progress

Unit: Yuan Currency: RMB

Item	Closing balance			Opening balance		
	Carrying balance	Impairment provisions	Book value	Carrying balance	Impairment provisions	Book value
Construction in progress	14,380,172,983.62	39,690,746.09	14,340,482,237.53	8,373,043,998.62	32,363,394.71	8,340,680,603.91
Total	14,380,172,983.62	39,690,746.09	14,340,482,237.53	8,373,043,998.62	32,363,394.71	8,340,680,603.91

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

22. Construction in progress (continued)

Construction in Progress (continued)

(2). Movements of major construction projects in progress during the period

Unit: Yuan Currency: RMB

Items	Budget	Opening balance	Addition during the period	Fixed assets transferred in this year	Amount transferred into fixed assets during the period	Other decreased amount during the current period	Closing balance	Percentage of accumulated investment in project to budget (%)	Project progress	Accumulated amount of interest capitalised	Including Amount of interest capitalised during the period	Interest capitalisation rate for the period (%)	Source of the fund
Xishuiquan 88MW Wind Power Project	507,994,344.00	239,175,844.26	179,427,622.16		417,603,466.42			100.00%	100.00%	5,820,705.33	3,302,117.38	2.13%	Self-raising and borrowing
Chengde Weichang 200MW Photovoltaic Energy Storage Demonstration Project	1,059,771,900.00	319,040,294.84	444,525,561.63				763,565,856.47	72.12%	72.12%	18,447,642.33	13,535,545.07	2.50%	Self-raising and borrowing
Chengde Weichang Daoguo 100MW Wind Power Hydrogen Generation Project	723,894,500.00	9,800,115.22	887,378.88				10,687,494.10	52.84%	52.84%	4,640,191.49			Self-raising and borrowing
HECOC Kangbao "Prioritize Large, Phase Out Small" Wind Power Parity Demonstration Project	1,200,000,000.00	188,108,275.83	576,382,980.98		565,471,212.72		199,020,044.09	65.32%	65.32%	11,625,912.46	4,414,995.99	2.15%	Self-raising and borrowing
Songzi Left Banner 100MW/400MWh Compressed Air Energy Storage No. 1 Demonstration Project	892,577,700.00		219,914,022.26				219,914,022.26	24.64%	24.64%	1,937,287.53	1,937,287.53	2.90%	Self-raising and borrowing
Hebei Yanchao Guyuan Energy Storage Demonstration Project	752,871,600.00		1,361,151.05				1,361,151.05	0.18%	0.18%	39,539.73	39,539.73	2.05%	Self-raising and borrowing
Zhuzhou-Yongqing Gas Pipeline Construction Project	1,711,786,918.00	20,818,910.00	8,729,039.19		8,567,212.67		20,940,706.52	82.04%	82.04%	88,705,098.64			Self-raising and borrowing
Qinhuangdao-Fengnan Coastal Gas Pipeline Project	1,794,410,000.00	1,367,155,240.01	265,734,456.67				1,632,889,694.68	90.99%	90.99%	49,058,128.69	21,301,174.01	2.22%	Self-raising and borrowing
Tangshan Shunhuan Xiangyun Island 250MW Offshore Wind Power Project	2,473,499,500.00	11,640,655.16	536,136,660.53				547,797,315.69	22.15%	22.15%	4,283,440.46	4,282,338.26	2.70%	Self-raising and borrowing
HECOC Xiangyun Island 250MW Offshore Wind Power Project	2,093,280,000.00	14,174,994.98	1,067,379,542.07				1,081,554,439.05	51.67%	51.67%	6,128,335.46	6,128,213.26	2.70%	Self-raising and borrowing
Hebei Fengning Waigoumen Wind-Solar Hybrid Phase II 100MW Photovoltaic-to-Hydrogen Storage Project	687,602,000.00	320,111,061.98	47,659,798.57		367,770,860.55			100.00%	100.00%	6,284,544.12	2,189,878.18	2.63%	Self-raising and borrowing
Tangshan LNG Receiving Station Construction Project	25,391,000,000.00	2,364,104,811.39	920,120,051.05		1,360,484,493.60		1,923,739,931.64	41.58%	41.58%	333,349,996.27	32,520,990.32	2.22%	Self-raising and borrowing
Zhangbei Xinze Dantai 92MW Wind Power Project	752,495,900.00	491,131,036.75	10,946,173.21				502,097,209.96	66.71%	66.71%	4,440,592.32	1,579,015.50	2.43%	Self-raising and borrowing
Shen Zhou 100MW Wind-Storage Integrated Project	677,036,900.00	6,130,062.20	112,645,368.87				118,775,431.07	17.54%	17.54%	1,598,293.55	1,598,293.55	2.68%	Self-raising and borrowing
Shanhaiguan Offshore Wind Power Phase I 150MW Grid-Parity Demonstration Project	4,492,497,900.00	38,513,188.78	1,281,575,486.37				1,320,088,675.15	29.72%	29.72%	9,271,991.79	9,162,678.84	2.49%	Self-raising and borrowing
Ningjin County Xiahe River 100MW Centralized Wind Power Project	662,095,500.00	9,544,315.80	419,814,766.03				429,159,081.83	70.22%	70.22%	3,094,087.73	3,093,604.22	2.38%	Self-raising and borrowing
Laochanghe Phase II Wind Power Project	595,139,730.00	169,629,428.25	251,412,863.91		421,042,292.16			100.00%	100.00%	3,202,679.99	2,747,973.42	2.41%	Self-raising and borrowing
Jinzhou 100MW Concrete-Steel Hybrid Wind-Storage Integrated Demonstration Project	610,356,300.00	15,014,465.30	390,442,540.26				405,477,145.56	66.44%	66.44%	3,872,929.25	3,811,133.82	2.43%	Self-raising and borrowing
Sunten Funing District 130MW Wind-Solar-Storage Integration Project	737,799,900.00	2,354,723.75	436,615.44				2,791,339.19	0.38%	0.38%	12,999.53			Self-raising and borrowing
Jiantou Tangshan Fengnan 300,000kW Wind-Solar Coupled Hydrogen Production Project (Wind Power)	721,283,000.00		5,271,506.76				5,271,506.76	0.73%	0.73%				Self-raising and borrowing
Laiyuan Huanghuatan 1,200,000kW Pumped-Storage Power Station Project	8,209,281,300.00		538,395.10				538,395.10	0.07%	0.07%				Self-raising and borrowing
Xinle Gas Power Plant Project	2,487,440,000.00		391,771.87				391,771.87	0.02%	0.02%				Self-raising and borrowing
Other wind power and photovoltaic construction in progress projects		1,294,135,128.68	2,444,783,948.54	11,565,222.31	619,828,520.94	3,238,143.33	3,329,417,655.24						
Other natural gas pipeline construction projects		1,492,441,395.44	519,144,267.13		151,816,991.23		1,659,748,671.34						
Total		8,370,043,999.62	9,911,387,394.33	11,565,222.31	3,912,585,488.31	3,238,143.33	14,380,172,983.62	/	/	555,877,416.67	111,644,779.08	/	/

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

22. Construction in progress (continued)

Construction in Progress (continued)

(3). Provision for impairment of construction in progress in the current period

Unit: Yuan Currency: RMB

Items	Opening balance	Increase during the period	Decrease during the period	Closing balance	Reason for provision
Natural gas pipeline construction projects					
Handan Langtuo CNG Filling Station Project	6,988,135.40			6,988,135.40	Recoverable amount is lower than its carrying amount
Hebei Province Natural Gas Changli Gate Station Project	299,696.16			299,696.16	Recoverable amount is lower than its carrying amount
Neiqiu Expressway Exit LNG Project		11,865,346.91		11,865,346.91	Recoverable amount is lower than its carrying amount
Wind power and photovoltaic construction in progress					
Bailongshan 11MW Photovoltaic Project	276,502.09			276,502.09	Recoverable amount is lower than its carrying amount
Chengde Weichang Yuquan 48MW Wind Power Project	2,258,549.29			2,258,549.29	Recoverable amount is lower than its carrying amount
Preliminary preparatory project	15,500,019.39			15,500,019.39	Recoverable amount is lower than its carrying amount
Other projects	7,040,492.38	2,502,496.85	7,040,492.38	2,502,496.85	Recoverable amount is lower than its carrying amount
Total	32,363,394.71	14,367,843.76	7,040,492.38	39,690,746.09	/

As at 31 December 2025, the Group made a provision for impairment for construction in progress of RMB14,367,843.76, with the provision for impairment decreased by RMB7,040,492.38. For the year ended 31 December 2025, with respect to construction in progress that showed indications of impairment due to project termination or other reasons, the Group determined the recoverable amount based on the fair value less costs of disposal. In determining the recoverable amount, the Group assessed whether the engineering results already achieved could be further utilised or sold separately, and determined the fair value based on the carrying amount or by reference to similar market prices. Based on the results of the impairment test, the Group recognised an impairment loss on construction in progress of RMB14,367,843.76. The decrease in the provision for impairment of construction in progress was mainly attributable to the disposal of projects for which impairment provisions were recognised in prior years, resulting in a reduction of the impairment provisions previously recognised.

(4). Impairment testing on construction in progress

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

22. Construction in progress (continued)

Recoverable amount is determined based on the net amount after deducting disposal costs from fair value

Unit: Yuan Currency: RMB

Items	Book value	Recoverable amount	Impairment amount	Determination of fair value and disposal costs	Key parameters	Basis of determination of key parameters
Neiqiu Expressway Exit LNG Project	11,865,346.91		11,865,346.91	Market inquiry	Market unit price	The proposed disposal is scrapped assets
Senjitu Phase II 200MW Wind Power Project	19,939,797.52	17,437,300.67	2,502,496.85	Market inquiry	Market unit price	The proposed disposal is scrapped assets
Total	31,805,144.43	17,437,300.67	14,367,843.76	/	/	/

The recoverable amount was determined based on the present value of the estimated future cash flow

☐ Applicable ☒ Not Applicable

Reasons for the significant discrepancy between the foregoing information and information used in impairment testing for prior years or external information

☐ Applicable ☒ Not Applicable

Reasons for the significant discrepancy between the information used by the Company in impairment tests in prior years and the actual situations in the current year

☐ Applicable ☒ Not Applicable

Other explanations:

☐ Applicable ☒ Not Applicable

Construction materials

(5). Construction materials

Unit: Yuan Currency: RMB

Items	Closing balance			Opening balance		
	Carrying balance	Impairment provisions	Book value	Carrying balance	Impairment provisions	Book value
Specialised materials	64,045,680.14		64,045,680.14	64,544,249.66		64,544,249.66
Total	64,045,680.14		64,045,680.14	64,544,249.66		64,544,249.66

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

22. Construction in progress (continued)

Construction materials (continued)

(5). Construction materials (continued)

Other explanations:

Nil

23. Bearer Biological Assets

(1). Bearer biological assets under cost measurement model

☐ Applicable ☒ Not Applicable

(2). Impairment test on bearer biological assets under cost measurement model

☐ Applicable ☒ Not Applicable

The recoverable amount is determined based on the net amount after deducting disposal costs from fair value

☐ Applicable ☒ Not Applicable

The recoverable amount is determined based on the present value of the estimated future cash flows

☐ Applicable ☒ Not Applicable

Reasons for the significant discrepancy between the foregoing information and information used in impairment testing for prior years or external information

☐ Applicable ☒ Not Applicable

Reasons for the significant discrepancy between the information used by the Company in impairment tests in prior years and the actual situations in the current year

☐ Applicable ☒ Not Applicable

(3). Bearer biological assets under fair value measurement model

☐ Applicable ☒ Not Applicable

Other explanations:

☐ Applicable ☒ Not Applicable

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

24. Oil and Gas Assets

(1) Oil and gas assets

☐ Applicable ☒ Not Applicable

(2) Impairment testing on oil and gas assets

☐ Applicable ☒ Not Applicable

Other explanations:

Nil

Recoverable amount is determined based on the net amount after deducting disposal costs from fair value

☐ Applicable ☒ Not Applicable

The recoverable amount is determined based on the present value of the estimated future cash flows

☐ Applicable ☒ Not Applicable

Reasons for the significant discrepancy between the foregoing information and information used in impairment testing for prior years or external information

☐ Applicable ☒ Not Applicable

Reasons for the significant discrepancy between the information used by the Company in impairment tests in prior years and the actual situations in the current year

☐ Applicable ☒ Not Applicable

Other explanations:

Nil

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

25. Right-of-use Assets

(1) Right-of-use assets

Unit: Yuan Currency: RMB

Items	Leased land	Houses and buildings	Mechanical equipment	Transportation equipment	Total
I. Original carrying amount					
1. Opening balance	146,601,871.71	96,729,449.76	1,447,674,237.30	36,014,361.15	1,727,019,919.92
2. Addition during the period	83,261,663.36	20,778,848.58	451,179.58	30,260,602.95	134,752,294.47
(1) Increase	83,261,663.36	20,085,934.37	451,179.58	29,386,608.58	133,185,385.89
(2) Business combinations		692,914.21		873,994.37	1,566,908.58
3. Decrease during the period	33,423,651.62	34,901,436.08	381,265,711.84	4,364,510.07	453,955,309.61
(1) Transfer to fixed assets			381,265,711.84		381,265,711.84
(2) Disposal of subsidiaries and business	32,627,497.33				32,627,497.33
(3) Decrease	796,154.29	34,901,436.08		4,364,510.07	40,062,100.44
4. Closing balance	196,439,883.45	82,606,862.26	1,066,859,705.04	61,910,454.03	1,407,816,904.78
II. Accumulated depreciation					
1. Opening balance	25,756,202.01	56,033,965.04	502,145,246.27	25,767,515.09	609,702,928.41
2. Addition during the period	7,797,744.73	20,860,793.40	60,092,882.64	14,073,363.95	102,824,784.72
(1) Provision	7,797,744.73	20,860,793.40	60,092,882.64	14,073,363.95	102,824,784.72
3. Decrease during the period	9,025,194.74	28,665,399.88	86,179,995.22	4,364,510.07	128,235,099.91
(1) Transfer to fixed assets			86,179,995.22		86,179,995.22
(2) Disposal of subsidiaries and business	8,914,793.83				8,914,793.83
(3) Decrease	110,400.91	28,665,399.88		4,364,510.07	33,140,310.86
4. Closing balance	24,528,752.00	48,229,358.56	476,058,133.69	35,476,368.97	584,292,613.22
III. Impairment provisions					
1. Opening balance					
2. Addition during the period					
(1) Provision					
3. Decrease during the period					
(1) Disposal					
4. Closing balance					
IV. Carrying value					
1. Closing carrying value	171,911,131.45	34,377,503.70	590,801,571.35	26,434,085.06	823,524,291.56
2. Opening carrying value	120,845,669.70	40,695,484.72	945,528,991.03	10,246,846.06	1,117,316,991.51

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

25. Right-of-use Assets (continued)

(2) Impairment testing on right-of-use assets

☐ Applicable ☒ Not Applicable

Other explanations:

Nil

Recoverable amount is determined based on the net amount after deducting disposal costs from fair value

☐ Applicable ☒ Not Applicable

The recoverable amount is determined based on the present value of the estimated future cash flows

☐ Applicable ☒ Not Applicable

Reasons for the significant discrepancy between the foregoing information and information used in impairment testing for prior years or external information

☐ Applicable ☒ Not Applicable

Reasons for the significant discrepancy between the information used by the Company in impairment tests in prior years and the actual situations in the current year

☐ Applicable ☒ Not Applicable

Other explanations:

Nil

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

26. Intangible Assets

(1). Intangible assets

Unit: Yuan Currency: RMB

Items	Land use rights	Concession rights	Proprietary technologies	Software	Right to use sea areas	Total
I. Original carrying amount						
1. Opening balance	2,467,802,868.17	2,684,792,781.70	55,935,047.22	142,224,355.03		5,350,755,052.12
2. Addition during the period	522,252,329.29	36,364,139.03	11,843,114.54	51,211,471.63	19,809,712.90	641,480,767.39
(1) Purchase	372,207,189.35	36,364,139.03	1,495,823.92	51,195,985.46	19,809,712.90	481,072,850.66
(2) Business combinations	150,045,139.94			15,486.17		150,060,626.11
(3) Transfer from development expenses			10,347,290.62			10,347,290.62
3. Decrease during the period	60,302,370.60			2,845,698.81		63,148,069.41
(1) Disposal	55,141,286.97			2,467,821.04		57,609,108.01
(2) Disposal of subsidiaries and business	5,161,083.63			377,877.77		5,538,961.40
4. Closing balance	2,929,752,826.86	2,721,156,920.73	67,778,161.76	190,590,127.85	19,809,712.90	5,929,087,750.10
II. Accumulated amortisation						
1. Opening balance	229,800,273.40	1,469,378,306.62	7,343,219.57	82,314,659.84		1,788,836,459.43
2. Addition during the period	61,824,617.85	120,240,793.02	5,769,175.21	22,940,528.41	660,323.76	211,435,438.25
(1) Provision	61,824,617.85	120,240,793.02	5,769,175.21	22,940,528.41	660,323.76	211,435,438.25
3. Decrease during the period	3,128,948.68			542,773.49		3,671,722.17
(1) Disposal	1,562,336.38			284,848.94		1,847,185.32
(2) Disposal of subsidiaries and business	1,566,612.30			257,924.55		1,824,536.85
4. Closing balance	288,495,942.57	1,589,619,099.64	13,112,394.78	104,712,414.76	660,323.76	1,996,600,175.51
III. Impairment provisions						
1. Opening balance						
2. Addition during the period						
(1) Provision						
3. Decrease during the period						
(1) Disposal						
4. Closing balance						
IV. Carrying value						
1. Closing carrying value	2,641,256,884.29	1,131,537,821.09	54,665,766.98	85,877,713.09	19,149,389.14	3,932,487,574.59
2. Opening carrying value	2,238,002,594.77	1,215,414,475.08	48,591,827.65	59,909,695.19		3,561,918,592.69

At the end of the period, intangible assets formed through internal research and development of the Company account for 0.85% of the balance of intangible assets.

(2). Data resources recognized as intangible assets

☐ Applicable ☒ Not Applicable

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

26. Intangible Assets (continued)

(3). Land use rights without title certificates

Unit: Yuan Currency: RMB

Items	Book value	Reasons for fixed assets with pending title certificates
Land for the Hebei Yanzhao Guyuan Energy Storage Demonstration Project	83,329,106.30	Pending title certificate
Weihui Dongshuanma Wind Power Land	5,271,545.39	Pending title certificate
Land for Tongdao Phase II Wind Power Project	3,995,000.08	Pending title certificate
Land for Zhangbei Zhanhai 108MW Wind Power Project	120,667,398.67	Pending title certificate
Total	213,263,050.44	

The Management of the Group believes that the Group is entitled to lawfully and effectively occupy and use the above land, and believes that the above matters will not have any material and adverse impacts on the Group's overall financial position as at 31 December 2025.

(4). Impairment testing on intangible assets

☐ Applicable ☒ Not Applicable

Other explanations:

☐ Applicable ☒ Not Applicable

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

27. Goodwill

(1). Original carrying amount – goodwill

Unit: Yuan Currency: RMB

Name of investee or matter resulting in goodwill	Opening balance	Increase during the period	Decrease during the period	Closing balance
		Formed through business combinations	Disposal	
Shijiazhuang Jiecheng Natural Gas Trading Co., Ltd. (石家莊市捷誠天然氣貿易有限公司)	38,560,035.89			38,560,035.89
Xingtai Tianhongxiang Gas Co., Ltd. (邢臺天宏祥燃氣有限公司)(“Tianhongxiang”)	18,411,275.29			18,411,275.29
Anguo Huagang Gas Co., Ltd. (安國市華港燃氣有限公司)(“Anguo Huagang”)	14,882,681.29			14,882,681.29
Linxi County Xinneng Natural Gas Engineering Co., Ltd. (臨西縣新能天然氣工程有限公司)(“Linxi Xinneng”)	9,468,410.69			9,468,410.69
Pingshan County Huajian Gas Co., Ltd. (平山縣華建燃氣有限公司)(“Pingshan Huajian”)	5,846,078.90			5,846,078.90
Jinzhou CIC Gas Co., Ltd. (晉州市建投燃氣有限公司)(“Jinzhou Gas”)	4,857,585.19			4,857,585.19
Shijiazhuang Xin'ao Urban Gas Development Co., Ltd. (石家莊新奧城市燃氣發展有限公司)(“Xin'ao Urban Gas”)	2,910,972.51			2,910,972.51
Xinji HECIC Gas Co., Ltd. (辛集市建投燃氣有限公司)(“Xinji Gas”)	1,964,386.00			1,964,386.00
Shenzhou HECIC Gas Co., Ltd. (深州市建投燃氣有限公司)(“Shenzhou Gas”)	20,461.18			20,461.18
Xinjiang Yusheng New Energy Development Co., Ltd. (新疆宇晟新能源開發有限公司)(“Xinjiang Yusheng”)	396.80			396.80
Gaoyi County Fengcheng Natural Gas Co., Ltd. (高邑縣鳳城天然氣有限責任公司)(“Gaoyi Fengcheng”)	69,111,200.33			69,111,200.33
Chongli HECIC Huashi Wind Energy Co., Ltd. (崇禮建投華實風能有限公司)(“Chongli HECIC”)		109,515,822.08		109,515,822.08
Gaoan Jing'an New Energy Co., Ltd. (高安景安新能源有限公司)(“Gaoan Jing'an”)		76,438,957.26		76,438,957.26
Zhangbei HECIC Huashi Wind Energy Co., Ltd. (張北建投華實風能有限公司)(“Zhangbei HECIC”)		1,682,072.38		1,682,072.38
Total	166,033,484.07	187,636,851.72		353,670,335.79

(2). Provision for impairment of goodwill

Unit: Yuan Currency: RMB

Name of investee or matter resulting in goodwill	Opening balance	Increase during the period	Decrease during the period	Closing balance
		Provision	Disposal	
Pingshan County Huajian Gas Co., Ltd. (平山縣華建燃氣有限公司)(“Pingshan Huajian”)		5,846,078.90		5,846,078.90
Gaoan Jing'an New Energy Co., Ltd. (高安景安新能源有限公司)(“Gaoan Jing'an”)		76,438,957.26		76,438,957.26
Total		82,285,036.16		82,285,036.16

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

27. Goodwill (continued)

(3). Information about the asset group or the portfolio of asset groups to which goodwill belongs

Name	Composition of and basis for the asset group or portfolio to which it belongs	Operating segments and basis	Consistency with prior years or not
Jiecheng Natural Gas asset group	It consists mainly of various long-term assets of Jiecheng Natural Gas, from which the cash inflows generated are largely independent of those generated from other assets or groups of assets.	For internal management purposes, this portfolio of asset groups is categorized under the Natural Gas segment.	Yes
Tianhongxiang asset group	It consists mainly of various long-term assets of Tianhongxiang, from which cash inflows generate are largely independent of those generated by other assets or groups of assets.	For internal management purposes, this portfolio of asset groups is categorized under the Natural Gas segment.	Yes
Anguo Huagang asset group	It consists mainly of various long-term assets of Anguo Huagang, from which cash inflows generate are largely independent of those generated by other assets or groups of assets.	For internal management purposes, this portfolio of asset groups is categorized under the Natural Gas segment.	Yes
Linxi Xinneng asset group	It consists mainly of various long-term assets of Linxi Xinneng, from which cash inflows generate are largely independent of those generated by other assets or groups of assets.	For internal management purposes, this portfolio of asset groups is categorized under the Natural Gas segment.	Yes
Pingshan Huajian asset group	It consists mainly of various long-term assets of Pingshan Huajian, from which cash inflows generate are largely independent of those generated by other assets or groups of assets.	For internal management purposes, this portfolio of asset groups is categorized under the Natural Gas segment.	Yes
Jinzhou Gas asset group	It consists mainly of various long-term assets of Jinzhou Gas, from which the cash inflows generated are largely independent of those generated from other assets or groups of assets.	For internal management purposes, this portfolio of asset groups is categorized under the Natural Gas segment.	Yes
Xin'ao Gas asset group	It consists mainly of various long-term assets of Xin'ao Gas, from which the cash inflows generated are largely independent of those generated from other assets or groups of assets.	For internal management purposes, this portfolio of asset groups is categorized under the Natural Gas segment.	Yes
Xinji Gas asset group	It consists mainly of various long-term assets of Xinji Gas, from which the cash inflows generated are largely independent of those generated from other assets or groups of assets.	For internal management purposes, this portfolio of asset groups is categorized under the Natural Gas segment.	Yes
Shenzhou Gas asset group	It consists mainly of various long-term assets of Shenzhou Gas, from which the cash inflows generated are largely independent of those generated from other assets or groups of assets.	For internal management purposes, this portfolio of asset groups is categorized under the Natural Gas segment.	Yes
Gaoyi Fengcheng asset group	It consists mainly of various long-term assets of Gaoyi Fengcheng, from which cash inflows generate are largely independent of those generated by other assets or groups of assets.	For internal management purposes, this portfolio of asset groups is categorized under the Natural Gas segment.	Yes
Xinjiang Yusheng asset group	It consists mainly of various long-term assets of Xinjiang Yusheng, from which the cash inflows generated are largely independent of those generated from other assets or groups of assets.	For internal management purposes, this portfolio of asset groups is categorized under the Wind Power and Photovoltaic segments.	Yes
Chongli HECIC asset group	It consists mainly of various long-term assets of Chongli HECIC, from which cash inflows generate are largely independent of those generated by other assets or groups of assets.	For internal management purposes, this portfolio of asset groups is categorized under the Wind Power and Photovoltaic segments.	N/A
Gaoan Jing'an asset group	It consists mainly of various long-term assets of Gaoan Jing'an, from which cash inflows generate are largely independent of those generated by other assets or groups of assets.	For internal management purposes, this portfolio of asset groups is categorized under the Wind Power and Photovoltaic segments.	N/A
Zhangbei HECIC asset group	It consists mainly of various long-term assets of Zhangbei HECIC, from which cash inflows generate are largely independent of those generated by other assets or groups of assets.	For internal management purposes, this portfolio of asset groups is categorized under the Wind Power and Photovoltaic segments.	N/A

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

27. Goodwill (continued)

(3). Information about the asset group or the portfolio of asset groups to which goodwill belongs (continued)

Changes in asset group or portfolio of asset groups

☐ Applicable ☒ Not Applicable

Other explanations:

☐ Applicable ☒ Not Applicable

(4). Specific methods for determining the recoverable amount

Recoverable amount is determined based on the net amount after deducting disposal costs from fair value

☐ Applicable ☒ Not Applicable

The recoverable amount was determined based on the present value of the estimated future cash flow

Unit: Yuan Currency: RMB

Items	Book value	Recoverable amount	Impairment amount	Years in the forecast period	Pre-tax discount rate	Revenue growth rate for the forecast period	Profit margin for the forecast period	Revenue growth rate for the stabilisation period	Profit margin for the stabilisation period
Gaoyi Fengcheng asset group	251,753,660.63	254,107,346.11		2026 - 2030	10.75%	6.75%-9.47%	3.25%-5.41%	0.00%	5.41%
Chongli HECIC asset group	541,613,675.59	561,497,529.80		2026 - 2046	9.31%	0.00%	44.64%-49.79%	N/A	N/A
Gaoan Jing'an asset group	527,853,592.60	451,414,635.34		2026 - September 2044	8.51%	0.00%	30.44%-36.15%	N/A	N/A
Total	1,321,220,928.82	1,267,019,511.25		/				/	/

In 2025, in addition to the above asset groups, the Group also performed impairment tests on each of the remaining goodwill asset groups. In performing the impairment test, the present value of the estimated future cash flows of the asset group is determined on a consolidated basis taking into account the comparability of the forecast parameters of the asset group in the industry, based on the operating results of the previous years and the information on the projected results of the future years. Key parameters used for each of the goodwill asset groups include pre-tax discount rates, revenue growth rates and profit margins. The forecast period of the impairment test is five years, followed by a stable period after the five years. In addition, the Group determines the pre-tax discount rate based on the weighted average cost of capital, which is calculated to range from 9.06% to 11.36% for the asset group.

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

27. Goodwill (continued)

(4). Specific methods for determining the recoverable amount (continued)

The key assumptions made by the management when determining the cash flow forecasts for goodwill impairment tests are explained as follows:

Revenue growth rate for the forecast period — Determination basis is to increase the growth rate appropriately in light of anticipated market developments on the basis of the revenue realized in the year prior to the forecast period;

Profit margin for the forecast period — Determination basis is to increase the profit margin appropriately in light of anticipated efficiency gains and anticipated market developments on the basis of the average profit margin realized in the year prior to the forecast period;

Discount rate for the forecast period — The discount rate used is a before-tax discount rate that reflects the risks specific to the underlying asset group or portfolio of asset groups.

The information of key assumptions such as market development and the discount rate related to the impairment test are consistent with the Group's past experience and external information.

Reasons for the significant discrepancy between the foregoing information and information used in impairment testing for prior years or external information

☐ Applicable ☒ Not Applicable

Reasons for the significant discrepancy between the information used by the Company in impairment tests in prior years and the actual situations in the current year

☐ Applicable ☒ Not Applicable

(5). Performance Pledges and Corresponding Goodwill Impairment

Goodwill forms when a performance pledge exists and the reporting period or the previous period falls within the performance pledge period

☐ Applicable ☒ Not Applicable

Other explanations:

☐ Applicable ☒ Not Applicable

28. Long-term Deferred Expenses

Unit: Yuan Currency: RMB

Items	Opening balance	Addition during the period	Amortization during the period	Other decreased amount	Closing balance
Reform of operating leased fixed assets	18,038,982.01	16,546,099.81	7,535,276.59		27,049,805.23
Project road reconstruction cost	7,384,779.87		661,323.60		6,723,456.27
Booster station and shared energy storage charging station usage	96,554,551.13	1,073,929.63	20,179,725.36		77,448,755.40
Others	35,921,852.09	18,927,354.43	5,789,309.88	6,617,694.90	42,442,201.74
Total	157,900,165.10	36,547,383.87	34,165,635.43	6,617,694.90	153,664,218.64

Other explanations:

Nil

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

29. Deferred Tax Assets/Deferred Tax Liabilities

(1). Deferred income tax assets before offsetting

Unit: Yuan Currency: RMB

Items	Closing balance		Opening balance	
	Deductible temporary difference	Deferred income tax Assets	Deductible temporary difference	Deferred income tax Assets
Provision for impairment of assets/Loss on credit impairment	573,887,911.18	125,375,596.27	581,196,874.15	140,375,262.27
Unrealised profit from internal transactions				
Deductible loss	59,442,618.78	14,860,654.69	273,337,772.20	68,334,443.05
Differences in tax basis of fixed assets	124,090,453.74	26,293,173.85	135,910,263.29	29,248,126.24
Deferred income	111,464,060.39	27,769,765.09	91,794,011.79	22,852,252.94
Differences in the tax basis of lease liabilities	44,913,013.71	11,012,782.61	78,679,370.06	19,278,441.00
Differences in the tax basis of accrued liabilities	54,925,825.60	13,594,757.71	56,155,816.31	13,902,255.38
Differences in the tax basis of offsetting of internal capitalised interest and others	1,220,858,006.13	305,015,344.62	36,590,656.41	8,957,675.25
Total	2,189,581,889.53	523,922,074.84	1,253,664,764.21	302,948,456.13

(2). Deferred income tax liabilities before offsetting

Unit: Yuan Currency: RMB

Items	Closing balance		Opening balance	
	Taxable temporary differences	Deferred income tax Liabilities	Taxable temporary differences	Deferred income tax Liabilities
Asset gains from business combinations involving entities not under common control	135,956,088.85	33,989,022.21	27,303,422.73	6,825,855.68
Change in fair value of other debt investments				
Change in fair value of other equity instruments				
One-off pre-tax deduction of fixed assets	182,201,942.56	45,550,485.64	221,625,787.72	55,406,446.93
Differences in tax basis of right-of-use assets	97,470,836.42	23,277,719.08	99,690,744.72	24,082,072.77
Differences in the tax basis of concessions	31,462,232.52	7,865,558.13	36,572,744.25	9,143,186.06
Total	447,091,100.35	110,682,785.06	385,192,699.42	95,457,561.44

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

29. Deferred Tax Assets/Deferred Tax Liabilities (continued)

(3). Deferred income tax assets or liabilities presented on a net basis after offsetting

Unit: Yuan Currency: RMB

Items	Closing balance		Opening balance	
	Amount of deferred income tax assets and liabilities offset each other	Deferred income tax assets or liabilities after offsetting	Amount of deferred income tax assets and liabilities offset each other	Deferred income tax assets or liabilities after offsetting
Deferred income tax assets	18,742,699.04	505,179,375.80	27,799,464.92	275,148,991.21
Deferred income tax liabilities	18,742,699.04	91,940,086.02	27,799,464.92	67,658,096.52

(4). Details of unrecognized deferred income tax assets

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Deductible temporary difference	715,178,304.78	498,005,106.20
Deductible loss	851,832,432.92	1,047,028,771.89
Total	1,567,010,737.70	1,545,033,878.09

(5). Deductible loss of the unrecognized deferred income tax assets will be due in the following years

Unit: Yuan Currency: RMB

Year	Closing amount	Opening amount	Remarks
2025		262,602,196.08	
2026	301,929,651.63	302,560,907.23	
2027	193,276,845.39	200,851,294.99	
2028	190,210,671.67	190,309,288.93	
2029	77,958,224.93	90,705,084.66	
2030	88,457,039.30		
Total	851,832,432.92	1,047,028,771.89	/

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

29. Deferred Tax Assets/Deferred Tax Liabilities (continued)

(5). Deductible loss of the unrecognized deferred income tax assets will be due in the following years (continued)

Other explanations:

The management of the Group believes that it is probable that there may not be sufficient taxable income that can be utilised to offset the above deductible losses before their expiry.

30. Other Non-current Assets

Unit: Yuan Currency: RMB

Items	Closing balance			Opening balance		
	Carrying balance	Impairment provisions	Book value	Carrying balance	Impairment provisions	Book value
Contract obtainment cost						
Contract performance cost						
Right of return assets						
Contract assets						
VAT to be deducted	2,201,027,236.74		2,201,027,236.74	1,655,784,486.40		1,655,784,486.40
Prepayment for equipment	372,443,765.16		372,443,765.16	155,506,853.37		155,506,853.37
Prepayment for construction cost	45,366,015.83		45,366,015.83	237,190,155.08		237,190,155.08
Prepayment for others	212,574,604.33		212,574,604.33	113,807,099.71		113,807,099.71
Total	2,831,411,622.06		2,831,411,622.06	2,162,288,594.56		2,162,288,594.56

Other explanations:

Nil

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

31. Assets with Restricted Ownership or Right-of-Use

Unit: Yuan Currency: RMB

Items	Closing				Opening			
	Carrying balance	Book value	Restriction type	Restriction	Carrying balance	Book value	Restriction type	Restriction
Cash	110,671,603.89	110,671,603.89	Deposits, judicial freeze	Note 1	112,239,403.08	112,239,403.08	Deposits	Note 1
Accounts receivable	5,447,483,112.19	5,393,008,281.07	Pledged	Note 2	6,202,440,098.62	6,140,415,697.63	Pledged	Note 2
Fixed assets	378,097,272.30	210,452,936.47	Secured	Note 3	378,097,272.30	227,539,766.91	Secured	Note 3
Intangible assets	3,769,000.00	3,021,481.27	Pledged	Note 4	3,769,000.00	3,090,579.64	Secured	Note 4
Bills receivable	15,021,966.45	15,021,966.45	Discounted/endorsed	Note 5	6,192,767.46	6,192,767.46	Discounted/endorsed	Note 5
Inventory	949,330,252.62	949,330,252.62	Under supervision	Note 6	1,037,635,670.65	1,037,635,670.65	Under supervision	Note 6
Total	6,904,373,207.45	6,681,506,521.77	/	/	7,740,374,212.11	7,527,113,885.37	/	/

Other explanations:

The amount of depreciation for fixed assets used as collateral in 2025 amounted to RMB17,086,830.44 (2024: RMB17,086,830.45).

The amount of amortisation for intangible assets used as collateral in 2025 is RMB69,098.37 (2024: RMB69,098.37).

Note 1: Restricted cash primarily included land reclamation deposits, performance bond deposits, vegetation restoration deposits, judicial freeze, etc., which are subject to restrictions on use.

Note 2: As at 31 December 2025, the carrying value of corresponding accounts receivable in relation to the long-term borrowings secured by part of the right of collection of future electricity fees amounted to RMB5,393,008,281.07 (31 December 2024: RMB6,140,415,697.63).

Note 3: As at 31 December 2025, long-term bank borrowings were secured against fixed assets with carrying values of RMB210,452,936.47 (31 December 2024: RMB227,539,766.91).

Note 4: As at 31 December 2025, long-term bank borrowings were secured against intangible assets with carrying values of RMB3,021,481.27 (31 December 2024: RMB3,090,579.64).

Note 5: As at December 2025, the Group's bank acceptance bills with a carrying value of RMB15,021,966.45 (31 December 2024: RMB6,192,767.46) were discounted and used for pledged bank borrowings or endorsed to suppliers for payment of accounts payable, with the pledge period up to the maturity date of the bills.

Note 6: As at 31 December 2025, the Group's inventories with a carrying value of RMB949,330,252.62 (31 December 2024: RMB1,037,635,670.65) were restricted due to the execution of contracts.

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

32. Short-term Borrowings

(1). Classification of short-term borrowings

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Pledged borrowings (Note 1)	2,783,395.45	3,756,984.90
Secured borrowings		
Guaranteed borrowings		
Credit borrowings	3,886,497,949.84	3,934,840,360.75
Total	3,889,281,345.29	3,938,597,345.65

Explanation on classification of short-term borrowings:

Note 1: As at 31 December 2025, the Group discounted bank acceptance bills amounted to RMB2,783,395.45 (31 December 2024: RMB3,756,984.90). These bills were not derecognised by the Group since they were subject to recourse, accordingly, a pledged borrowing of RMB2,783,395.45 (31 December 2024: RMB3,756,984.90) was recognised.

As at 31 December 2025 and 31 December 2024, the Group had no overdue short-term borrowings.

(2). Short-term borrowings that are due but unpaid

☐ Applicable ☒ Not Applicable

The overdue short-term borrowings are as follows:

☐ Applicable ☒ Not Applicable

Other explanations:

☐ Applicable ☒ Not Applicable

33. Financial Liabilities for Trading

☐ Applicable ☒ Not Applicable

Other explanations:

☐ Applicable ☒ Not Applicable

34. Derivative Financial Liabilities

☐ Applicable ☒ Not Applicable

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

35. Bills Payable

(1). Bills payable presented

Unit: Yuan Currency: RMB

Class	Closing balance	Opening balance
Commercial acceptance notes		
Bank acceptance bills		3,047,841.53
Total		3,047,841.53

At the end of the period, the total bills payable that are due but unpaid amounted to RMB0. Reason for default: Nil

36. Accounts Payable

(1). Accounts payable presented

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Within 6 months	661,859,430.91	413,806,961.20
6 months to 1 year	69,836,658.53	31,276,060.11
1 to 2 years	97,193,585.11	81,788,192.84
2 to 3 years	21,811,421.14	5,622,270.02
Over 3 years	28,630,113.73	5,117,739.25
Total	879,331,209.42	537,611,223.42

(2). Significant accounts payable aged over 1 year or overdue

☐ Applicable ☒ Not Applicable

Other explanations:

☐ Applicable ☒ Not Applicable

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

37. Advances from Customers

(1). Advances from customers presented

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Advances received for the costs of entrusted construction of storage tanks	1,161,061,946.88	1,161,061,946.88
Other advances received	26,228.59	108,544.77
Total	1,161,088,175.47	1,161,170,491.65

(2). Significant advances from customers with the aging over 1 year

Unit: Yuan Currency: RMB

Items	Closing balance	Reasons for outstanding or carry-forward
Advances received for the costs of entrusted construction of storage tanks	1,161,061,946.88	Performance obligations under contracts not yet fulfilled
Total	1,161,061,946.88	/

(3). The amount of and reason for the significant change in the carrying amount during the reporting period

☐ Applicable ☒ Not Applicable

Other explanations:

☐ Applicable ☒ Not Applicable

38. Contract Liabilities

(1). Contract Liabilities

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Advances received for natural gas sales	789,146,342.71	803,579,256.85
Advances received for services during the window period	396,460,176.98	396,460,176.98
Advances received for construction of pipeline projects	301,414,865.68	284,251,324.64
Advances received for pipeline transmission fees	7,529,672.53	20,155,035.52
Other advances received	69,909,864.95	59,998,043.92
Total	1,564,460,922.85	1,564,443,837.91

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

38. Contract Liabilities (continued)

(2). Significant contract liabilities aging over 1 year

Unit: Yuan Currency: RMB

Items	Closing balance	Reasons for outstanding or carry-forward
Advances received for services during the window period	396,460,176.98	Performance obligations under contracts not yet fulfilled
Total	396,460,176.98	/

(3). The amount of and reason for the significant change in the carrying amount during the reporting period

☐ Applicable ☒ Not Applicable

Other explanations:

☐ Applicable ☒ Not Applicable

39. Employee Benefits Payable

(1). Employee benefits payable presented

Unit: Yuan Currency: RMB

Items	Opening balance	Increase during the period	Decrease during the period	Closing balance
I. Short-term benefits	69,400,194.09	845,136,307.67	845,918,033.25	68,618,468.51
II. Post-employment benefits – Defined contribution plan	287,486.61	126,527,178.02	126,704,320.13	110,344.50
III. Termination benefits		189,154.12	189,154.12	
IV. Other benefits due within one year				
Total	69,687,680.70	971,852,639.81	972,811,507.50	68,728,813.01

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

39. Employee Benefits Payable (continued)

(2). Short-term benefits presented

Unit: Yuan Currency: RMB

Items	Opening balance	Increase during the period	Decrease during the period	Closing balance
I. Wages, bonus, allowances and subsidies	43,391,257.52	614,689,527.85	612,089,701.84	45,991,083.53
II. Employee welfare	4,000.00	72,301,857.57	72,305,857.57	
III. Social insurance premiums	1,821,948.15	66,618,407.89	67,217,467.96	1,222,888.08
Including: Medical insurance premiums	1,821,161.25	61,629,960.78	62,229,334.56	1,221,787.47
Work injury compensation insurance premiums	786.90	4,785,073.40	4,784,759.69	1,100.61
Maternity insurance premiums		203,373.71	203,373.71	
IV. Housing fund	38,736.70	60,113,350.04	60,109,254.04	42,832.70
V. Union expenses and employees education expenses	24,144,251.72	25,331,869.77	28,114,457.29	21,361,664.20
VI. Short-term paid leave				
VII. Short-term profit sharing plan				
VIII. Other short-term benefits		6,081,294.55	6,081,294.55	
Total	<u>69,400,194.09</u>	<u>845,136,307.67</u>	<u>845,918,033.25</u>	<u>68,618,468.51</u>

(3). Defined contribution plan presented

Unit: Yuan Currency: RMB

Items	Opening balance	Increase during the period	Decrease during the period	Closing balance
1. Basic retirement insurance	80,584.60	79,777,930.59	79,768,569.38	89,945.81
2. Unemployment insurance premiums	2,502.52	3,453,864.84	3,453,572.32	2,795.04
3. Enterprise annuity payment	204,399.49	43,295,382.59	43,482,178.43	17,603.65
Total	<u>287,486.61</u>	<u>126,527,178.02</u>	<u>126,704,320.13</u>	<u>110,344.50</u>

Other explanations:

Employees of the Group are covered by various government-sponsored pension plans. These government agencies are responsible for the pension liability to these employees upon retirement. The Group contributes on a monthly basis to these pension plans. The contribution rate of basic pension insurance is 16% of total wages, the contribution rate of unemployment insurance is 0.5%-0.7% of total wages, and the contribution rate of enterprise annuity is 8% of total wages. The pension insurance, unemployment insurance and individual contribution to enterprise annuity are capped at three times the average social wage in the social security area, and there is no upper limit on the contribution rate of enterprise annuity for the employer. All contributions made under the government-sponsored pension plans described above are fully attributable to employees at the time of the payment and the Group is unable to forfeit any amounts contributed by it to such plans. Contributions made by the Company under the annuity fund plan that is forfeited in respect of those employees who resign from their positions prior to the full vesting of the contributions will be recorded in the public account of the annuity fund and shall not be used to offset any contributions to be made by the Company in the future. All funds in the public account will be attributed to the employees whose accounts are in normal status after the approval procedures are completed as required. Under these plans, the Group has no obligation for retirement benefit beyond the contributions made.

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

40. Taxes Payable

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Value-added tax	28,965,068.07	20,117,685.90
Consumption tax		
Business tax		
Enterprise income tax	322,049,540.45	145,867,895.51
Individual income tax	12,999,774.56	7,835,822.52
City maintenance and construction tax	1,817,241.09	2,042,774.27
Stamp duty	2,090,564.39	851,677.32
Others	2,037,557.82	2,065,067.68
Total	369,959,746.38	178,780,923.20

Other explanations:

Nil

41. Other Payables

(1). Items presented

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Interest payable		
Dividend payable	113,398,051.13	79,820,022.02
Other payables	8,088,720,854.84	5,778,540,641.47
Total	8,202,118,905.97	5,858,360,663.49

Other explanations:

☐ Applicable ☒ Not Applicable

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

41. Other Payables (continued)

(2). Interest payable

Categories presented
☐ Applicable ☒ Not Applicable

Significant interests payable overdue:
☐ Applicable ☒ Not Applicable

Other explanations:
☐ Applicable ☒ Not Applicable

(3). Dividend payable

Categories presented

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Ordinary share dividends		
Preferred share/perpetual bond dividends classified as equity instruments		
Dividends payable-minority shareholder dividends	113,398,051.13	79,820,022.02
Total	113,398,051.13	79,820,022.02

Other explanations, including important dividends payable that have not been paid for more than one year, should disclose the reason for the unpaid payment:

As at 31 December 2025, the Group did not have any significant dividends payable outstanding for over one year.

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

41. Other Payables (continued)

(4). Other payables

Other payables presented by nature of amount

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Payables for equipment	2,169,260,544.81	1,243,586,377.90
Payables for construction and materials	4,741,056,623.74	3,968,096,572.19
Others	1,178,403,686.29	566,857,691.38
Total	8,088,720,854.84	5,778,540,641.47

Significant other payables aged over 1 year or overdue☐ Applicable ☒ Not Applicable

Other explanations:

☐ Applicable ☒ Not Applicable

42. Liabilities Held for Sale

☐ Applicable ☒ Not Applicable

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

43. Non-current Liabilities Due within 1 Year

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Long-term borrowings due within 1 year	7,889,476,510.39	6,641,719,523.82
Debentures payable due within 1 year		1,882,529,473.88
Long-term payable due within one year	81,642,658.20	87,894,155.36
Lease liabilities due within one year	73,809,061.70	75,891,838.33
Others	1,200,000.00	1,200,000.00
Total	8,046,128,230.29	8,689,234,991.39

Other explanations:

Nil

44. Other Current Liabilities

Other current liabilities

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Short-term debentures payable (note)	1,404,552,602.74	501,301,917.80
Payable return payment		
Pending transfer to input VAT	79,008,369.25	81,877,563.72
Others	5,393,132.20	14,966,722.80
Total	1,488,954,104.19	598,146,204.32

Note: HECIC New Energy, a subsidiary of the Company, registered super short-term commercial papers of RMB2.0 billion with the National Association of Financial Market Institutional Investors in April 2024. Such facilities were approved for revolving use before April 2026.

HECIC New Energy issued a super short-term commercial paper of RMB500 million in November 2024 with a term of 270 days and an annual interest rate of 2.16%, which was redeemed on 15 August 2025; issued a super short-term commercial paper of RMB300 million in February 2025 with a term of 270 days and an annual interest rate of 2.12%, which was redeemed on 16 November 2025; issued a super short-term commercial paper of RMB600 million in March 2025 with a term of 270 days and an annual interest rate of 2.10%, which was redeemed on 19 December 2025; issued a super short-term commercial paper of RMB500 million in August 2025 with a term of 270 days and an annual interest rate of 1.74%, which will be redeemed on 8 May 2026; issued a super short-term commercial paper of RMB300 million in November 2025 with a term of 270 days and an annual interest rate of 1.71%, which will be redeemed on 9 August 2026; and issued a super short-term commercial paper of RMB600 million in December 2025 with a term of 270 days and an annual interest rate of 1.79%, which will be redeemed on 13 September 2026. As of 31 December 2025, the unused facility amounted to RMB600 million.

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

44. Other Current Liabilities (continued)

Other current liabilities (continued)

Change in short-term debentures payable:

Unit: Yuan Currency: RMB

Bond name	Par value	Issuance date	Term of bonds	Issuance amount	Opening balance	Issued during the current period	Accrued interest at par value	Amortisation of premium or discount	Repaid during the current period	Closing balance	Default or not
24 HECIC New Energy SCP001	100.00	2024-11-14	270 days	500,000,000.00	501,301,917.80		6,687,123.30		507,989,041.10		No
25 HECIC New Energy SCP001	100.00	2025-2-17	270 days	300,000,000.00		300,000,000.00	4,704,657.53		304,704,657.53		No
25 HECIC New Energy SCP002	100.00	2025-3-20	270 days	600,000,000.00		600,000,000.00	9,320,547.95		609,320,547.95		No
25 HECIC New Energy SCP003	100.00	2025-8-7	270 days	500,000,000.00		500,000,000.00	3,408,493.15			503,408,493.15	No
25 HECIC New Energy SCP004	100.00	2025-11-6	270 days	300,000,000.00		300,000,000.00	702,739.73			300,702,739.73	No
25 HECIC New Energy SCP005	100.00	2025-12-15	270 days	600,000,000.00		600,000,000.00	441,369.86			600,441,369.86	No
Total				2,800,000,000.00	501,301,917.80	2,300,000,000.00	25,264,931.52		1,422,014,246.58	1,404,552,602.74	/

Other explanations:

☐ Applicable ☒ Not Applicable

45. Long-term Borrowings

(1). Classification of long-term borrowings

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Pledged borrowings (Note 1)	10,435,358,865.99	11,507,817,147.21
Secured borrowings (Note 2)	58,125,005.19	66,301,841.15
Guaranteed borrowings (Note 3)	207,789,708.67	131,244,127.48
Pledged and secured borrowings (Note 1, Note 2)	79,080,440.87	85,178,365.37
Credit borrowings	32,658,307,885.97	28,371,834,136.14
Less: Long-term borrowings due within one year	-7,889,476,510.39	-6,641,719,523.82
Total	35,549,185,396.30	33,520,656,093.53

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

45. Long-term Borrowings (continued)

(1). Classification of long-term borrowings (continued)

Note 1: As at 31 December 2025 and 31 December 2024, the Group pledged its subsidiary's right to electricity tariff for long-term bank borrowings. Please refer to Note VII. 45 Note 2.

Note 2: As at 31 December 2025, the Group secured fixed assets with carrying values of RMB210,452,936.47 (31 December 2024: RMB227,539,766.91) and intangible assets with carrying values of RMB3,021,481.27 (31 December 2024: RMB3,090,579.64) for long-term bank borrowings. Please refer to Note VII. 45 Note 3 and Note 4.

Note 3: As at 31 December 2024, long-term borrowings with a carrying value of RMB27,524,368.06 of certain subsidiaries of the Group were fully and irrevocably guaranteed jointly and severally by HECIC New Energy, another subsidiary of the Group. The borrowings were fully repaid upon maturity on 12 June 2025.

As at 31December 2025, long-term borrowings with a carrying value of RMB207,789,708.67 (31 December 2024: RMB103,719,759.42) of certain subsidiaries of the Group were fully and irrevocably guaranteed jointly and severally by the Company.

As at 31 December 2025, the annual interest rates of the above-mentioned borrowings ranged from 1.20% to 3.65% (31 December 2024: 1.20% to 3.90%).

As at 31 December 2025 and 31 December 2024, the Group had no overdue long-term borrowings.

Description of classification of long-term borrowings:

Classified according to the nature of the borrowings.

Other explanations:

Certain loan agreements entered into between the Group and banks stipulate restrictive clauses requiring the fulfilment of certain financial covenants. As at 31 December 2025, the carrying value of the Group's bank borrowings that failed to meet the restrictive clauses of financial covenants was RMB1,688,879,311.28.

46. Debentures Payable

(1). Debentures payable

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Medium-term notes		1,882,529,473.88
Less: Debentures payable due within one year		-1,882,529,473.88
Total	0	0

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

46. Debentures Payable (continued)

(2). Particulars of debentures payable: (excluding other financial instruments such as preferred shares and perpetual bonds classified as financial liabilities)

Unit: Yuan Currency: RMB

Bond name	Par value (Yuan)	Coupon rate (%)	Issuance date	Term of bonds	Issuance amount	Opening balance	Issued during the current period	Accrued interest at par value	Amortisation of premium or discount	Repaid during the current period	Closing balance	Default or not
20 Suntien Green MTN001	100.00	3.86	2020-05-15	5 years	1,000,000,000.00	1,024,534,794.43		14,065,205.57		1,038,600,000.00		No
23 HECIC New Energy MTN001	100.00	3.23	2023-04-06	2 years	700,000,000.00	716,787,150.66		5,822,849.34		722,610,000.00		No
23 HECIC New Energy MTN002 (carbon neutrality bond)	100.00	3.18	2023-09-25	2 years	140,000,000.00	141,207,528.79		3,244,471.21		144,452,000.00		No
Total	/	/	/	/	1,840,000,000.00	1,882,529,473.88		23,132,526.12		1,905,662,000.00		/

(3). Description of convertible corporate bonds

☐ Applicable ☒ Not Applicable

Accounting for Conversion Rights and Basis of Judgment

☐ Applicable ☒ Not Applicable

(4). Explanation on the other financial instrument classified as financial liabilities

Basic information of other financial instruments such as preferred shares and perpetual bonds outstanding as at the end of the period

☐ Applicable ☒ Not Applicable

Table of changes in financial instruments such as preferred shares and perpetual bonds outstanding as at the end of the period

☐ Applicable ☒ Not Applicable

Description on basis of dividing other financial instruments into financial liabilities

☐ Applicable ☒ Not Applicable

Other explanations:

☐ Applicable ☒ Not Applicable

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

47. Lease Liabilities

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Lease liabilities	357,808,004.12	400,838,748.96
Less: Lease liabilities due within one year	-73,809,061.70	-75,891,838.33
Total	283,998,942.42	324,946,910.63

Other explanations:

Nil

48. Long-term Payable

Items presented

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Long-term payable	164,262,739.46	195,182,234.80
Special payables		
Total	164,262,739.46	195,182,234.80

Other explanations:

☐ Applicable ☒ Not Applicable

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

48. Long-term Payable (continued)

Long-term payable

(1). Long-term payables presented according to the nature of the payment

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Compensation for woodlands	40,948,525.23	56,207,981.67
Sale-leaseback borrowings (note)	204,956,872.43	202,778,408.49
Others		24,090,000.00
Less: Long-term payables due within one year	81,642,658.20	87,894,155.36
Total	164,262,739.46	195,182,234.80

Other explanations:

Note: For details of the terms of sale and leaseback, please refer to Note VII. 82.

Special payables

(2). Special payables presented according to the nature of the payment

☐ Applicable ☒ Not Applicable

49. Long-term Employee Benefits Payable

☐ Applicable ☒ Not Applicable

50. Accrued Liabilities

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance	Formation reasons
Pending litigation or arbitration	1,093,589.60	1,093,589.60	Note
Retirement obligation	53,832,236.00	55,062,226.73	
Total	54,925,825.60	56,155,816.33	/

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

50. Accrued Liabilities (continued)

Other explanations, including the relevant significant assumptions and estimates related to significant accrued liabilities:

Note: In April 2024, the Jingdezhen Intermediate People's Court issued a first-instance judgment on the property compensation dispute case where Fuliang Zhongling Suntien Green Energy Co., Ltd. ("Fuliang Zhongling"), a subsidiary of the Company, was the defendant and Jingdezhen Huaqiangu Nongdu Town Tourism Development Co., Ltd. ("Huaqiangu") was the plaintiff. The judgment required Fuliang Zhongling to pay compensation of RMB1,093,589.60 to Huaqiangu and dismissed other claims made by the plaintiff Huaqiangu. The Group has temporarily accrued estimated liabilities of RMB1,093,589.60 based on the first-instance judgment. On 15 May 2024, the plaintiff Huaqiangu filed an application to revoke the first-instance judgment and uphold its original claims; in July 2024, the Jingdezhen Intermediate People's Court formally accepted the plaintiff's appeal and filed the case; on 27 August 2024, the second-instance trial for this case was held; on 1 November 2024, a ruling was received from the Jiangxi Provincial High People's Court, remanding the case back to the court of first instance for retrial. Update on 18 September 2025: a court summons was received, and the hearing is scheduled for 25 September 2025. As at 31 December 2025, the final judgment for this case has not yet been issued.

51. Deferred Income

Deferred income

Unit: Yuan Currency: RMB

Items	Opening balance	Increase during the period	Decrease during the period	Closing balance	Formation reasons
Government grants	140,057,804.18	336,779,619.42	302,648,516.24	174,188,907.36	Government grants
Total	140,057,804.18	336,779,619.42	302,648,516.24	174,188,907.36	/

Other explanations:

☐Applicable ☒ Not Applicable

52. Other Non-current Liabilities

☐Applicable ☒ Not Applicable

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

53. Share Capital

Unit: Yuan Currency: RMB

	Opening balance	Increase or decrease (+, -)					Closing balance
		Issuance of new shares	Bonus shares	Transfer of capital reserve to ordinary shares	Others	Sub-total	
HECIC	2,058,841,253.00						2,058,841,253.00
Hebei International Investment Ltd		307,000,000.00				307,000,000.00	307,000,000.00
Foreign shareholders of overseas H shares	1,839,004,396.00						1,839,004,396.00
Shareholders of domestic A shares	307,847,424.00						307,847,424.00
Total shares	4,205,693,073.00	307,000,000.00				307,000,000.00	4,512,693,073.00

Other explanations:

Note: On 7 November 2025, pursuant to the resolutions passed at the second extraordinary meeting of the sixth session of the Board and the 2025 third extraordinary general meeting of the Company, and following the issuance of the "Reply on the Approval for the Non-public Issuance of H Shares by China Suntien Green Energy Corporation Limited" (Ji Jian Tou Zi Ben Zi [2025] No. 2) (《關於同意新天綠色能源股份有限公司非公開發行H股股票的批覆》(冀建投資本字[2025]2號)) by HECIC, as well as the approval thereof by The Stock Exchange of Hong Kong Limited, the Company issued 307,000,000 H Shares to specific subscribers at HK\$4.93 per share. The total proceeds raised amounted to HK\$1,513,510,000.00, equivalent to RMB1,380,275,714.70. After deducting issuance expenses, the net proceeds raised amounted to RMB1,367,698,385.13. The Company recorded RMB307,000,000.00 at par value as share capital, and the premium of RMB1,060,698,385.13 was recorded as capital reserve. The issuance was verified by Ernst & Young Hua Ming LLP, which issued a capital verification report (Report No.: An Yong Hua Ming (2025) Yan Zi No. 70015920_A01).

54. Other Equity Instruments

- (1). Basic information of other financial instruments such as preferred shares and perpetual bonds outstanding as at the end of the period

On 18 June 2025, the Company issued the First Tranche of 2025 Green Medium-term Notes with an aggregate offering amount of RMB1.5 billion. After deducting underwriting fees and other related expenses, the actual amount received was RMB1,499,550,000.00, and the issuance costs of RMB450,000.00 were charged against the capital reserve.

- (2). Table of changes in financial instruments such as preferred shares and perpetual bonds outstanding as at the end of the period

Unit: Yuan Currency: RMB

Outstanding financial instruments	Opening		Increase during the period		Decrease during the period		Closing	
	Number	Book value	Number	Book value	Number	Book value	Number	Book value
the First Tranche of 2025 Green Medium-term Notes			20,000,000.00	1,516,512,328.78			20,000,000.00	1,516,512,328.78
Total			20,000,000.00	1,516,512,328.78			20,000,000.00	1,516,512,328.78

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

54. Other Equity Instruments (continued)

(2). Table of changes in financial instruments such as preferred shares and perpetual bonds outstanding as at the end of the period (continued)

Change in other equity instruments in the period, reason for change and basis for relevant accounting treatment:

The medium-term notes have a basic term of 3 years with an initial interest rate of 2.05%. Unless a compulsory interest payment event occurs (including distribution of dividends to the Company's ordinary shareholders and reduction of registered capital), the Company has the right to defer all interest and accretions. The medium-term notes have no fixed maturity date. The Company has the option to renew for three years without limitation on the number of times of renewals. The coupon interest rate during the renewed period is determined according to the current benchmark interest rate + the initial credit spread + 300BP. The Company classifies them as other equity instruments and has accrued interest of RMB16,512,328.78 for the current interest period.

Other explanations:

☐ Applicable ☒ Not Applicable

55. Capital Reserve

Unit: Yuan Currency: RMB

Items	Opening balance	Increase during the period	Decrease during the period	Closing balance
Capital premium (share premium) (Note 1)	6,732,873,298.63	1,060,698,385.13		7,793,571,683.76
Other Capital reserve (Note 2)	20,996,469.17	4,342,423.98	450,000.00	24,888,893.15
Total	<u>6,753,869,767.80</u>	<u>1,065,040,809.11</u>	<u>450,000.00</u>	<u>7,818,460,576.91</u>

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

55. Capital Reserve (continued)

Other descriptions, including changes in the period and reason for the changes:

Note 1: On 7 November 2025, the Company issued 307,000,000 H shares with a par value of RMB1 per share to specific subscribers at an issue price of HK\$4.93 per share. The total proceeds raised amounted to HK\$1,513,510,000.00, which was equivalent to RMB1,380,275,714.70. After deducting issuance costs of RMB12,577,329.57 (excluding value-added tax) from the total proceeds raised, the actual net proceeds from this issuance of shares to specific subscribers by the Company amounted to RMB1,367,698,385.13. Based on the par value, RMB307,000,000.00 was recorded as share capital, and the premium of RMB1,060,698,385.13 was recorded as capital reserve. For details, please refer to Note VII.53.

Note 2: As at 31 December 2025, the Group's joint venture made a special reserve, resulting in an increase in capital reserve of RMB3,480,885.15.

As at 31 December 2025, the Group recognised share-based payment expenses under the equity incentive scheme, resulting in an increase in other capital reserve of RMB861,538.83. For details, please refer to Note XV. 2.

On 18 June 2025, the Company issued the First Tranche of 2025 Green Medium-term Notes, resulting in a decrease in capital reserve of RMB450,000.00. For details, please refer to Note VII. 54.

56. Treasury Stocks

Unit: Yuan Currency: RMB

Items	Opening balance	Increase during the period	Decrease during the period	Closing balance
Treasury stocks for restricted shares	73,627,543.20		1,310,904.00	72,316,639.20
Total	73,627,543.20		1,310,904.00	72,316,639.20

Other descriptions, including changes in the period and reason for the changes:

Note 1: The Company distributed cash dividends to holders of restricted shares at RMB2.10 (tax inclusive) per 10 shares. The number of restricted shares expected to be unlocked in the future is 6,242,400 shares. Accordingly, treasury shares decreased by RMB1,310,904.00. For details, please refer to Note XV.1.

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

57. Other Comprehensive Income

Unit: Yuan Currency: RMB

Items	Opening balance	Amount for the period					Closing balance
		Amount before income tax in the period	Less: amount included in other comprehensive income in previous periods and transferred to the current profit or loss	Less: Amount included in other comprehensive income in previous periods and transferred to retained earnings in the current period	Less: Income tax expenses	Attributable to the parent company after tax	Attributable to minority shareholders after tax
I. Other comprehensive income that may not be reclassified to profit or loss	3,417,535.00						3,417,535.00
Including: Change in re-measurement of defined benefit plans							
Other comprehensive income that may not be transferred to profit or loss under equity method							
Change in fair value of other equity instruments	3,417,535.00						3,417,535.00
Change in fair value of own credit risk							
II. Other comprehensive income that may be reclassified to profit or loss							
Including: Other comprehensive income that may be transferred to profit or loss under the equity method							
Change in fair value of other debt investments							
Amount included in other comprehensive income on reclassification of financial assets							
Provision for credit-impairment of other debt investments							
Cash flows hedging reserve							
Exchange differences arising from translation of foreign currency financial statements							
Total other comprehensive income	3,417,535.00						3,417,535.00

Other description, including adjustment for the effective portion of hedging profit or loss of cash flows transferred to the initial recognition amount of the hedged item:

Nil

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

58. Special Reserve

Unit: Yuan Currency: RMB

Items	Opening balance	Increase during the period	Decrease during the period	Disposal of Subsidiaries	Closing balance
Safety production fee	41,731,768.43	134,599,802.89	126,827,878.31	1,502,876.75	48,000,816.26
Total	<u>41,731,768.43</u>	<u>134,599,802.89</u>	<u>126,827,878.31</u>	<u>1,502,876.75</u>	<u>48,000,816.26</u>

Other descriptions, including changes in the period and reason for the changes:

Nil

59. Surplus Reserve

Unit: Yuan Currency: RMB

Items	Opening balance	Increase during the period	Decrease during the period	Closing balance
Statutory surplus reserve	1,223,911,097.22	138,272,276.15		1,362,183,373.37
Discretionary surplus reserve				
Reserve funds				
Enterprise expansion fund				
Others				
Total	<u>1,223,911,097.22</u>	<u>138,272,276.15</u>		<u>1,362,183,373.37</u>

Description of surplus reserve, including changes in the period and reason for the changes:

According to the provisions of the Company Law and the Articles of Association of the Company, the Company made provision for the statutory surplus reserve at 10% of its net profit. When the accumulative amount of statutory surplus reserve reaches more than 50% of the Company's registered capital, no further provision is needed.

The Company may make discretionary provision for the surplus reserve beyond the provision for the statutory surplus reserve. Subject to approval, the discretionary provision for the surplus reserve may be used to offset loss in the previous years or increase capital.

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

60. Undistributed Profits

Unit: Yuan Currency: RMB

Items	Current period	Previous period
Undistributed profits at the end of the previous period before adjustment	9,538,353,902.49	8,960,553,185.93
Total increase or decrease in undistributed profits at the beginning of the period (increase represented by "+", and decrease represented by "-")		
Undistributed profits at the beginning of the period after adjustment	9,538,353,902.49	8,960,553,185.93
Add: Net profit attributable to owners of the Parent Company in the period	1,826,333,548.28	1,672,367,020.97
Less: Extract for statutory surplus reserve	138,272,276.15	195,895,929.99
Extract for discretionary surplus reserve		
Appropriation to general risk provision		
Ordinary shares dividend payable	880,600,449.33	898,670,374.42
Dividend of ordinary shares converted to share capital		
Dividends payable to holders of other equity instruments	16,512,328.78	
Undistributed profits at the end of the period	10,329,302,396.51	9,538,353,902.49

Breakdown of the adjustments to the undistributed profits at the beginning of the period:

1. Due to retrospective adjustment under Accounting Standard for Business Enterprises and related new regulations, the undistributed profit at the beginning of the period was affected by RMB0.
2. Due to changes in accounting policies, the undistributed profit at the beginning of the period was affected by RMB0.
3. Due to the correction of major accounting errors, the undistributed profit at the beginning of the period was affected by RMB0.
4. Due to changes in the scope of consolidation arising from business combinations under common control, the undistributed profit at the beginning of the period was affected by RMB0.
5. Due to other adjustments, the undistributed profit at the beginning of the period was affected by RMB0.

According to the resolution passed by the shareholders of the Company on 27 June 2025, it was agreed that the Company declared a cash dividend of RMB2.10 per 10 shares (tax inclusive) for the year 2024, totaling RMB883,195,545.33. As at 31 December 2025, the number of restricted shares the Group expected to be non-unlockable was 12,357,600 shares, and the total amount of cash dividends distributed during the waiting period was RMB2,595,096.00.

According to the resolution passed by the shareholders of the Company on 7 June 2024, it was agreed that the Company declared a cash dividend of RMB2.14 per 10 shares (tax inclusive) for the year 2023, totaling RMB900,018,317.62. As at 31 December 2024, the number of restricted shares the Group expected to be non-unlockable was 6,298,800 shares, and the total amount of cash dividends distributed during the waiting period was RMB1,347,943.20.

The principal of the First Tranche of 2025 Green Medium-term Notes is RMB1,500,000,000.00, with an initial annual interest rate of 2.05%, and accrued interest for the current interest payment period of RMB16,512,328.78.

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

61. Operating Revenue and Operating Costs

(1). Operating revenue and operating costs

Unit: Yuan Currency: RMB

Items	Amount for the current period		Amount for the previous period	
	Revenue	Cost	Revenue	Cost
Principal operations	19,714,859,492.47	15,651,350,345.57	21,288,232,997.63	17,122,754,270.50
Other operations	115,959,644.54	60,456,191.25	83,891,495.20	45,060,483.05
Total	19,830,819,137.01	15,711,806,536.82	21,372,124,492.83	17,167,814,753.55

(2). Breakdown of operating revenues and operating costs

Unit: Yuan Currency: RMB

Contract classification	Wind and photovoltaic generation		Natural gas		Others		Total	
	Operating revenue	Operating costs	Operating revenue	Operating costs	Operating revenue	Operating costs	Operating revenue	Operating costs
By time of transfer of goods								
Transferred at a point in time	6,160,213,138.58	2,794,991,456.06	13,471,264,795.67	12,797,515,685.91	3,909,388.03	1,891,598.62	19,635,387,322.28	15,594,398,740.59
Transferred over time	67,412,713.62	62,231,843.94	123,190,310.79	53,131,140.16	4,828,790.32	2,044,812.13	195,431,814.73	117,407,796.23
Total	6,227,625,852.20	2,857,223,300.00	13,594,455,106.46	12,850,646,826.07	8,738,178.35	3,936,410.75	19,830,819,137.01	15,711,806,536.82

Other explanations:

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

61. Operating Revenue and Operating Costs (continued)

(2). Breakdown of operating revenues and operating costs (continued)

Breakdown of operating revenue in 2025

Reportable segments	Wind and photovoltaic generation	Natural gas	Others	Total
Revenue from natural gas sales		13,334,683,336.71		13,334,683,336.71
Revenue from wind/photovoltaic power generation	6,125,859,065.51			6,125,859,065.51
Revenue from connection and construction of gas pipeline network		117,328,744.88		117,328,744.88
Revenue from leasing and equipment usage services	26,980,506.44	5,861,565.91	1,663,401.88	34,505,474.23
Others	74,786,280.25	136,581,458.96	7,074,776.47	218,442,515.68
Total	6,227,625,852.20	13,594,455,106.46	8,738,178.35	19,830,819,137.01
Operating region				
Chinese Mainland	6,227,625,852.20	13,594,455,106.46	8,738,178.35	19,830,819,137.01

Breakdown of operating revenue in 2024

Reportable segments	Wind and photovoltaic generation	Natural gas	Others	Total
Revenue from natural gas sales		15,004,361,067.96		15,004,361,067.96
Revenue from wind/photovoltaic power generation	5,952,116,769.26			5,952,116,769.26
Revenue from connection and construction of gas pipeline network		155,512,727.49		155,512,727.49
Revenue from leasing and equipment usage services	14,260,863.65	3,522,570.98	1,638,777.10	19,422,211.73
Others	77,420,206.11	154,943,956.26	8,347,554.02	240,711,716.39
Total	6,043,797,839.02	15,318,340,322.69	9,986,331.12	21,372,124,492.83
Operating region				
Chinese Mainland	6,043,797,839.02	15,318,340,322.69	9,986,331.12	21,372,124,492.83

Breakdown of operating costs

Reportable segments	Wind and photovoltaic generation	Natural gas	Others	Total
Cost of natural gas sales		12,761,934,824.44		12,761,934,824.44
Cost of wind/photovoltaic power generation	2,785,283,857.89			2,785,283,857.89
Cost of connection and construction of gas pipeline network		50,368,623.12		50,368,623.12
Revenue of leasing and equipment usage services	15,812,886.98	2,762,517.04	1,105,168.44	19,680,572.46
Others	56,126,555.13	35,580,861.47	2,831,242.31	94,538,658.91
Total	2,857,223,300.00	12,850,646,826.07	3,936,410.75	15,711,806,536.82
Operating region				
Chinese Mainland	2,857,223,300.00	12,850,646,826.07	3,936,410.75	15,711,806,536.82

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

61. Operating Revenue and Operating Costs (continued)

(3). Explanation for performance of obligations under contracts

Unit: Yuan Currency: RMB

Items	Date of fulfilment	Key payment terms	The Company's commitment to transfer goods	Act as a primary responsible party or not	Refunds payable to customers	Types of quality assurance offered by the Company and related obligations
Wind/photovoltaic power generation business	Electricity is supplied to provincial grid companies where each farm is operated	The benchmark electricity price portion will be recovered within 30 days after settlement. The renewable energy subsidies will be paid in batches from the renewable energy fund by the Ministry of Finance, with no fixed collection period.	/	Yes	0.00	Nil
Natural gas sales business	Gas enters the customers' gas pipelines through grounding points	Prepayments	/	Yes	0.00	Nil
Natural gas pipeline connection and construction services	The performance obligations are fulfilled over time and as services are rendered.	Prepayments	/	Yes	0.00	guarantee based quality assurance
Total	/	/	/	/		/

Wind/photovoltaic power generation business

The performance obligations under the electricity sales contracts are fulfilled when power is supplied to the provincial power grid company where each power station is located. The benchmark electricity price portion of the contract price is recovered within 30 days after settlement. The renewable energy subsidies are paid in batches from the renewable energy fund by the Ministry of Finance, with no fixed collection period. The Group fulfills its obligations as the primary responsible party. There are no sales returns or variable consideration in contracts. No agreements regarding amounts expected to be returned to customers have been signed in the contract. There are no quality assurance and performance obligations provided to customers in the contract.

Natural gas sales business

The natural gas sales contract usually requires the receipt of advances from a customer, and performance obligations are fulfilled when the natural gas enters the customer's natural gas pipeline through the grounding point. The Group fulfills its obligations as the primary responsible party. For contracts with sales discounts and variable consideration, the Group reasonably estimates the discount rates based on historical sales data, current sales conditions, and after considering all relevant information such as customer changes and market changes. The estimated discount rate may not be equal to the actual discount rate in the future. The Group reassesses the discount rate at least at each balance sheet date and determines the accounting treatment based on the reassessed discount rate. There are no quality assurance and performance obligations provided to customers in the contract.

Natural gas pipeline connection and construction services

The Group, as the primary responsible party, fulfills its performance obligations over time and as services are provided. Service contracts have a term of one year (or shorter) or are billed as occurred, and customers are usually required to pay in advance before services are provided. There are no sales returns or variable consideration in contracts. No agreements regarding amounts expected to be returned to customers have been signed in the contract.

(4). Explanation for allocation to residual performance of obligations under contracts

☐ Applicable ☒ Not Applicable

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

61. Operating Revenue and Operating Costs (continued)

(5). Material contract changes or significant transaction price adjustments

☐ Applicable ☒ Not Applicable

Other explanations:

Performance obligations

Recognised revenue arises from:

	2025	2024
Opening carrying value of contract liabilities	944,929,809.79	1,259,005,737.71

Allocated to remaining performance obligations

Performance obligations that have been contracted for but not yet performed or not yet completed are expected to be recognised as revenue as follows:

Items	Amount for the current period	Amount for the previous period
Within 1 year	86,095,195.53	108,780,035.35
Over 1 years	123,927,476.77	139,046,249.12
Total	210,022,672.30	247,826,284.47

Trial sales attributable to ordinary activities

Gains and losses on trial sales attributable to ordinary activities were as follows:

Items	2025	2024
Operating revenue	115,079,418.30	116,981,417.39
Operating costs	19,028,538.97	5,771,594.97

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

62. Taxes and Surcharges

Unit: Yuan Currency: RMB

Items	Amount for the current period	Amount for the previous period
Consumption tax		
Business tax		
City maintenance and construction tax	18,304,436.68	22,063,535.80
Education surcharges	19,077,078.38	21,466,738.12
Resources tax		
Property tax		
Land use taxes		
Vehicle and vessel use tax		
Stamp duty	24,285,800.96	24,836,452.45
Others	30,049,914.27	21,093,040.89
Total	91,717,230.29	89,459,767.26

Other explanations:

Nil

63. Selling Expenses

Unit: Yuan Currency: RMB

Items	Amount for the current period	Amount for the previous period
Employee Benefits	3,938,531.02	4,443,873.97
Advertising and promotion fees	933,313.93	876,083.85
Others	982,073.72	715,278.11
Total	5,853,918.67	6,035,235.93

Other explanations:

Nil

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

64. Administration Expenses

Unit: Yuan Currency: RMB

Items	Amount for the current period	Amount for the previous period
Employee benefits	360,211,062.19	343,321,134.47
Depreciation and amortisation	103,533,955.88	94,083,195.47
Consulting and audit evaluation expenses	39,477,919.93	43,128,005.06
Office expenses	42,286,289.39	43,612,816.04
Vehicle, transportation and travelling expenses	21,580,481.77	21,651,486.72
Rental fees	28,964,186.12	26,764,817.00
Business entertainment fees	664,147.31	8,930,402.58
Repair expenses	104,917,078.86	45,895,303.24
Others	99,136,266.95	78,967,854.23
Total	800,771,388.40	706,355,014.81

Other explanations:

Note: In 2025, the above administrative expenses include audit fees of RMB5,600,000.00 (2024: RMB4,900,000.00).

65. R&D Expenses

Unit: Yuan Currency: RMB

Items	Amount for the current period	Amount for the previous period
Depreciation and amortisation	172,648,104.16	257,523,687.89
Labor costs	50,753,871.66	69,806,193.79
Outsourcing development fees	15,162,398.32	21,793,909.22
Others	31,419,048.23	27,484,581.00
Total	269,983,422.37	376,608,371.90

Other explanations:

Nil

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

66. Finance Costs

Unit: Yuan Currency: RMB

Items	Amount for the current period	Amount for the previous period
Interest expense	1,212,560,972.55	1,353,874,746.91
Less: Interest income	-25,796,096.19	-34,093,777.18
Less: Capitalised interest	-144,065,998.29	-114,636,132.17
Exchange gain or loss	5,061,052.24	3,883,322.27
Bank charges	6,364,673.73	6,907,710.55
Others	1,019,387.60	1,608,543.23
Total	1,055,143,991.64	1,217,544,413.61

Nil

67. Other Income

Unit: Yuan Currency: RMB

Classification by nature	Amount for the current period	Amount for the previous period
Government grants relating to daily activities	670,787,251.68	705,609,116.32
Including: Value-added tax refund	368,135,168.36	382,134,447.20
Government appropriations	285,487,910.20	284,854,522.28
Operating subsidies	13,522,690.09	36,560,030.01
Others	3,641,483.03	2,060,116.83
Provision of additional credit for input tax		3,624,492.46
Refund of personal income tax handling fee	987,202.93	1,162,848.69
Total	671,774,454.61	710,396,457.47

Other explanations:

Nil

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

68. Investment Income

Unit: Yuan Currency: RMB

Items	Amount for the current period	Amount for the previous period
Long-term equity investment income accounted for under the equity method	239,431,330.78	135,979,899.49
Investment income on disposal of long-term equity investment	5,290.49	
Investment income on disposal of subsidiaries and businesses	1,059,507.11	
Investment income of held-for-trading financial assets during the period of holding		4,463,555.80
Dividend income from investment in other equity instruments during the period of holding	14,801,787.02	13,931,074.40
Interest income from debt investments in the period of holding		
Interest income from other debt investments in the period of holding		
Investment income on disposal of held-for-trading financial assets		
Investment income on disposal of investment in other equity instruments		
Investment income on disposal of debt investments		
Investment income on disposal of other debt investments		
Gain on debt restructuring		
Gain on remeasurement of the fair value of the equity interest previously held by subsidiaries by way of step-by-step acquisition	69,511,037.02	
Others	-4,959,351.40	-6,231,521.05
Total	319,849,601.02	148,143,008.64

Other explanations:

Nil

69. Gain on Net Exposure Hedging

☐ Applicable ☒ Not applicable

70. Gain on Change in Fair Value

☐ Applicable ☒ Not applicable

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

71. Credit Impairment Losses

Unit: Yuan Currency: RMB

Items	Amount for the current period	Amount for the previous period
Loss on bad debts of bills receivable		
Loss on bad debts of accounts receivable	-1,207,784.62	3,391,489.83
Loss on bad debts of other receivables	-10,191,132.96	17,047,629.97
Impairment losses on debt investments		
Impairment losses on other debt investments		
Bad debt loss on long-term receivables		
Impairment losses related to financial guarantees		
Total	-11,398,917.58	20,439,119.80

Other explanations:

Nil

72. Asset Impairment Losses

Unit: Yuan Currency: RMB

Items	Amount for the current period	Amount for the previous period
I. Impairment losses on contract assets		
II. Inventory depreciation loss and impairment loss on contract performance cost		
III. Impairment loss on long-term equity investment		
IV. Impairment losses on investment property		
V. Impairment loss on fixed assets	386,717,616.33	292,270,463.40
VI. Impairment loss on construction material		
VII. Impairment loss on construction in progress	14,367,843.76	15,500,019.39
VIII. Impairment loss on bearer biological assets		
IX. Impairment loss on oil and gas assets		
X. Impairment losses on intangible assets		
XI. Impairment loss on goodwill	82,285,036.16	
XII. Others		
Total	483,370,496.25	307,770,482.79

Other explanations:

Nil

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

73. Gains on Disposal of Assets

Unit: Yuan Currency: RMB

Items	Amount for the current period	Amount for the previous period
Gain on disposal of fixed assets	371,727.47	612,945.97
Others	359,593.84	9,336.74
Total	731,321.31	622,282.71

Other explanations:

Nil

74. Non-operating Income

Non-operating income

Unit: Yuan Currency: RMB

Items	Amount for the current period	Amount for the previous period	Amount included in current non-recurring gain or loss
Total gains on disposal of non-current assets			
Including: Gain on disposal of fixed assets			
Gain on disposal of intangible assets			
Gain on exchange of non-monetary assets			
Income from donations			
Government grants	199,748.97	118,100.90	199,748.97
Resale income of carbon emission allowances		309,675.02	
Unpayable amounts	756,249.54	239,056.14	756,249.54
Gain on retirement of fixed assets	307,713.86	3,097,589.86	307,713.86
Net gain from penalties	119,400.00	135,036.19	119,400
Income from litigation claims	121,177,199.24	1,157.83	121,177,199.24
Income from insurance claims	117,665.40	6,208.70	117,665.40
Others	8,432,713.14	13,350,191.55	8,432,713.14
Total	131,110,690.15	17,257,016.19	131,110,690.15

Other explanations:

☐ Applicable ☒ Not applicable

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

75. Non-operating Expenses

Unit: Yuan Currency: RMB

Items	Amount for the current period	Amount for the previous period	Amount included in current non-recurring gain or loss
Total losses on disposal of non-current assets			
Including: Loss on disposal of fixed assets			
Loss on disposal of intangible assets			
Exchange loss on non-monetary assets			
External donations			
Loss on scrapping of fixed assets	1,052,481.37	2,653,813.71	1,052,481.37
Compensation, liquidated damages, fines, etc.	1,515,373.16	4,849,380.13	1,515,373.16
Other expenses	1,327,730.94	2,319,676.16	1,327,730.94
Total	3,895,585.47	9,822,870.00	3,895,585.47

Other explanations:

Nil

76. Income Tax Expenses

(1). Table of income tax expenses

Unit: Yuan Currency: RMB

Items	Amount for the current period	Amount for the previous period
Current income tax expense	767,257,242.70	519,381,115.33
Deferred income tax expense	-238,032,546.23	-73,048,642.86
Total	529,224,696.47	446,332,472.47

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

76. Income Tax Expenses (continued)

(2). Reconciliation of accounting profits and income tax

Unit: Yuan Currency: RMB

Items	Amount for the current period
Total profits	2,543,141,551.77
Income tax expense calculated at the statutory/applicable tax rates	635,785,387.94
Impact of different tax rates applied to subsidiaries	-178,823,471.87
Impact of adjustment of income tax of previous periods	13,254,388.79
Impact of non-taxable income	-63,558,279.45
Impact of non-deductible costs, expenses and losses	7,486,105.36
Impact of utilising deductible loss of deferred tax assets unrecognised in previous periods	-9,292,055.99
Impact of deductible temporary difference or deductible loss of deferred tax assets unrecognised in current period	127,647,627.72
Effect of recognition of unrecognised deductible temporary difference of deferred tax assets and others in prior years	-2,363,391.02
Income tax effect of additional deduction for research and development expenditure and additional amortisation of intangible assets	-911,615.01
Income tax expenses	529,224,696.47

Other explanations:

Note: The Group's income tax is provided for based on the estimated taxable income derived within the Chinese Mainland and the applicable tax rates. Taxes on taxable income derived from other regions are calculated at the applicable tax rates in accordance with the existing laws, interpretative notices, and practices in the jurisdictions where the Group operates.

77. Other Comprehensive Income

For details, please refer to Note VII. 57 "Other comprehensive income".

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

78. Items in the Cash Flow Statement

(1). Cash relating to operating activities

Cash received from other operating activities

Unit: Yuan Currency: RMB

Items	Amount for the current period	Amount for the previous period
Interest income	25,796,096.19	34,093,777.18
Resale income of carbon emission allowances		349,798.13
Government grants	337,970,138.40	347,024,078.94
Others	129,846,977.78	17,319,102.28
Total	493,613,212.37	398,786,756.53

Explanation on the cash received from other operating activities:

Nil

Cash paid for other operating activities

Unit: Yuan Currency: RMB

Items	Amount for the current period	Amount for the previous period
Fees paid for outsourced research	16,072,142.22	23,101,543.77
Deposits	52,897,321.72	104,773,369.44
Fees from professional institutions	41,846,595.13	45,715,685.36
Office expenses	44,823,466.75	46,229,585.00
Vehicle, transportation and travelling expenses	23,522,725.13	23,600,120.52
Rental fees	31,970,962.87	29,173,650.53
Business entertainment fees	703,996.15	9,466,226.73
Others	48,124,059.21	84,890,862.87
Total	259,961,269.18	366,951,044.22

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

78. Items in the Cash Flow Statement (continued)

(1). Cash relating to operating activities (continued)

Cash paid for other operating activities (continued)

Explanation on cash paid for other operating activities:

Nil

(2). Cash relating to investing activities

Cash received from significant investing activities

☐ Applicable ☒ Not applicable

Cash paid in connection with significant investing activities

☐ Applicable ☒ Not applicable

Cash received from other investing activities

Unit: Yuan Currency: RMB

Items	Amount for the current period	Amount for the previous period
Monetary funds with restricted use rights	21,343,237.07	44,382,137.67
Total	21,343,237.07	44,382,137.67

Explanation on the cash received from other investing activities:

Nil

Cash paid for other investing activities

Unit: Yuan Currency: RMB

Items	Amount for the current period	Amount for the previous period
Monetary funds with restricted use rights	19,775,437.88	15,927,688.67
Total	19,775,437.88	15,927,688.67

Explanation on cash paid for other investing activities:

Nil

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

78. Items in the Cash Flow Statement (continued)

(3). Cash relating to financing activities

Cash received from other financing activities

Unit: Yuan Currency: RMB

Items	Amount for the current period	Amount for the previous period
Ultra-long term government bonds	318,319,360.00	24,090,000.00
Cash received during the year from the partial disposal of subsidiaries without loss of control in prior years	89,301,857.43	38,272,224.64
Discounted bills receivable	2,783,395.45	3,756,984.90
Total	410,404,612.88	66,119,209.54

Explanation on the cash received from other financing activities:

Nil

Cash paid for other financing activities

Unit: Yuan Currency: RMB

Items	Amount for the current period	Amount for the previous period
Acquisition of non-controlling interests		7,643,376.50
Cash outflows related to leasing	120,082,610.03	482,641,355.22
Decrease in shareholders' share capital		480,000.00
Perpetual bond issuance costs	13,027,329.57	
Total	133,109,939.60	490,764,731.72

Explanation on cash paid for other financing activities:

Nil

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

78. Items in the Cash Flow Statement (continued)

(3). Cash relating to financing activities (continued)

Changes in various liabilities arising from financing activities

Unit: Yuan Currency: RMB

Items	Opening balance	Increase during the period		Decrease during the period		Closing balance
		Cash changes	Non-cash changes	Cash changes	Non-cash changes	
Dividend payable	79,820,022.02		1,133,580,544.93	1,100,002,515.82		113,398,051.13
Other current liabilities	501,301,917.80	2,300,000,000.00	25,264,931.52	1,422,014,246.58		1,404,552,602.74
Short-term borrowings	3,938,597,345.65	6,391,540,954.05	118,955,348.88	6,559,812,303.29		3,889,281,345.29
Other payables		455,319,360.00	252,377,793.71	75,241,336.68		632,455,817.03
Long-term borrowings (including long-term borrowings due within one year)	40,162,375,617.35	9,778,036,982.53	1,630,124,806.07	8,028,183,436.59	103,692,062.67	43,438,661,906.69
Long-term payable	226,868,408.49	101,500,000.00	7,103,861.99	106,425,398.05	24,090,000.00	204,956,872.43
Bonds payables (including bonds payables due within one year)	1,882,529,473.88		23,132,526.12	1,905,662,000.00		
Lease liabilities (including lease liabilities due within one year)	400,838,748.96		99,888,742.63	116,325,625.13	26,593,862.34	357,808,004.12
Total	47,192,331,534.15	19,026,397,296.58	3,290,428,555.85	19,313,666,862.14	154,375,925.01	50,041,114,599.43

(4). Explanation of cash flows presented on a net basis

☐ Applicable ☒ Not applicable

(5). Significant activities and financial effects that do not involve cash flows for the current period but may affect the Company's financial position or future cash flows

☐ Applicable ☒ Not applicable

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

79. Supplementary Information of the Cash Flow Statement

(1). Supplementary information of the cash flow statement

Unit: Yuan Currency: RMB

Supplementary Information	Amount for the period	Amount for the previous period
1. Net profit adjusted to cash flows of operating activities:		
Net profit	2,013,916,855.30	1,900,360,755.72
Add: Provision for impairment of assets	483,370,496.25	307,770,482.79
Credit impairment losses	-11,398,917.58	20,439,119.80
Depreciation of fixed assets, depletion of oil and gas assets and depreciation of bearer biological assets	2,938,467,171.81	2,754,617,959.80
Amortization of right-of-use assets	102,824,784.72	132,706,791.40
Amortization of intangible assets	193,383,869.86	178,108,122.68
Amortization of long-term deferred expenses	34,165,635.43	14,489,684.11
Losses from disposal of fixed assets, intangible assets and other long-term assets ("-" for gains)	-731,321.31	-622,282.71
Loss on scrapping of fixed assets ("-" for gains)	744,767.51	-443,776.15
Loss from changes in fair value ("-" for gains)		
Finance costs ("-" for gains)	1,073,322,922.60	1,243,407,605.01
Investment losses ("-" for gains)	-319,849,601.02	-148,143,008.64
Decrease in deferred income tax assets ("-" for increase)	-234,275,107.18	-69,218,879.52
Increase in deferred income tax liabilities ("-" for decrease)	-3,757,439.05	-3,829,763.34
Decrease in inventories ("-" for increase)	154,804,891.43	-1,154,026,211.27
Decrease in operating receivables ("-" for increase)	428,497,248.34	-1,059,997,556.61
Increase in operating payables ("-" for decrease)	435,497,697.99	-397,177,401.12
Others	7,708,246.47	2,347,193.83
Net cash flows from operating activities	7,296,692,201.57	3,720,788,835.78
2. Significant investing and financing activities that do not involve cash receipts and payment:		
Transfer of bankers' acceptance bills by endorsement received for the sale of goods and services	195,177,335.30	249,990,195.96
New right-of-use assets	99,888,742.63	93,358,923.54
Conversion of debts into capital		
Convertible corporate bonds due within one year		
Fixed assets acquired under finance leases		
3. Net changes in cash and cash equivalents:		
Closing balance of cash	4,732,703,628.03	2,944,023,399.18
Less: Opening balance of cash	2,944,023,399.18	3,279,359,226.83
Add: Closing balance of cash equivalents		
Less: Opening balance of cash equivalents		
Net increase in cash and cash equivalents	1,788,680,228.85	-335,335,827.65

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

79. Supplementary Information of the Cash Flow Statement (continued)

(2). Net cash paid for acquisition of subsidiaries during the current period

Unit: Yuan Currency: RMB

	Amount
Cash or cash equivalents paid during the current period for the business combination occurred during the current period	244,428,177.00
Less: Cash and cash equivalents held by subsidiaries on the date of acquisition	46,893,093.82
Add: Cash or cash equivalents paid during the current period for the business combination occurred during previous periods	
Net cash paid for acquisition of subsidiaries	197,535,083.18

Other explanations:

Nil

(3). Net cash received from disposal of subsidiaries during the current period

Unit: Yuan Currency: RMB

	Amount
Cash or cash equivalents received in the current period from the disposal of subsidiaries in the current period	441,054,827.79
Less: Cash and cash equivalents held by subsidiaries on the date of loss of control	10,726,531.56
Add: Cash or cash equivalents received in the current period from disposal of subsidiaries in prior periods	
Net cash received from disposal of subsidiaries	430,328,296.23

Other explanations:

Nil

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

79. Supplementary Information of the Cash Flow Statement (continued)

(4). Cash and cash equivalents composition

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
I. Cash	4,732,703,628.03	2,944,023,399.18
Including: Cash on hand		
Bank deposit that can be used for payment at any time	4,732,703,628.03	2,944,023,399.18
Other monetary fund that can be used for payment at any time		
Central bank deposits that can be used for payment		
Deposits in other banks		
Call loans to banks		
II. Cash equivalents		
Including: Bond investments due within three months		
III. Balance of cash and cash equivalents at the end of the period	4,732,703,628.03	2,944,023,399.18
Including: Restricted cash and cash equivalents used by the parent company and the subsidiaries of the Group		

(5). Items with restricted use but still presented as cash and cash equivalents

☐ Applicable ☒ Not applicable

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

79. Supplementary Information of the Cash Flow Statement (continued)

(6). Monetary funds not classified as cash and cash equivalents

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance	Rationale
Performance bond deposit	6,676,370.89		Liquidity was limited due to the purpose of the performance bond deposit
Reclamation deposit	96,863,679.35	107,729,888.66	Liquidity was limited due to the purpose of land reclamation deposit
Vegetation restoration deposit	3,474,728.19	3,314,502.26	Liquidity was limited due to the purpose of vegetation restoration deposit
Guarantee fund for migrant workers		20,387.39	Liquidity was limited due to the purpose of guarantee fund for migrant workers
Judicial freeze	3,656,825.46	1,174,624.77	The amount was frozen due to litigation, and as its liquidity was limited, it was not ready for payment at any time
Total	110,671,603.89	112,239,403.08	/

Other explanations:

☐ Applicable ☒ Not applicable

80. Notes to the Statement of Changes in Equity

Explanation for matters such as the item name of "Others" and amount adjustment for adjusting the balance at the end of the previous year:

☐ Applicable ☒ Not applicable

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

81. Monetary Item in Foreign Currency

(1). Monetary item in foreign currency

Unit: Yuan

Items	Balance of foreign currency at the end of the period	Exchange rate	Balance of RMB converted at the end of the period
Cash	-	-	-
Including: USD	6,316,569.34	7.0288	44,397,902.59
HKD	4,075,105.82	0.9032	3,680,717.08
Other receivables	-	-	-
Including: HKD	1,241,103.42	0.9032	1,120,989.43
Accounts payable	-	-	-
Including: HKD	300,521.78	0.9032	271,437.28

Other explanations:

Nil

- (2). Explanation on foreign business entity (including those that are considered important) should include disclosure of: the overseas principal place of business of the foreign business entity; the functional currency and the basis for using that currency; the reason(s) for the change of functional currency

☐ Applicable ☒ Not applicable

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

82. Leases

(1) As lessee

Variable lease payments not included in the measurement of lease liabilities

☐ Applicable ☒ Not applicable

Lease charges for short-term leases and leases of low-value assets with simplified approach

For details of simplified treatment of short-term leases and leases of low-value assets, please refer to Note V. 38.

Expenses on short-term leases and leases of low-value assets included in profit or loss accounted for under the simplified approach: 2025: RMB28,964,186.12; 2024: RMB27,980,549.91.

Basis of judgment for leaseback transactions

Sale and leaseback

	2025	2024
Relevant profit or loss arisen from leaseback transactions	7,103,861.99	4,159,969.91
Cash inflows from leaseback transactions	238,500,000.00	117,000,000.00
Cash outflows from leaseback transactions	106,425,398.05	47,835,886.34

The lease assets leased by the Group include the houses and buildings, machinery and equipment, transportation equipment and other equipment used during the course of operation. The houses and buildings are usually leased for a term of 2-25 years, machinery and equipment are usually leased for a term of 5-20 years, while the transportation equipment and other equipment are usually leased for a term of 2-5 years. A few lease contracts contain renewal option clauses. Lease contracts usually stipulate that the Group cannot sublease the lease assets.

In order to meet its capital requirements, the Group obtains loans for some of its wind turbine equipment on a sale-and-leaseback basis. The lease terms are usually 5-8 years, with contractual interest rates ranging from 2% to 5.3%, and some of the lease contracts stipulate that the interest rates will be adjusted once a year. The Group will purchase the leased equipment at a nominal price of RMB1 upon expiration of the lease period. The Group does not transfer control of the leased assets in sale and leaseback transactions with the transfer of assets, and therefore, the transfer of assets is not a sale and the transferred assets are not derecognised and the cash received should be accounted for as a financial liability.

For details on right-of-use assets, see Note VII. 25; Lease liabilities, see Note VII. 47.

Total lease-related cash outflows 147,896,588.00(Unit: Yuan Currency: RMB)

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

82. Leases (continued)

(2) As lessor

Operating leases – as lessor

Unit: Yuan Currency: RMB

Items	Rental income	Including: Revenue related to variable lease payments not included in the measurement of lease receivables
Rental income	1,663,401.88	
Total	1,663,401.88	

The Group leases out certain of its houses and buildings for a lease term of 1 to 4 years, which constitute operating leases. Some of the leases contracts contain renewal option clauses. In 2025, the income generated from houses and buildings lease amounted to RMB1,663,401.88 (2024: RMB1,638,777.10).

Pursuant to the lease contracts entered into with the lessees, the undiscounted minimum lease receivables are as follows:

	2025	2024
Within 1 year (inclusive)	1,627,697.14	356,422.50
1 to 2 years (inclusive)	742,474.29	22,032.00
2 to 3 years (inclusive)		5,508.00
Total	2,370,171.43	383,962.50

Operating leasehold houses and buildings are presented as investment properties. Please refer to Note VII. 20.

Finance lease – as lessor

☐ Applicable ☒ Not applicable

Reconciliation of undiscounted lease receivable and net investment in leases

☐ Applicable ☒ Not applicable

Undiscounted lease receivable for the next five years

☐ Applicable ☒ Not applicable

(3) Recognition of gain or loss on sale of finance lease as a producer or distributor

☐ Applicable ☒ Not applicable

Other explanations:

Nil

FINANCIAL REPORT

VII. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

83. Data Resources

☐ Applicable ☒ Not applicable

84. Others

☐ Applicable ☒ Not applicable

VIII. R&D COSTS

1. By Nature of Cost

Unit: Yuan Currency: RMB

Items	Amount for the current period	Amount for the previous period
Labor costs	54,217,916.08	75,451,895.43
Outsourcing development fees	15,209,398.32	21,793,909.22
Depreciation and amortisation	172,662,008.55	257,543,997.53
Others	35,243,427.03	35,263,586.43
Total	277,332,749.98	390,053,388.61
Of which: R&D costs as expense	269,983,422.37	376,608,371.90
R&D costs as capital	7,349,327.61	13,445,016.71

Other explanations:

Nil

VIII. R&D COSTS (continued)

2. R&D Costs Eligible for Capitalization

Unit: Yuan Currency: RMB

Items	Opening balance	Addition during the period		Decrease during the period			Closing balance
		Internal development expenditure	Others	Recognized as intangible assets	Recognized as fixed assets	Transfer to current profit	
Development of Blade Replacement Equipment for Onshore Large MW Wind Turbine Unit without Crane.	5,426,837.71	3,370,190.33					8,797,028.04
Development of Large Part Replacement Equipment for Onshore Wind Turbine Towers	10,615,755.11	3,979,137.28		10,347,290.62	4,247,601.77		
Total	16,042,592.82	7,349,327.61		10,347,290.62	4,247,601.77		8,797,028.04

Significant capitalised R&D costs

☐ Applicable ☒ Not applicable

Provision for impairment on R&D costs

☐ Applicable ☒ Not applicable

Other explanations:

Nil

3. Significant Outsourced Projects Under Research

☐ Applicable ☒ Not applicable

FINANCIAL REPORT

IX. CHANGES IN SCOPE OF CONSOLIDATION

1. Business Combinations Involving Enterprises not under Common Control

(1). Business combinations involving enterprises not under common control that occurred during the period

Unit: Yuan Currency: RMB

Name of acquiree	Time of acquisition of equity interests	Consideration for acquisition of equity interests	Percentage of equity interests acquired (%)	Method of acquisition of equity interests	Date of acquisition	Basis for determining the date of acquisition	Income of the acquiree from the date of acquisition to the end of the period	Net profit of the acquiree from the date of acquisition to the end of the period	Cash flows of the acquiree from the date of acquisition to the end of the period
Gaoan Jing'an	14 May 2025	120,190,000.00	100.00	Actual acquisition of the control over the acquiree	14 May 2025	Actual acquisition of the control over the acquiree	36,104,028.19	-3,103,458.10	-17,290,251.00
Chongli HECIC	30 November 2025	67,650,527.00	49.00	Actual acquisition of the control over the acquiree	30 November 2025	Actual acquisition of the control over the acquiree	1,471,802.00	-2,531,845.40	26,552,849.05
Zhangbei HECIC	30 November 2025	56,587,650.00	49.00	Actual acquisition of the control over the acquiree	30 November 2025	Actual acquisition of the control over the acquiree	6,428,584.05	241,321.96	-11,343,807.93

Other explanations:

Nil

IX. CHANGES IN SCOPE OF CONSOLIDATION (continued)

1. Business Combinations Involving Enterprises not under Common Control (continued)

(2). Cost of combination and goodwill

Unit: Yuan Currency: RMB

Cost of combination	Fair value	Carrying value
- Cash	244,428,177.00	244,428,177.00
- Fair value of non-cash assets		
- Fair value of debts issued or assumed		
- Fair value of equity securities issued		
- Fair value of contingent consideration		
- Fair value on the date of acquisition of equity interests held prior to the date of acquisition	133,938,342.00	133,938,342.00
- Others		
Total cost of combination	378,366,519.00	378,366,519.00
Less: share of fair value of identifiable net assets acquired		190,729,667.28
Goodwill/amount of the cost of combination which is less than the share of fair value of identifiable net assets acquired		187,636,851.72

Determination of fair value of cost of combination:

☐ Applicable ☒ Not applicable

Fulfillment of performance undertakings:

☐ Applicable ☒ Not applicable

Major reason for a huge amount of goodwill:

☐ Applicable ☒ Not applicable

Other explanations:

Nil

FINANCIAL REPORT

IX. CHANGES IN SCOPE OF CONSOLIDATION (continued)

1. Business Combinations Involving Enterprises not under Common Control (continued)

(3). Identifiable assets and liabilities of the acquiree on the date of acquisition

Unit: Yuan Currency: RMB

	Fair value at the date of acquisition	Carrying amount at the date of acquisition
Assets:	1,172,019,973.63	1,059,579,507.49
Cash	46,893,093.82	46,893,093.82
Receivables	45,351,675.52	45,351,675.52
Prepayments	605,118,687.36	625,566,727.57
Other Receivables	84,742,787.83	86,123,029.17
Inventory	1,566,908.58	1,566,908.58
Other current assets	150,060,626.11	15,791,878.42
Fixed assets	179,631,565.22	179,631,565.22
Construction in progress	58,654,629.19	58,654,629.19
Liabilities:	981,290,306.35	952,835,129.47
Short-term borrowings	30,162,708.38	30,162,708.38
Accounts payable	58,086,157.05	58,086,157.05
Employee benefits payable	484,761,333.32	484,761,333.32
Taxes payable	28,455,176.88	
Dividend payable	379,824,930.72	379,824,930.72
Net assets	190,729,667.28	106,744,378.02
Less: Minority interests		
Net assets acquired	190,729,667.28	106,744,378.02

IX. CHANGES IN SCOPE OF CONSOLIDATION (continued)

1. Business Combinations Involving Enterprises not under Common Control (continued)

(3). Identifiable assets and liabilities of the acquiree on the date of acquisition (continued)

Determination of the fair value of identifiable assets and liabilities:

Nil

Contingent liabilities of the acquiree assumed in business combination:

Nil

Other explanations:

Nil

(4). Gain or loss on fair value remeasurement of the equity interests held before the date of acquisition

Whether there was transaction achieving business combination through several transactions that acquired control during the reporting period

Unit: Yuan Currency: RMB

Name of acquiree	Acquisition time of original equity held before the acquisition date	Acquisition ratio of the original equity held before the acquisition date (%)	Acquisition cost of original equity held before the acquisition date	Acquisition method of original equity held before the acquisition date	Carrying amount of original equity held before the acquisition date on the acquisition date	Fair value of the original equity interest held before the acquisition date on the acquisition date	Gain or loss arising from the remeasurement of the original equity held at fair value before the acquisition date	Recognition method and main assumptions of the fair value of original equity held before the acquisition date on the acquisition date	Amount of other comprehensive income related to the original equity before the acquisition date transferring to investment income or retained earnings
Chongli HECIC and Zhangbei HECIC	15 September 2021	51.00	136,986,000.00	Establishment	64,427,304.98	133,938,342.00	69,511,037.02	Forecast period revenue growth rate; discount rate	

Other explanations:

Nil

FINANCIAL REPORT

IX. CHANGES IN SCOPE OF CONSOLIDATION (continued)

1. Business Combinations Involving Enterprises not under Common Control (continued)

(5). Explanation on the incapability for reasonable determination of the consideration of combination or fair value of identifiable assets and liabilities of the acquiree on the date of acquisition or at the end of the current period in which the combination occurred

☐ Applicable ☒ Not applicable

(6). Other explanations

☐ Applicable ☒ Not applicable

2. Business Combinations Involving Enterprises under Common Control

☐ Applicable ☒ Not applicable

3. Reverse Acquisition

☐ Applicable ☒ Not applicable

4. Disposal of Subsidiaries and Businesses

Whether there is a transaction or event that results in the loss of control over subsidiaries during the current period

Unit: Yuan Currency: RMB

Subsidiary name	Timing of control loss	Disposal price at the time of loss of control	Proportion of disposal at the time of loss of control (%)	Disposal method of loss of control point	Determination basis of time point of loss of control	Difference between the disposal price and the share in net assets of the subsidiary in consolidated financial statements corresponding to the investment disposed	Proportion of the residual equity on the date of losing the control right (%)	Book value of remaining equity at the consolidated financial statement level on the date of loss of control	Fair value of remaining equity at the consolidated financial statement level on the date of loss of control	Gains or losses arising from the re-measurement of residual equity at fair value	Methods to determine and major assumptions of the fair value of residual equity from the consolidated financial statements on the date of losing the control	Amount of other comprehensive income relating to the investments in the equity of original subsidiaries transferred in the profit or loss on investments or retained earnings
Chaoyang Suntien New Energy Co., Ltd.	18 July 2025	43,087,522.12	100.00	Transfer through agreement	Effective date of the articles of association	2,373,527.95						
Tailai Suntien Green Energy Co., Ltd.	11 July 2025	204,392,079.88	100.00	Transfer through agreement	Effective date of the articles of association	-1,022,746.10						
Suntien Hebei Solar Energy Development Co., Ltd.	28 July 2025	42,944,440.99	69.00	Transfer through agreement	Effective date of the articles of association	1,089,767.75						
Heijing Suntien Green Energy Co., Ltd.	10 July 2025	133,415,335.96	100.00	Transfer through agreement	Effective date of the articles of association	-252,632.87						

Other explanations:

IX. CHANGES IN SCOPE OF CONSOLIDATION (continued)

4. Disposal of Subsidiaries (continued)

The relevant financial information of each company is set out as follows:

	Disposal Date
Current assets	261,221,024.24
Non-current assets	418,875,694.08
Current liabilities	72,270,890.67
Non-current liabilities	117,036,094.16

Whether there is a step-by-step disposal of investment in a subsidiary through multiple transactions that results in the loss of control during the current period

☐ Applicable ☒ Not Applicable

Other explanations:

☐ Applicable ☒ Not Applicable

FINANCIAL REPORT

IX. CHANGES IN SCOPE OF CONSOLIDATION (continued)

5. Changes in The Scope of Consolidation Due to Other Reasons

Explanation on the changes in the scope of consolidation due to other reasons (e.g. establishment of new subsidiaries and liquidation of subsidiaries, etc.) and the related conditions:

New subsidiaries

Name of subsidiary	Principal place of operation	Registered place	Business nature	Registered capital (RMB'0,000)	Percentage of shareholding (%)	
					Direct	Indirect
Shijiazhuang Geluoli Enterprise Management Co., Ltd. (石家莊戈洛立企業管理有限責任公司)	PRC	Shijiazhuang City	Enterprise management	450.00	100.00	
HECIC Gas Safety Inspection Co., Ltd. (河北建投燃氣安全檢測有限公司)	PRC	Shijiazhuang City	Work safety inspection	3,000.00		100.00
HECIC Pumped Storage (Laiyuan) Co., Ltd. (建投抽水蓄能(涞源)有限公司)	PRC	Baoding City	Power generation business	20,000.00	51.00	49.00
Shijiazhuang Suntien Smart Energy Co., Ltd. (石家莊新天智慧能源有限公司)	PRC	Xinle City	Power generation business	100.00	100.00	
HECIC Gas Safety Technology Co., Ltd. (河北建投燃氣安全技術有限公司)	PRC	Xiong'an New Area	Research and experimental development	1,000.00		100.00
Urad Rear Banner Yuanqing Wind Energy Co., Ltd. (烏拉特後旗元氫風能有限公司)	PRC	Bayannur City	Power generation business	100.00		100.00
HECIC Energy Storage (Guyuan) Power Co., Ltd. (建投儲能(涇源)電力有限責任公司)	PRC	Zhangjiakou City	Power generation business	10,000.00		51.00
Suntien Green Energy (Pingquan) Co., Ltd. (新天綠色能源(平泉)有限公司)	PRC	Chengde City	Power generation technical services	100.00		66.00

Note: These eight companies were all newly established in 2025. As of 31 December, 2025, the Group had not yet paid the capital contributions for Urad Rear Banner Yuanqing Wind Energy Co., Ltd and Suntien Green Energy (Pingquan) Co., Ltd. (新天綠色能源(平泉)有限公司).

Deregistration of subsidiaries

Name of subsidiary	Principal place of operation	Registered place	Business nature	Registered capital (RMB'0,000)	Percentage of shareholding (%)	
					Direct	Indirect
Suntien Green Energy (Shanglin) Co., Ltd. (新天綠色能源(上林)有限公司)	PRC	Nanning City	Investment in wind power, solar energy, natural gas, and new energy projects; the development of new energy projects and related technical consultation, technical services, and technology development investment.	900.00	100.00	
Zhangye Shengyuan New Energy Co., Ltd. (張掖晟原新能源有限公司)	PRC	Zhangye City	Power generation business	100.00	100.00	
Zhangye Xinsheng New Energy Co., Ltd. (張掖新晟新能源有限公司)	PRC	Zhangye City	Power generation business	100.00		100.00

On 27 October 2025, the second extraordinary shareholders' meeting of Yu County New-energy Wind Power Co., Ltd. (蔚縣新能風力發電有限公司) considered and approved the "Resolution on Reduction of Registered Capital and Equity Change of the Company". Pursuant to the resolution, Yu County New-energy Wind Power Co., Ltd. (蔚縣新能風力發電有限公司) reduced its registered capital from RMB1,000,000 to RMB490,000. The capital reduction was made by the shareholder HECIC New Energy, which reduced its capital contribution by RMB510,000 and concurrently withdrew from the shareholders' meeting, ceasing to hold any equity interest in the Company. As of the date of the resolution, neither HECIC New Energy nor Hebei Huiya Energy Investment Management Co., Ltd. had made any actual capital contributions. As appraised by Tianwu International Real Estate and Land Assets Appraisal Group Co., Ltd. (天吳國際房地產土地資產評估集團有限公司), the net assets (total shareholders' equity) of Yu County New-energy Wind Power Co., Ltd. (蔚縣新能風力發電有限公司) had a carrying amount of RMB0 and an appraised value of RMB0.

6. Others

☐ Applicable ☒ Not Applicable

X. INTERESTS IN OTHER ENTITIES

1. Interests in Subsidiaries

(1). Composition of the Group

Unit: RMB'0,000 Currency: RMB

Subsidiary name	Principal place of operation	Registered capital	Registered place	Business nature	Shareholding percentage (%)		Method of acquisition
					Direct	Indirect	
HECIC New Energy	PRC	698,841.00	Shijiazhuang City	Wind power generation, wind farm investment and service consulting	100.00		Combinations Involving Enterprises under Common Control
Hebei Natural Gas	PRC	190,000.00	Shijiazhuang City	Sale of natural gas and appliances, as well as connection and construction of natural gas pipelines	55.00		Combinations Involving Enterprises under Common Control
Suntien Green Energy (Fengning) Co., Ltd. (新天綠色能源(豐寧)有限公司)	PRC	18,869.57	Chengde City	Wind power generation	92.00		Establishment by investment
Jianshui Suntien	PRC	33,300.00	Honghe prefecture	Wind power generation	49.00	51.00	Establishment by investment
Heilongjiang Suntien Investment Co., Ltd. (黑龍江新天投資有限公司)	PRC	27,324.00	Harbin City	Wind power generation	99.08		Establishment by investment
Suntien Green Energy (Hong Kong) Corporation Limited (新天綠色能源(香港)有限公司) ("Suntien Hong Kong")	PRC	USD9,699.67	Hong Kong, PRC	Project investment and investment management	100.00		Establishment by investment
Suntien Green Energy Investment (Beijing) Co., Ltd. (新天綠色能源投資(北京)有限公司)	PRC	6,000.00	Beijing City	Leasing and commercial service industry	100.00		Establishment by investment
Ruoqiang Suntien Green Energy Co., Ltd. (若羌新天綠色能源有限公司)	PRC	20,930.00	Ruoqiang County	Wind power generation	100.00		Establishment by investment
Xingyang Suntien Wind Energy Co., Ltd. (樂陽新天風能有限公司)	PRC	9,000.00	Xingyang City	Wind power generation	100.00		Establishment by investment
Weihui Suntien Green Energy Co., Ltd. (衛輝新天綠色能源有限公司)	PRC	8,400.00	Weihui City	Wind power generation	100.00		Establishment by investment
Junan Suntien Wind Energy Co., Ltd. (莒南新天風能有限公司)	PRC	10,300.00	Junan County	Wind power generation	100.00		Establishment by investment
Shenzhen Suntien Green Energy Investment Co., Ltd. (深圳新天綠色能源投資有限公司) ("Shenzhen Suntien")	PRC	27,000.00	Shenzhen City	Project investment and investment management	100.00		Establishment by investment
Hebei Fengning Construction and Investment New Energy Co., Ltd. (河北豐寧建設新能源有限公司)	PRC	104,732.00	Fengning County	Wind power generation	100.00		Establishment by investment
Suntien Liquefied Natural Gas Shahe Co., Ltd. (新天液化天然氣沙河有限公司)	PRC	5,000.00	Xingtai City	LNG storage, transportation and sales		100.00	Establishment by investment
Guangxi Suntien Green Energy Co., Ltd. (廣西新天綠色能源有限公司)	PRC	14,950.00	Nanning City	Wind power generation	100.00		Establishment by investment
Tongdao Suntien Green Energy Co., Ltd. (通遼新天綠色能源有限公司)	PRC	15,887.00	Tongdao Dongzu Autonomous County	Wind power generation	100.00		Establishment by investment

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X. INTERESTS IN OTHER ENTITIES (continued)

1. Interests in Subsidiaries (continued)

(1). Composition of the Group (continued)

Subsidiary name	Principal place of operation	Registered capital	Registered place	Business nature	Shareholding percentage (%)		Method of acquisition
					Direct	Indirect	
HECIC New-energy (Tangshan) Co., Ltd. (建設新能源(唐山)有限公司)	PRC	8,600.00	Tangshan City	Wind power generation	100.00		Establishment by investment
Fuliang Zhongling Suntien Green Energy Co., Ltd. (浮梁中嶺新天綠色能源有限公司)	PRC	17,430.00	Jingdezhen City	Wind power generation		100.00	Establishment by investment
Hebei New Energy Clean Energy Development Co., Ltd. (河北新天綠色清潔能源發展有限公司) (note 1)	PRC	21,000.00	Shijiazhuang City	Electricity sales and electric power transmission and distribution engineering construction	100.00		Establishment by investment
Suntien Green Energy Xuyi Co., Ltd. (新天綠色能源盱眙有限公司)	PRC	23,400.00	Huai'an City	Wind power generation		100.00	Establishment by investment
Tangshan Suntien New Energy Co., Ltd. (唐山新天新能源有限公司)	PRC	1,500.00	Tangshan City	Wind power generation		100.00	Establishment by investment
Fangchenggang Suntien Green Energy Co., Ltd. (防城港新天綠色能源有限公司)	PRC	13,130.00	Fangchenggang City	Wind power generation	100.00		Establishment by investment
Fuping Jixin Suntien Green Energy Co., Ltd. (富平冀新綠色能源有限公司)	PRC	16,580.00	Weinan City	Wind power generation	100.00		Establishment by investment
HECIC Zhangjiakou Wind Energy Co., Ltd. (河北建設張家口風能有限公司)	PRC	82,971.00	Kangbao County	Wind power generation		100.00	Establishment by investment
HECIC Zhongxing Wind Energy Co., Ltd. (河北建投中興風能有限公司)	PRC	29,200.00	Haixing County	Wind power generation		100.00	Establishment by investment
HECIC Yuzhou Wind Energy Co., Ltd. (河北建投蔚州風能有限公司)	PRC	36,400.00	Yu County	Wind power generation		55.92	Establishment by investment
Longyuan Chongli	PRC	9,500.00	Chongli District	Wind power generation		50.00	Establishment by investment
Lingqiu HECIC Hengguan Wind Energy Co., Ltd. (靈丘建設衡冠風能有限公司)	PRC	33,850.00	Lingqiu County	Wind power generation		55.00	Establishment by investment
Zhangbei Huashi	PRC	8,000.00	Zhangbei County	Wind power generation		49.00	Establishment by investment
Hebei Suntien Kechuang New Energy Technology Co., Ltd. (河北新天科技創新能源技術有限公司)	PRC	10,880.00	Xuanhua District	Provision of maintenance and operation for wind farms		100.00	Establishment by investment
HECIC Yanshan (Guyuan) Wind Power Wind Power Co., Ltd. (建投燕山(沽源)風能有限公司)	PRC	83,977.55	Guyuan County	Wind power generation		94.43	Establishment by investment
Chengde Yuyuan Wind Energy Co., Ltd. (承德御源風能有限公司)	PRC	17,000.00	Chengde City	Wind power generation		60.00	Establishment by investment
Keyouqiangqi Suntien Wind Energy Co., Ltd. (科右前旗新天風能有限公司)	PRC	21,300.00	Kerchin Right Wing Forward Banner	Wind power generation		100.00	Establishment by investment

X. INTERESTS IN OTHER ENTITIES (continued)

1. Interests in Subsidiaries (continued)

(1). Composition of the Group (continued)

Subsidiary name	Principal place of operation	Registered capital	Registered place	Business nature	Shareholding percentage (%)		Method of acquisition
					Direct	Indirect	
Laiyuan Suntain Wind Energy Co., Ltd. (涞源新天風能有限公司)	PRC	20,460.00	Laiyuan County	Wind and photovoltaic power generation		100.00	Establishment by investment
Yu County Suntain Wind Energy Co., Ltd. (蔚縣新天風能有限公司)	PRC	78,400.00	Yu County	Wind power generation		100.00	Establishment by investment
Wuchuan County Mengtian Wind Energy Co., Ltd. (武川縣蒙天風能有限公司)	PRC	15,000.00	Wuchuan County	Wind power generation		100.00	Establishment by investment
Shangyi Suntain Wind Energy Co., Ltd. (尚義新天風能有限公司)	PRC	23,213.00	Shangyi County	Wind power generation		80.00	Establishment by investment
Zhangbei Suntain Wind Energy Co., Ltd. (張北新天風能有限公司)	PRC	22,000.00	Zhangbei County	Wind power generation		100.00	Establishment by investment
Changli Suntain Wind Energy Co., Ltd. (昌黎新天風能有限公司)	PRC	23,800.00	Changli County	Wind power generation		100.00	Establishment by investment
Suntain Green Energy Weichang Co., Ltd. (新天綠色能源團場有限公司)	PRC	92,740.00	Weichang Manchu and Mongolian Autonomous County	Wind power generation		97.28	Establishment by investment
Chongli Suntain Wind Energy Co., Ltd. (崇禮新天風能有限公司)	PRC	39,920.00	Chongli County	Wind power generation		100.00	Establishment by investment
Chengde Yujing New Energy Co., Ltd. (承德御景新能源有限公司)	PRC	41,000.00	Weichang Manchu and Mongolian Autonomous County	Wind power generation		60.00	Establishment by investment
Chengde Yufeng Wind Energy Co., Ltd. (承德御楓風能有限公司)	PRC	8,300.00	Weichang Manchu and Mongolian Autonomous County	Wind power generation		60.00	Establishment by investment
Gu County HECIC Wind Energy Co., Ltd. (古縣建投風能有限公司)	PRC	560.00	Gu County	Wind power generation		100.00	Establishment by investment
HECIC Offshore Wind Power Co., Ltd. (河北建投海上風電有限公司) ("Offshore Wind")	PRC	111,111.00	Laoting County	Wind power generation	51.40		Establishment by investment
Shijiazhuang HECIC Natural Gas Co., Ltd. (石家莊建投天然氣有限公司)	PRC	5,710.00	Shijiazhuang City	Sale of natural gas and appliances, as well as connection and construction of natural gas pipelines		100.00	Establishment by investment
Zhao County Anda Gas Co., Ltd. (趙縣安達燃氣有限公司)	PRC	500.00	Zhao County	Sale of natural gas and appliances, as well as connection and construction of natural gas pipelines		100.00	Establishment by investment
Hebei Zhaodu Natural Gas Co., Ltd. (河北趙都天然氣有限責任公司)	PRC	2,000.00	Handan City	Sale of natural gas and appliances, as well as connection and construction of natural gas pipelines		52.50	Establishment by investment
Handan Langtuo Natural Gas Sale Co., Ltd. (邯鄲市郎拓天然氣銷售有限公司)	PRC	400.00	Handan City	Sale of natural gas appliances		100.00	Establishment by investment
Chengde HECIC Natural Gas Co., Ltd. (承德市建投天然氣有限責任公司)	PRC	21,000.00	Chengde City	Sale of natural gas and appliances, as well as connection and construction of natural gas pipelines		90.00	Establishment by investment
Ningjin HECIC Natural Gas Co., Ltd. (寧晉縣建投天然氣有限責任公司)	PRC	3,000.00	Ningjin County	Sale of natural gas and appliances, as well as connection and construction of natural gas pipelines		51.00	Establishment by investment

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X. INTERESTS IN OTHER ENTITIES (continued)

1. Interests in Subsidiaries (continued)

(1). Composition of the Group (continued)

Subsidiary name	Principal place of operation	Registered capital	Registered place	Business nature	Shareholding percentage (%)		Method of acquisition
					Direct	Indirect	
Shijiazhuang Huabo Nature Gas Co., Ltd. (石家莊華博燃氣有限公司)	PRC	4,500.00	Shijiazhuang City	Sale of natural gas and appliances, as well as connection and construction of natural gas pipelines		55.00	Establishment by investment
Shijiazhuang Jiran Pipeline Engineering Co., Ltd. (石家莊冀燃管道工程有限公司)	PRC	6,375.00	Shijiazhuang City	Connection and construction of natural gas pipelines		60.00	Establishment by investment
Xingtai Jiran Natural Gas Co., Ltd. (邢臺冀然天然氣有限公司)	PRC	2,000.00	Xingtai City	Sale of natural gas and appliances, as well as connection and construction of natural gas pipelines		55.00	Establishment by investment
Baoding HECIC Natural Gas Co., Ltd. (保定建設天然氣有限公司)	PRC	2,000.00	Baoding City	Sale of natural gas and appliances, as well as connection and construction of natural gas pipelines		100.00	Establishment by investment
Li County HECIC Natural Gas Co., Ltd. (蠡縣建設天然氣有限公司)	PRC	1,000.00	Li County	Connection and construction of gas pipelines		60.00	Establishment by investment
Qinghe HECIC Natural Gas Co., Ltd. (清河縣建設天然氣有限公司)	PRC	2,387.25	Qinghe County	Sale of natural gas and appliances, as well as connection and construction of natural gas pipelines		80.00	Establishment by investment
Julu County HECIC Wind Energy Co., Ltd. (巨鹿縣建設風能有限公司)	PRC	7,500.00	Julu County	Wind power generation		100.00	Establishment by investment
Caofeidian Suntain Liquefied Natural Gas Co., Ltd. (曹妃甸新天液化天然氣有限公司) ("Caofeidian Company")	PRC	400,000.00	Caofeidian	Construction of LNG receiving station and pipeline supply projects	51.00		Establishment by investment
Suntain Green Energy Lianyungang Co., Ltd. (新天綠色能源連雲港有限公司)	PRC	19,730.09	Lianyungang City	Wind power generation	75.00	25.00	Establishment by investment
HECIC Offshore Wind Power Sheyang Co., Ltd. (河北建設海上風電射陽有限公司)	PRC	2,000.00	Sheyang County	Wind power generation		60.00	Establishment by investment
Harbin Ruifeng New Energy Co., Ltd. (哈爾濱瑞風新能源有限公司)	PRC	25,080.00	Shuangcheng City	Wind power generation		80.00	Establishment by investment
Hebei Gas Co., Ltd. (河北燃氣有限公司) ("Hebei Gas")	PRC	15,500.00	Shijiazhuang City	Sale of natural gas	55.00		Establishment by investment
HECIC New-energy Supply Chain Management Co., Ltd. (河北建設新能供應鏈管理有限公司)	PRC	10,000.00	Tangshan City	Sale of natural gas	100.00		Establishment by investment
Baoding HECIC Huisheng New Energy Co., Ltd. (保定建設匯晟新能源有限公司)	PRC	462.00	Baoding City	Photovoltaic power generation		90.00	Establishment by investment
S&T International Natural Gas Trading Company Limited (新港國際天然氣貿易有限公司)	PRC	HKD2,100.00	Hong Kong, PRC	LNG purchase, import, re-export, agency purchase & sale		51.00	Establishment by investment
Suntain Green Energy (Tianjin) Co., Ltd. (新天綠色能源(天津)有限公司)	PRC	1,000.00	Tianjin City	Wind power generation	100.00		Establishment by investment

X. INTERESTS IN OTHER ENTITIES (continued)

1. Interests in Subsidiaries (continued)

(1). Composition of the Group (continued)

Subsidiary name	Principal place of operation	Registered capital	Registered place	Business nature	Shareholding percentage (%)		Method of acquisition
					Direct	Indirect	
Cangzhou Suntien Green Energy Co., Ltd. (滄州新天綠色能源有限公司)	PRC	5,000.00	Cangzhou City	Wind power generation and related project development	100.00		Establishment by investment
Liquan Jisheng Green Energy Co., Ltd. (禮泉冀盛綠色能源有限公司)	PRC	8,000.00	Xianyang City	Wind power generation	100.00		Establishment by investment
Cangzhou Suntien Botou Energy Co., Ltd. (滄州新天渤投能源有限公司)	PRC	1,000.00	Cangzhou City	Wind power generation and related project development	66.00		Establishment by investment
Suntien Offshore Wind Power (Qinhuangdao) Co., Ltd. (新天海上風電(秦皇島)有限公司)	PRC	45,000.00	Qinhuangdao City	Wind power generation	70.00	30.00	Establishment by investment
HECIC Huineng New Energy Co., Ltd. (河北建設匯能新能源有限責任公司)	PRC	28,000.00	Shijiazhuang City	Wind power generation	100.00		Establishment by investment
Julu County HECIC New-energy WindPower Co., Ltd. (巨鹿縣建設新能風力發電有限公司)	PRC	17,000.00	Xingtai City	Wind power generation	55.00	25.00	Establishment by investment
Ningjin County HECIC Xinze Wind Power Co., Ltd. (甯晉縣建設新澤風力發電有限公司)	PRC	9,080.00	Xingtai City	Power generation business	51.00		Establishment by investment
Jinzhou HECIC Wind Power Co., Ltd. (晉州市建設風力發電有限公司)	PRC	10,178.00	Shijiazhuang City	Power generation business	51.00		Establishment by investment
Zhangbei Xinze New Energy Co., Ltd. (張北新澤新能源有限公司)	PRC	14,700.00	Zhangbei County	Wind power generation		51.00	Establishment by investment
Shenzhou HECIC Wind Power Co., Ltd. (深州市建設風力發電有限公司)	PRC	9,917.00	Shenzhou City	Power generation, heat generation and supply industry		51.00	Establishment by investment
Shanghai Geluoli Technology Co., Ltd. (上海戈洛立科技有限公司)	PRC	3,000.00	Shanghai	R&D of systems related to wind farms	51.00	15.00	Establishment by investment
Suntien Green Energy Qinhuangdao Beidaihe New District Co., Ltd. (新天綠色能源秦皇島北戴河新區有限公司)	PRC	36,873.00	Qinhuangdao City	Wind power generation and gas power	70.00	30.00	Establishment by investment
Handan City Suntien Green Energy Wind Power Co., Ltd. (邯鄲市新天綠色風力發電有限公司)	PRC	11,455.00	Handan City	Wind power generation	51.00	49.00	Establishment by investment
Handan Suntien New Energy Co., Ltd. (邯鄲新天新能源有限公司)	PRC	10,225.00	Handan City	Wind power generation	70.00	30.00	Establishment by investment
Changli Construction & Investment Wind Power Co., Ltd. (昌黎建設風力發電有限公司)	PRC	2,334.00	Qinhuangdao City	Wind power generation	51.00	49.00	Establishment by investment

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X. INTERESTS IN OTHER ENTITIES (continued)

1. Interests in Subsidiaries (continued)

(1). Composition of the Group (continued)

Subsidiary name	Principal place of operation	Registered capital	Registered place	Business nature	Shareholding percentage (%)		Method of acquisition
					Direct	Indirect	
Suntien Green Energy Zhuolu Co., Ltd. (新天綠色能源涿鹿有限公司)	PRC	200.00	Zhangjiakou City	Wind power generation	100.00		Establishment by investment
Zaoqiang Xinchuneng New Energy Co., Ltd. (東強新儲新能源有限公司)	PRC	400.00	Zanhuang County	Wind power generation	100.00		Establishment by investment
Shanghai Genheyuan Technology Center (Limited Partnership) (上海互禾元科技中心(有限合伙))	PRC	450.00	Shanghai	Research and development of new energy technologies and corporate governance		57.00	Establishment by investment
Tangshan Shunhuan Energy Development Co., Ltd. (唐山順桓能源開發有限公司)	PRC	60,900.00	Tangshan City	Wind power generation		70.00	Establishment by investment
Tangshan Pinghuan Energy Development Co., Ltd. (唐山平桓能源開發有限公司)	PRC	120,900.00	Tangshan City	Wind power generation		51.00	Establishment by investment
Tangshan Hehuan Energy Development Co., Ltd. (唐山合桓能源開發有限公司)	PRC	76,500.00	Tangshan City	Wind power generation		51.00	Establishment by investment
Kangbao HECIC Funong New Energy Co., Ltd. (康保建投扶農新能源有限責任公司)	PRC	24,000.00	Zhangjiakou City	Wind power generation		51.00	Establishment by investment
Suntien Green Energy (Nanzhang) Co., Ltd. (新天綠色能源(南漳)有限公司)	PRC	1,000.00	Xiangyang City	Wind power generation	70.00	30.00	Establishment by investment
Hainan Xintaien Green Energy Co., Ltd. (海南新太恩綠色能源有限公司)	PRC	1,000.00	Hainan	Wind power generation	51.00		Establishment by investment
Suntien Smart Energy (Qinhuangdao Wuning) Co., Ltd. (新天智慧能源(秦皇島撫寧)有限公司)	PRC	43,595.00	Qinhuangdao City	Wind power generation	70.00	30.00	Establishment by investment
Suntien Green Energy (Luanping) Co., Ltd. (新天綠色能源(灤平)有限公司)	PRC	1,000.00	Luanping County	Wind power generation	66.00		Establishment by investment
Suntien Green Energy Wuji Co., Ltd. (新天綠色能源無極有限公司)	PRC	500.00	Wuji County	Wind power generation	100.00		Establishment by investment
Suntien Green Energy Gaoyi Co., Ltd. (新天綠色能源高邑有限公司)	PRC	500.00	Gaoyi County	Wind power generation	100.00		Establishment by investment
Weichang Manchu and Mongolian Autonomous County Huineng Huahong New Energy Co., Ltd. (圍場滿族蒙古族自治縣匯能華弘新能源有限公司)	PRC	100.00	Chengde City	Wind power generation	61.00		Establishment by investment

X. INTERESTS IN OTHER ENTITIES (continued)

1. Interests in Subsidiaries (continued)

(1). Composition of the Group (continued)

Subsidiary name	Principal place of operation	Registered capital	Registered place	Business nature	Shareholding percentage (%)		Method of acquisition
					Direct	Indirect	
Daming County Suntien Chuangfu Wind Power Co., Ltd. (大名縣新天創富風力發電有限公司)	PRC	100.00	Handan City	Wind power generation		65.00	Establishment by investment
HECIC Tangshan Wind Power Co., Ltd. (建投唐山風力發電有限公司)	PRC	60,432.00	Tangshan City	Wind power generation		100.00	Establishment by investment
Hexigten Banner HECIC Green Energy Co., Ltd. (克什克騰旗建投綠能新能源有限公司)	PRC	50.00	Chifeng City	Wind power generation		100.00	Establishment by investment
Suntien Zhihui Energy Technology (Xiong'an) Co., Ltd. (新天智匯能源科技(雄安)有限公司)	PRC	5,000.00	Baoding City	Technical services	100.00		Establishment by investment
HECIC (Tangshan) Clean Energy Development Co., Ltd. (建投(唐山)清潔能源開發有限公司)	PRC	13,000.00	Tangshan City	Power generation business	75.00	25.00	Establishment by investment
Suntien Weiwei Hydrogen Energy (Shijiazhuang) Technology Co., Ltd. (新天衛衛氫能(石家莊)科技有限公司)	PRC	200.00	Shijiazhuang City	Work safety inspection		51.00	Establishment by investment
Chaoyang Suntien New Energy Co., Ltd. (朝陽新天綠色能源有限公司) (Note 2)	PRC	1,000.00	Beizhen City	Wind power generation technical services		80.00	Establishment by investment
Urad Middle Banner Yuanchu Technology Co., Ltd. (烏拉特中旗元儲科技有限公司)	PRC	100.00	Bayannur City, Inner Mongolia Autonomous Region	Technical services		100.00	Establishment by investment
Sonid Left Banner Yuanchu Technology Co., Ltd. (蘇尼特左旗元儲科技有限公司)	PRC	7,000.00	Sunit Left Banner, Xilingol League, Inner Mongolia Autonomous Region	Technical services		100.00	Establishment by investment
Ulanhot Yuanchu Technology Co., Ltd. (烏蘭浩特元儲科技有限公司)	PRC	100.00	Ulanhot City, Hinggan League, Inner Mongolia Autonomous Region	Technical services		100.00	Establishment by investment
Suntien Green Energy New Energy (Chengde) Co., Ltd. (新天綠能新能源(承德)有限公司)	PRC	1,000.00	Chengde City	Power generation business		66.00	Establishment by investment
Shijiazhuang Geluoli Enterprise Management Co., Ltd. (石家莊戈洛立企業管理有限責任公司)	PRC	450.00	Shijiazhuang City	Corporate governance	100.00		New subsidiaries
HECIC Gas Safety Inspection Co., Ltd. (河北建投燃氣安全檢測有限公司)	PRC	3,000.00	Shijiazhuang City	Work safety inspection		100.00	New subsidiaries
HECIC Pumped Storage (Laiyuan) Co., Ltd. (建投抽水蓄能(涞源)有限公司)	PRC	20,000.00	Baoding City	Power generation business	51.00	49.00	New subsidiaries

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X. INTERESTS IN OTHER ENTITIES (continued)

1. Interests in Subsidiaries (continued)

(1). Composition of the Group (continued)

Subsidiary name	Principal place of operation	Registered capital	Registered place	Business nature	Shareholding percentage (%)		Method of acquisition
					Direct	Indirect	
Shijiazhuang Suntien Smart Energy Co., Ltd. (石家莊新天智慧能源有限公司)	PRC	22,600.00	Xinle City	Power generation business	100.00		New subsidiaries
HECIC Gas Safety Technology Co., Ltd. (河北建設燃氣安全技術有限公司)	PRC	1,000.00	Xiong'an New Area	Research and experimental development		100.00	New subsidiaries
Urad Rear Banner Yuanqing Wind Energy Co., Ltd. (烏拉特後旗元氫風能有限公司)	PRC	100.00	Bayannur City, Inner Mongolia Autonomous Region	Power generation business		100.00	New subsidiaries
HECIC Energy Storage (Guyuan) Electric Power Co., Ltd. (建設儲能(涪源)電力有限責任公司)	PRC	10,000.00	Zhangjiakou City	Power generation business		51.00	New subsidiaries
Suntien Green Energy (Pingquan) Co., Ltd. (新天綠色能源(平泉)有限公司)	PRC	100.00	Chengde City	Power generation technical services		66.00	New subsidiaries
Raoyang Natural Gas	PRC	1,000.00	Raoyang County	Sale of natural gas and gas appliances		60.00	Business Combinations Involving Enterprises not under Common Control
Linxi Xinneng	PRC	4,000.00	Linxi County	Sale of natural gas and gas appliances		60.00	Business Combinations Involving Enterprises not under Common Control
Anguo Huagang	PRC	2,000.00	Anguo City	Sale of natural gas and gas appliances and gas vehicles		51.00	Business Combinations Involving Enterprises not under Common Control
Pingshan Huajian	PRC	615.00	Pingshan County	Sale of natural gas and gas vehicles		100.00	Business Combinations Involving Enterprises not under Common Control
Jinzhou Gas	PRC	1,815.99	Jinzhou City	Sale of natural gas and appliances, as well as connection and construction of natural gas pipelines		100.00	Business Combinations Involving Enterprises not under Common Control
Shenzhou Gas	PRC	1,175.81	Shenzhou City	Sale of natural gas and appliances, as well as connection and construction of natural gas pipelines		100.00	Business Combinations Involving Enterprises not under Common Control
Xingtai Tianhongxiang Gas Co., Ltd. (邢台天宏祥燃氣有限公司)	PRC	1,000.00	Xingtai City	Sale of natural gas and appliances, as well as connection and construction of natural gas pipelines		67.00	Business Combinations Involving Enterprises not under Common Control
Xinji Gas	PRC	1,500.00	Xinji City	Sale of natural gas and appliances, as well as connection and construction of natural gas pipelines		100.00	Business Combinations Involving Enterprises not under Common Control
Hengshui HECIC	PRC	2,000.00	Hengshui City	Sale of natural gas and gas appliances		51.00	Business Combinations Involving Enterprises not under Common Control
International Wind Farm Development V Limited (國際風電開發五有限公司)	PRC	HKD14,499.46	Hong Kong, PRC	Investment in and construction and operation of wind farms		100.00	Business Combinations Involving Enterprises not under Common Control
Tai'an Sanglin Wind Power Generation Co., Ltd. (台安桑林風力發電有限公司)	PRC	12,644.00	Tai'an County	Wind power generation		100.00	Business Combinations Involving Enterprises not under Common Control
Jiecheng Natural Gas (捷誠天然氣)	PRC	4,000.00	Shijiazhuang City	Sale of natural gas and gas appliances		80.00	Business Combinations Involving Enterprises not under Common Control

X. INTERESTS IN OTHER ENTITIES (continued)

1. Interests in Subsidiaries (continued)

(1). Composition of the Group (continued)

Subsidiary name	Principal place of operation	Registered capital	Registered place	Business nature	Shareholding percentage (%)		Method of acquisition
					Direct	Indirect	
Shijiazhuang Xin'ao Urban Gas Development Co., Ltd. (石家莊新奧城市燃氣發展有限公司)	PRC	10,000.00	Shijiazhuang City	Sale of natural gas and gas appliances		51.00	Business Combinations Involving Enterprises not under Common Control
Xinjiang Yusheng New Energy Development Co., Ltd. (新疆宇晟新能源開發有限公司)	PRC	3,194.00	Urumqi City	Wind power wiring and construction equipment engineering	51.00		Business Combinations Involving Enterprises not under Common Control
Korla Tianhui Dongshan Wind Power Co., Ltd. (庫爾勒天匯東山風力發電有限公司)	PRC	3,192.00	Urumqi City	Wind power generation		100.00	Business Combinations Involving Enterprises not under Common Control
Gaoyi Fengcheng	PRC	10,000.00	Gaoyi County	Natural gas supply, stove sales		60.00	Business Combinations Involving Enterprises not under Common Control
Gaoan Jing'an New Energy Co., Ltd. (高安景安新能源有限公司)	PRC	11,886.00	Gaoan City	Wind power generation		100.00	Business Combinations Involving Enterprises not under Common Control
Chongli CIC	PRC	36,206.00	Chongli County	Wind power generation		100.00	Business Combinations Involving Enterprises not under Common Control
Zhangbei CIC	PRC	9,000.00	Zhangbei County	Wind power generation		100.00	Business Combinations Involving Enterprises not under Common Control
Hebei Jianrong Photovoltaic Technology Co., Ltd. (河北建融光伏科技有限公司)	PRC	5,000.00	Xingtai City	Photovoltaic technology R&D, construction, and operation; Photovoltaic power station system operation and maintenance; Solar power generation, power supply.	90.00		Combinations Involving Enterprises under Common Control

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X. INTERESTS IN OTHER ENTITIES (continued)

1. Interests in Subsidiaries (continued)

(1). Composition of the Group (continued)

Note 1: On February 2026, Suntien Hebei Power Sales Co., Ltd. (新天河北電力銷售有限公司) was renamed to Hebei New Energy Clean Energy Development Co., Ltd. (河北新天綠色清潔能源發展有限公司).

Note 2: On February 2026, Suntien Green Energy (Beizhen City) Co., Ltd. (新天綠色能源(北鎮市)有限公司) was renamed to Chaoyang Suntien New Energy Co., Ltd. (朝陽新天綠色能源有限公司).

Explanation of the difference between the proportion of shareholding in subsidiaries and the percentage of voting rights:

Nil

Judgement base of having 50% voting right but controlling the invested unit as well as having more than 50% voting right but not controlling the invested unit:

Nil

Basis of controlling significant structuring subject in the combination range:

Nil

Basis of determining whether the Company is an agent or a client:

Nil

Other explanations:

Nil

- X. INTERESTS IN OTHER ENTITIES (continued)
1. Interests in Subsidiaries (continued)
- (2). Significant non-wholly-owned subsidiaries

Unit: Yuan Currency: RMB

Name of subsidiary	Minority shareholders' shareholding Percentage	Profits and loss attributable to the minority shareholders in the current period	The dividends declared to distribute to the minority shareholders in the current period	Closing book value of minority interests
Hebei Natural Gas	45.00	62,616,538.96	45,756,446.14	1,784,030,172.66
Offshore Wind	48.60	51,301,705.81	66,241,013.00	801,501,377.91

Explanation of the difference between the proportion of minority shareholders' shareholding in subsidiaries and the percentage of voting rights:

☐ Applicable ☒ Not Applicable

Other explanations:

☐ Applicable ☒ Not Applicable

FINANCIAL REPORT

X. INTERESTS IN OTHER ENTITIES (continued)

1. Interests in Subsidiaries (continued)

(3). Main financial information for significant non-wholly-owned subsidiaries

Unit: RMB'0,000 Currency: RMB

Name of subsidiary	Closing balance						Opening balance					
	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
Hebei Natural Gas	198,284.80	1,341,952.73	1,540,237.53	533,389.55	610,396.82	1,143,786.37	163,467.88	1,308,481.94	1,471,949.82	397,411.28	681,224.91	1,078,636.19
Offshore Wind	96,753.07	554,460.71	651,213.78	148,046.89	338,248.91	486,295.80	96,375.54	352,820.04	449,195.58	44,335.16	270,135.02	314,470.18

Name of subsidiary	Amount for the current period				Amount for the previous period			
	Operating revenue	Net profit	Total comprehensive income	Cash flows from operating activities	Operating revenue	Net profit	Total comprehensive income	Cash flows from operating activities
Hebei Natural Gas	1,016,288.68	13,914.79	13,914.79	46,374.50	1,189,879.70	33,893.66	33,893.66	52,261.91
Offshore Wind	48,236.76	10,555.91	10,555.91	41,633.50	55,970.78	15,213.10	15,213.10	38,739.28

Other explanations:

Nil

(4). Significant restrictions for using the Company's assets and settling the Company's liabilities

☐ Applicable ☒ Not Applicable

(5). Financial support or other support provided to structuring subject in the range of consolidated financial statements

☐ Applicable ☒ Not Applicable

Other explanations:

☐ Applicable ☒ Not Applicable

X. INTERESTS IN OTHER ENTITIES (continued)

2. Transactions where the Share of Owners' Equity in a Subsidiary Changes but with no Change in Control over the Subsidiary

□Applicable ✓ Not Applicable

3. Equity in Joint Ventures or Associates

(1). Significant joint ventures or associates

Name of the joint venture or associate	Principal place of operation	Registered place	Business nature	Whether it is strategic to the Group's activities	Shareholding percentage (%)		Accounting treatment for investments in joint venture or associates
					Direct	Indirect	
Suntien Guohua	Handan City	Handan City	Natural gas pipeline construction	No	50.00		Equity method
Chengde Dayuan	Chengde City	Chengde City	Solar, wind power generation	No	49.00		Equity method
Harbin Qingfeng	Harbin City	Harbin City	Power generation and transmission business	No	50.00		Equity method
Xinying Energy	Tianjin City	Tianjin City	Gas operation	No	50.00		Equity method
Dongning Xinfeng	Mudanjiang City	Mudanjiang City	Power generation, heat generation and supply	No		50.00	Equity method
Chengde Shuangluan	Chengde City	Chengde City	Natural gas pipeline construction	No		41.00	Equity method
Jingtang LNG	Tangshan City	Tangshan City	Natural gas storage and production	Yes		20.00	Equity method
Hebei Weichang	Chengde City	Chengde City	Wind power generation	No		50.00	Equity method
Chengde Wind Energy	Chengde City	Chengde City	Wind power generation	No		45.00	Equity method
Jinjianjia	Cangzhou City	Cangzhou City	Storage and gasification of clean energy	No	35.00		Equity method
Fengning Pumped Storage	Chengde City	Chengde City	Pumped storage power generation	No	20.00		Equity method
Yanzhao Energy Storage	Baoding City	Baoding City	Energy storage technical services	No	30.00		Equity method
Huihai Leasing	Shenzhen City	Shenzhen City	Lease, purchase, and maintain leased property	No		30.00	Equity method
North China Natural Gas Pipeline	Tianjin City	Tianjin City	Natural gas pipeline construction, operation and transportation	No		34.00	Equity method
Hengshui Honghua	Hengshui City	Hengshui City	Construction and development management of natural gas pipelines and natural gas operation and transportation	No		30.00	Equity method
CIC Rongtan	Shijiazhuang City	Shijiazhuang City	Asset Management Services	No	23.66		Equity method
Hebei Fansheng Technology Co., Ltd. (河北飢昇科技有限公司)	Chengde City	Chengde City	Research and development of new energy technologies	No	25.00		Equity method
Huludao Liaohe Oil Field Gas Co., Ltd.	Huludao City	Huludao City	Gas transportation	No	41.00		Equity method

Explanation on the shareholding percentage in joint ventures or associates being different from the voting power percentage therein:

Nil

The basis of holding less than 20% voting powers but with significant influence, or the basis of holding 20% or more voting powers but with insignificant influence:

Nil

FINANCIAL REPORT

- X. INTERESTS IN OTHER ENTITIES (continued)
3. Equity in Joint Ventures or Associates (continued)
- (2). Main financial information of significant joint ventures
☐ Applicable ☒ Not Applicable
- (3). Main financial information for significant associates

Unit: Yuan Currency: RMB

	Balance at the end of the period/Amount for the current period	Balance at the beginning of the period/Amount for the previous period
	Jingtang LNG	Jingtang LNG
Current assets	279,470,538.37	42,898,201.17
Non-current assets	6,863,928,149.89	6,813,688,043.67
Total assets	7,143,398,688.26	6,856,586,244.84
Current liabilities	235,227,541.91	247,430,456.14
Non-current liabilities	6,115,834.64	5,623,158.95
Total liabilities	241,343,376.55	253,053,615.09
Minority interests		
Equity attributable to shareholders of the parent company	6,902,055,311.71	6,603,532,629.75
Share of net assets calculated by proportion of shareholding	1,380,411,062.34	1,320,706,525.95
Adjustment items		
– Goodwill		
– Unrealised profit from internal transactions		
– Others		
Book value of equity investment in associates	1,380,411,062.34	1,320,706,525.95
Fair value of equity investments in associates with public offer		
Operating revenue	1,819,522,748.79	2,071,218,101.48
Income tax expenses	309,745,941.25	345,052,646.87
Net profit	901,074,618.62	1,029,703,431.76
Net profit from discontinued operations		
Other comprehensive income		
Total comprehensive income	901,074,618.62	1,029,703,431.76
Dividends received from associates in the current year		240,000,000.00

Other explanations:

Nil

X. INTERESTS IN OTHER ENTITIES (continued)

3. Equity in Joint Ventures or Associates (continued)

(4). Summary on financial information for insignificant joint ventures and associates

Unit: Yuan Currency: RMB

	Balance at the end of the period/Amount for the current period	Balance at the beginning of the period/Amount for the previous period
Joint ventures:		
Total of investment book value	481,733,780.99	489,862,160.63
Total amount calculated by the following proportion of shareholding		
– Net profit	64,213,906.09	-37,456,486.65
– Other comprehensive income		
– Total comprehensive income	64,213,906.09	-37,456,486.65
Associates:		
Total of investment book value	1,821,819,248.15	1,866,837,948.52
Total amount calculated by the following proportion of shareholding		
– Net profit	-4,997,499.03	-32,504,300.22
– Other comprehensive income		
– Total comprehensive income	-4,997,499.03	-32,504,300.22

Other explanations:

Nil

(5). Explanation on the significant restrictions for joint ventures or associates to transfer funds to the Company

☐ Applicable ☒ Not Applicable

(6). Excess loss generated in joint ventures or associates

☐ Applicable ☒ Not Applicable

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X. INTERESTS IN OTHER ENTITIES (continued)

3. Equity in Joint Ventures or Associates (continued)

(7). Unrecognised commitments related to investment in joint ventures

Nature of commitment		2025	2024
Xinying Energy	Contribution commitment	35,000,000.00	35,000,000.00
Harbin Qingfeng	Contribution commitment		29,800,000.00
Total		35,000,000.00	64,800,000.00

(8). Contingent liabilities related to investment in joint ventures or associates

☐ Applicable ☒ Not Applicable

4. Significant Joint Operation

☐ Applicable ☒ Not Applicable

5. Equity of Structuring Subject out of the Range of the Consolidated Financial Statements

Information for structuring subject out of the range of the consolidated financial statements:

☐ Applicable ☒ Not Applicable

6. Others

☐ Applicable ☒ Not Applicable

XI. GOVERNMENT GRANTS

1. Government Grants Recognised as the Amount Receivable at the End of the Reporting Period

Closing balance of receivables RMB48,767,550.00 (Unit: Yuan Currency: RMB)

Reasons for not receiving the estimated amount of government grants at the estimated time points

☐ Applicable ☒ Not Applicable

2. Liabilities Related to Government Grants

Unit: Yuan Currency: RMB

Financial statement items	Opening balance	Additional grants during the period	Current amount recognised in non-operating income	Transfer to other income for the period	Other changes for the period	Closing balance	Relating to assets/ income
Deferred income	139,587,304.18	22,435,962.69		9,593,383.37		152,429,883.50	Relating to assets
Deferred income	470,500.00	314,343,656.73		293,055,132.87		21,759,023.86	Relating to income
Total	<u>140,057,804.18</u>	<u>336,779,619.42</u>		<u>302,648,516.24</u>		<u>174,188,907.36</u>	/

3. Government Grants included in the Current Profit or Loss

Unit: Yuan Currency: RMB

Type	Amount for the current period	Amount for the previous period
Government grants relating to assets		
Included in other income	9,593,383.37	7,888,059.99
Government grants relating to income		
Included in other income	661,193,868.31	697,721,056.33
Included in non-operating income	199,748.97	118,100.90
Total	<u>670,987,000.65</u>	<u>705,727,217.22</u>

Other explanations:

No government grants were refunded during the year.

XII. RISKS RELATED TO FINANCIAL INSTRUMENTS

1. Financial Instrument Risks

The main risks arising from the Group's financial instruments are credit risk, liquidity risk, and market risk. The Group's risk management policies in this regard are summarised below.

The board of directors is responsible for planning and establishing the Group's risk management framework, developing the Group's risk management policies and related guidelines and overseeing the implementation of risk management measures. The Group has developed risk management policies to identify and analyse the risks faced by the Group. These risk management policies define specific risks which cover many aspects such as market risk, credit risk and liquidity risk management. The Group evaluates the market environment and changes in the Group's operations to determine whether or not to update the risk management policies and systems on a regular basis. The risk management of the Group is carried out by the Risk Management Committee in accordance with the policy approved by the Board. The Risk Management Committee adopted the Work closely with other business units to identify, evaluate and evade risks. The Group's internal audit department controls the risk management system and procedures for periodic review, and the audit results are reported to the Group's audit committee.

The Group uses appropriate diversification and portfolio to diversify the risk of financial instruments and reduce the risk of focusing on any single industry, specific region or specific counterparty by developing appropriate risk management policies.

(1) Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, balances of trade receivables are monitored on an ongoing basis and the Group's exposure to bad debts is not significant. For transactions that are not settled in the functional currency of the relevant operating unit, the Group does not offer credit terms without the specific approval of the Department of Credit Control in the Group.

Since the Group trades with creditworthy and high credit rating banks, the related credit risk of cash and bank acceptance bills receivable is rather low.

The Group's other financial assets include accounts receivable, receivables financing, other receivables and long-term receivables. The credit risk of these financial assets arises from counterparty default, and the maximum risk exposure equals the carrying amount of these instruments.

The Group is also exposed to credit risk as a result of the provision of financial guarantees, as disclosed in Note XII. 1.

Since the Group trades only with recognised and creditworthy third parties, there is no requirement for collateral. Concentrations of credit risk are managed according to customers/counter-parties, geographic areas and industries. The major customers of the Group are companies with reliable and good reputation; therefore, the Group believes that these customers do not have significant credit risks. As at 31 December 2025, the Group had specific concentrations of credit risk. 83.58% (31 December 2024: 80.16%) and 94.38% (31 December 2024: 93.09%) of the Group's accounts receivable were due from the largest customer and the top three customers (including all entities known to be controlled by that customer), respectively. The Group is committed to expanding its customer base by continuously expanding its business network in other cities in China, attracting new customers, and diversifying the customer base, and it is expected to reduce its dependence on existing customers in the future.

Criteria for judging significant increases in credit risk

The Group assesses whether or not the credit risk of the relevant financial instruments has increased significantly since the initial recognition at each balance sheet date. The Group's primary criteria for identifying a significant increase in credit risk include the number of overdue days exceeding 30 days, or significant changes in one or more of the following indicators: significant adverse changes in the debtor's operating environment, internal or external credit ratings, and actual or expected operating results.

XII. RISKS RELATED TO FINANCIAL INSTRUMENTS (continued)

1. Financial Instrument Risks (continued)

(1) Credit risk (continued)

Definition of credit-impaired financial assets

The Group's main criterion for recognising a credit impairment is when the number of days past due exceeds 90 days. However, under certain circumstances, the Group may also recognise a credit impairment if internal or external information suggests that full recovery of the contractual amount may not be possible without taking into account any credit enhancements held.

Credit impairment of financial assets might be caused by the combined action of multiple events, and not necessarily by separately identifiable events.

Credit risk exposure

As at 31 December 2025 and 31 December 2024, the credit risk exposure of accounts receivable, receivables financing, bills receivable, other receivables and long-term receivables based on the internal credit risk grading is as follows:

2025

	Book balance (unsecured)	
	Expected credit losses over the next 12 months	Lifetime expected credit losses
Accounts receivable		6,765,954,712.93
Receivable financing		333,977,575.22
Bills receivable		23,621,966.45
Other receivables	325,025,758.44	
Long-term receivables due within one year		
Total	325,025,758.44	7,123,554,254.60

2024

	Book balance (unsecured)	
	Expected credit losses over the next 12 months	Lifetime expected credit losses
Accounts receivable		7,636,328,613.75
Receivable financing		355,146,814.44
Bills receivable		7,270,567.46
Other receivables	349,813,369.60	
Long-term receivables due within one year	1,736,578.83	
Total	351,549,948.43	7,998,745,995.65

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XII. RISKS RELATED TO FINANCIAL INSTRUMENTS (continued)

1. Financial Instrument Risks (continued)

(2) Liquidity risk

The Group aims to achieve a balance between the continuity of funding and flexibility by utilising a range of financing instruments.

The following table summarises the maturity analysis of financial liabilities based on undiscounted contractual cash flows:

2025	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Short-term borrowings	3,936,184,483.12				3,936,184,483.12
Bills payable					
Accounts payable	879,331,209.42				879,331,209.42
Other payables	8,202,118,905.97				8,202,118,905.97
Other current liabilities	1,423,791,263.91				1,423,791,263.91
Non-current liabilities due within one year	9,047,549,634.22				9,047,549,634.22
Long-term borrowings		6,308,447,818.10	12,409,554,677.02	23,945,690,625.11	42,663,693,120.23
Lease liabilities		61,940,645.78	126,144,771.60	252,349,038.21	440,434,455.59
Long-term payable		60,210,137.27	107,945,493.34		168,155,630.61
Total	23,488,975,496.64	6,430,598,601.15	12,643,644,941.96	24,198,039,663.32	66,761,258,703.07

2024	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Short-term borrowings	3,998,901,624.28				3,998,901,624.28
Bills payable	3,047,841.53				3,047,841.53
Accounts payable	537,611,223.42				537,611,223.42
Other payables	5,858,360,663.49				5,858,360,663.49
Other current liabilities	523,048,640.60				523,048,640.60
Non-current liabilities due within one year	9,832,233,588.61				9,832,233,588.61
Long-term borrowings		6,606,954,902.12	14,132,047,947.73	24,189,229,541.63	44,928,232,391.48
Lease liabilities		69,917,217.11	139,559,964.71	257,364,987.89	466,842,169.71
Long-term payable		109,900,641.51	71,459,052.95	24,090,000.00	205,449,694.46
Total	20,753,203,581.93	6,786,772,760.74	14,343,066,965.39	24,470,684,529.52	66,353,727,837.58

XII. RISKS RELATED TO FINANCIAL INSTRUMENTS (continued)

1. Financial Instrument Risks (continued)

(3) Market risk

Interest rate risk

The risk of changes in market interest rates faced by the Group is mainly related to the Group's long-term liabilities with floating interest rates. The Group manages interest rate risk by closely monitoring interest rate fluctuations and regularly reviewing its borrowings.

The table below is a sensitivity analysis of interest rate risk, which reflects the impact on net profit or loss (through the impact on floating-rate borrowings) and other comprehensive income after tax, when there are reasonable and potential changes in interest rates, under the presumption that all other variables remain unchanged.

2025	Increase/(decrease) in basis point	Increase/(decrease) in net profit or loss	Increase/(decrease) in total shareholders' equity
RMB	100.00	325,533,089.30	325,533,089.30

2024	Increase/(decrease) in basis point	Increase/(decrease) in net profit or loss	Increase/(decrease) in total shareholders' equity
RMB	100.00	300,908,442.13	300,908,442.13

Exchange rate risk

The Group is exposed to transactional exchange rate risk. This type of risk arises from sales or purchases made by an operating unit in a currency other than its reporting currency.

The table below is a sensitivity analysis of exchange rate risk, which reflects the impact on net profit or loss after tax, when there are reasonable and potential changes in USD and HKD exchange rates, under the presumption that all other variables remain unchanged.

2025	Increase/(decrease) in exchange rates (%)	Increase/(decrease) in net profit or loss	Increase/(decrease) in total shareholders' equity
Depreciation of RMB against USD	5.00	1,664,921.35	1,664,921.35
Appreciation of RMB against USD	-5.00	-1,664,921.35	-1,664,921.35
Depreciation of RMB against HKD	5.00	171,981.25	171,981.25
Appreciation of RMB against HKD	-5.00	-171,981.25	-171,981.25

2024	Increase/(decrease) in exchange rates (%)	Increase/(decrease) in net profit or loss	Increase/(decrease) in total shareholders' equity
Depreciation of RMB against USD	5.00	1,620,121.72	1,620,121.72
Appreciation of RMB against USD	-5.00	-1,620,121.72	-1,620,121.72
Depreciation of RMB against HKD	5.00	200,083.79	200,083.79
Appreciation of RMB against HKD	-5.00	-200,083.79	-200,083.79

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XII. RISKS RELATED TO FINANCIAL INSTRUMENTS (continued)

2. Capital management

The primary objective of the Group's capital management is to ensure the Group's ability to continue operations and to maintain healthy capital ratios to support business development and maximize shareholder value.

The Group manages and adjusts its capital structure in accordance with changes in the economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the dividends paid to shareholders, return capital to shareholders, or issue new shares. The Group is not subject to external mandatory capital requirements. In 2025 and 2024, there was no change in capital management objectives, policies or procedures.

The Group manages its capital with the gearing ratio, which refers to net liabilities divided by the sum of capital and net liabilities. Net liabilities include all borrowings, accounts payables, other payables, non-current liabilities due within one year, other current liabilities, long-term borrowings, lease liabilities and bonds payable, net of monetary funds. Capital refers to shareholders' equity.

The gearing ratio of the Group as at the balance sheet date is as follows:

	2025	2024
Short-term borrowings	3,889,281,345.29	3,938,597,345.65
Bills payable		3,047,841.53
Accounts payable	879,331,209.42	537,611,223.42
Other payables	8,202,118,905.97	5,858,360,663.49
Non-current liabilities due within one year	8,046,128,230.29	8,689,234,991.39
Other current liabilities	1,409,945,734.94	516,268,640.60
Long-term borrowings	35,549,185,396.30	33,520,656,093.53
Lease liabilities	283,998,942.42	324,946,910.63
Less: cash	4,843,375,231.92	3,056,262,802.26
Net liabilities	53,416,614,532.71	50,332,460,907.98
Shareholders' equity	31,502,632,197.05	27,112,743,853.41
Capital and net liabilities	84,919,246,729.76	77,445,204,761.39
Gearing ratio	62.90%	64.99%

XII. RISKS RELATED TO FINANCIAL INSTRUMENTS (continued)

2. Hedging

(1) The Company conducts hedging business for risk management

☐ Applicable ☒ Not Applicable

Other explanations:

☐ Applicable ☒ Not Applicable

(2) The Company conducts permissible hedging business and applies hedge accounting

☐ Applicable ☒ Not Applicable

Other explanations:

☐ Applicable ☒ Not Applicable

(3) The Company conducts hedging business for risk management, is expected to achieve its risk management objectives, but does not apply hedge accounting

☐ Applicable ☒ Not Applicable

Other explanations:

☐ Applicable ☒ Not Applicable

3. Transfer of Financial Assets

(1) Classification of transfer methods

Unit: Yuan Currency: RMB

Transfer method	Nature of financial assets transferred	Amount of financial assets transferred	Derecognition	Basis for determining derecognition
Bill endorsement/Bill discounting	Bills receivable	15,021,966.45	Not yet derecognised	Substantially all of the risks and rewards, including related default risks, have been retained
Bill endorsement/Bill discounting	Bills receivable	398,607,964.57	Derecognised	
Total	/	413,629,931.02	/	/

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XII. RISKS RELATED TO FINANCIAL INSTRUMENTS (continued)

3. Transfer of Financial Assets (continued)

(2) Financial assets derecognised due to a transfer

Unit: Yuan Currency: RMB

Items	Methods for transferring financial assets	Amount of financial assets derecognised	Gain or loss relating to derecognition
Bills receivable	Bill endorsement/Bill discounting	398,607,964.57	4,959,351.40
Total	/	398,607,964.57	4,959,351.40

(3) Financial assets transferred with continuing involvement

☐ Applicable ☒ Not Applicable

Other explanations:

Transferred financial assets that are not derecognised in their entirety

As at 31 December 2025, the carrying amount of bank acceptance bills that the Group has endorsed to suppliers for settlement of accounts payable/discounting was RMB15,021,966.45 (31 December 2024: RMB6,192,767.46). The Group considered that substantially all of the risks and rewards, including related default risks, have been retained by the Group. Therefore, it continued to recognise the bills and the associated settled accounts payable/and recognise bank borrowings in full. Subsequent to the endorsement/discount, the Group no longer retains the right of use, including the right to sell, transfer or pledge to other third parties. As at 31 December 2025, the aggregate carrying amount of bank borrowings recognised by the Group against accounts payable which it has settled and which suppliers or banks have recourse was RMB15,021,966.45 (31 December 2024: RMB6,192,767.46).

Transferred financial assets that have been derecognised in their entirety with continuing involvement

As at 31 December 2025, the carrying amount of bank acceptance bills that the Group has endorsed to suppliers for settlement of accounts payable/discounting was RMB398,607,964.57 (31 December 2024: RMB601,784,257.17). As at 31 December 2025, the maturity date was 1 to 12 months. According to the Law on Negotiable Instruments, where the accepting bank refuses to pay the acceptances, the holder may exercise the right of recourse against any or several or all of the debtors liable for the acceptances, including the Group, in disregard of the order of precedence ("Continuing Involvement"). The Group considered that it has transferred substantially all of the risks and rewards. Accordingly, it derecognised the bills and the associated settled accounts payable in full and recognised discount charges. The maximum exposure to loss and undiscounted cash flows from the Continuing Involvement and repurchases are equal to the carrying amount. The Group considered that the Continuing Involvement with fair value is not material.

In 2025, the Group recognised the discount charges of RMB4,959,351.40 (2024: RMB6,231,521.05) at the date of transfer. The Group had no gain or expense recognised during the year and cumulatively recognised from continuing involvement in derecognised financial assets. Endorsements/discounts were made in a roughly balanced manner during the year.

XIII. DISCLOSURE OF FAIR VALUE

1. Fair value of assets and liabilities measured at fair value at the end of the period

Unit: Yuan Currency: RMB

Items	Fair value at the end of the period			
	Level 1 fair value measurement	Level 2 fair value measurement	Level 3 fair value measurement	Total
I. Recurring fair value measurement				
(I) Financial assets for trading				
1. Financial assets at fair value through profit or loss				
(1) Investment in debt instruments				
(2) Investment in equity instruments				
(3) Derivative financial assets				
2. Financial assets designated at fair value through profit or loss				
(1) Investment in debt instruments				
(2) Investment in equity instruments				
(II) Other debt investments			215,013,700.00	215,013,700.00
(III) Investment in other equity instruments				
(IV) Investment properties				
1. Leased land use rights				
2. Leased buildings				
3. Land use rights held for transfer after appreciation				
(V) Biological assets				
1. Consumable biological assets				
2. Bearer biological assets				
(VI) Receivable financing			333,977,575.22	333,977,575.22
(VII) Other non-current financial assets			13,200,000.00	13,200,000.00
Total assets measured at fair value on a recurring basis			562,191,275.22	562,191,275.22
(VIII) Financial liabilities for trading				
1. Financial liabilities at fair value through profit or loss				
Including: Debentures issued for trading				
Derivative financial liabilities				
Others				
2. Financial liabilities designated at fair value through profit or loss				
Total liabilities measured at fair value on a recurring basis				
II. Non-recurring fair value measurement				
(I) Assets held for sale				
Total assets measured at fair value on a non-recurring basis				
Total liabilities measured at fair value on a non-recurring basis				

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XIII. DISCLOSURE OF FAIR VALUE (continued)

2. Basis for determination of the market value of level 1 fair value measuring items measured on recurring and non-recurring basis

☐ Applicable ☒ Not Applicable

3. Qualitative and quantitative information of valuation techniques and important parameters used in level 2 fair value measuring items measured on recurring and non-recurring basis

☐ Applicable ☒ Not Applicable

4. Qualitative and quantitative information of valuation techniques and important parameters used in recurring and non-recurring level 3 fair value measuring items

The Group's finance team is led by the finance manager, and is responsible for formulating policies and procedures for the fair value measurement of financial instruments. The financial manager reports directly to the Chief Accountant. On each balance sheet date, the finance team analyses movements in the fair value of financial instruments and determines the major inputs applicable to the valuation. The valuation must be reviewed and approved by the Chief Accountant.

For investments in unlisted equity instruments, the fair value is estimated with the market approach, using assumptions about unobservable market prices or interest rates. The Group is required to identify comparable listed companies based on the industry, size, leverage and strategy and to calculate appropriate market multipliers, such as price-to-book ratios and liquidity discounts, etc., for each comparable listed company identified. Adjustments are made based on company-specific facts and circumstances, taking into account factors such as liquidity and size differences with comparable listed companies. The Group believes that the fair value and its changes estimated by assessment techniques are reasonable and are also the most appropriate value on the balance sheet date. For the fair value of investments in unlisted equity instruments, the Group estimates the potential impact of using alternative reasonable and possible assumptions as inputs to the valuation model.

The fair value of receivables financing is determined by the discounted future cash flow method, and the market rate of return of other financial instruments with similar contractual terms, credit risks and remaining maturities is used as the discount rate.

Below is a summary of the significant unobservable inputs to the level 3 fair value measurement:

2025

	Fair value at the end of the year	Valuation technique	Unobservable inputs	Range
Investment in other equity instruments	215,013,700.00	Comparable listed company method	P/B ratio Liquidity discount	0.85-1.89 17.00%-20.90%
Receivable financing	333,977,575.22	Discounted cash flow method	Credit risk	/

2024

	Fair value at the end of the year	Valuation technique	Unobservable inputs	Range
Investment in other equity instruments	215,013,700.00	Comparable listed company method	P/B ratio Liquidity discount	0.80-1.97 16.80%-20.00%
Receivable financing	355,146,814.44	Discounted cash flow method	Credit risk	/

XIII. DISCLOSURE OF FAIR VALUE (continued)

5. Adjustment information and unobservable parameter sensitivity analysis of the book value at the beginning and the end of the period for recurring level 3 fair value measuring items

☐ Applicable ☒ Not Applicable

6. Conversion reasons and policies to determine the conversion time for the recurring fair value measuring items to which a conversion between hierarchies occurs in the period

☐ Applicable ☒ Not Applicable

7. Changes in valuation techniques in the period and reasons therefor

☐ Applicable ☒ Not Applicable

8. Fair value of the financial assets and financial liabilities not measured at fair value

The following is the comparison on the book value and fair value of various types of financial instruments other than lease liabilities and financial instruments with small differences between book value and fair value:

2025

	Book value	Fair value	Inputs used in the fair value measurements		
			Quoted price in an active market (Level 1)	Important observable inputs (Level 2)	Important unobservable inputs (Level 3)
Recurring fair value measurement					
Long-term borrowings	43,438,661,906.69	43,436,910,205.68		43,436,910,205.68	
Debentures payable					
Long-term payable	245,905,397.66	236,492,539.12		236,492,539.12	
Total	43,684,567,304.35	43,673,402,744.80		43,673,402,744.80	

2024

	Book value	Fair value	Inputs used in the fair value measurements		
			Quoted price in an active market (Level 1)	Important observable inputs (Level 2)	Important unobservable inputs (Level 3)
Recurring fair value measurement					
Long-term borrowings	40,162,375,617.35	40,158,393,601.60		40,158,393,601.60	
Debentures payable	1,882,529,473.88	1,874,468,118.19		1,874,468,118.19	
Long-term payable	283,076,390.16	274,949,281.18		274,949,281.18	
Total	42,327,981,481.39	42,307,811,000.97		42,307,811,000.97	

Note: Long-term borrowings, bonds payable and long-term payables all include the portion due within one year.

The fair value of long-term borrowings, bonds payable and long-term payables is determined by the present value of cash flows, and the market rate of return of other financial instruments with similar contractual terms, credit risks and remaining maturities is used as the discount rate. As at 31 December 2025 and 31 December 2024, the risk of own non-performance against long-term borrowings, bonds payable and long-term payables is assessed as insignificant.

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XIII. DISCLOSURE OF FAIR VALUE (continued)

9. Others

☐ Applicable ☒ Not Applicable

XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS

1. Information on the Company's Parent Company

Unit: RMB'0,000 Currency: RMB

Name of parent company	Registered place	Business nature	Registered capital	Parent's shareholding percentage in this entity (%)	Parent's voting power percentage in this entity (%)
HECIC	Hebei province	Investment in and development of projects in the foundation, infrastructures and provincial pillar industries, such as energy, transportation, water supply, tourism and commercial real estates	1,500,000.00	48.95	48.95

Parent introduction

Nil

The ultimate controlling party of the Enterprise is the State-owned Assets Supervision and Administration Commission of the People's Government of Hebei Province

Other explanations:

Nil

2. Information on the Company's Subsidiaries

The Company's subsidiaries are detailed in the notes.

For details of the subsidiaries of the Enterprise, please refer to Note X, 1.

3. Information on the Company's Joint Ventures and Associates

For details of the Company's significant joint ventures or associates, please refer to the notes

For details of joint ventures and associates, please refer to Note X, 3.

Information on other joint ventures or associates, which have made a related party transaction with the Company in the period, or previously with balances being formed, are as follows

☐ Applicable ☒ Not Applicable

Other explanations:

☐ Applicable ☒ Not Applicable

XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (continued)

4. Information on Other Related Parties

Name of other related party	Relationship between the other related party with the Company
HECIC Finance	Company controlled by the parent company
HECIC Mingjia Property Management Service Co., Ltd. (河北建投明佳物業服務公司) ("Mingjia Property")	Company controlled by the parent company
HECIC Smart Financial Services Co., Ltd. (河北建投智慧財務服務有限公司) ("Smart Financial")	Company controlled by the parent company
HECIC Shahe Water Supply Co., Ltd. (河北建投沙河供水有限公司) ("Shahe Water Supply")	Company controlled by the parent company
HECIC Digital Industry Co., Ltd. (河北建投數字產業有限公司) ("Digital Industry")	Company controlled by the parent company
HECIC Energy Investment Co., Ltd. ("HECIC Energy Investment")	Company controlled by the parent company
HECIC Zhangyuan Huaian New Energy Co., Ltd. (河北建投張垣懷安新能源有限公司) ("Zhangyuan Huaian")	Company controlled by the parent company
HECIC Zhangyuan Xuanhua New Energy Co., Ltd. (河北建投張垣宣化新能源有限公司) ("Zhangyuan Xuanhua")	Company controlled by the parent company
HECIC Zhangyuan Zhuolu New Energy Co., Ltd. (河北建投張垣涿鹿新能源有限公司) ("Zhangyuan Zhuolu")	Company controlled by the parent company
Hebei Xiong'an Langyue Hotel Co., Ltd. (河北雄安朗悅酒店有限責任公司) ("Xiong'an Langyue")	Company controlled by the parent company
HECIC Operation Management Co., Ltd. (河北建投運營管理有限公司) ("HECIC Operation")	Company controlled by the parent company
Maotian (Beijing) Equity Investment Fund Management Co., Ltd. (茂天(北京)股權投資基金管理有限責任公司) ("Maotian (Beijing)")	Company controlled by the parent company
HECIC Energy Dingzhou Thermal Power Co., Ltd. (建投能源定州熱力有限責任公司) ("Dingzhou Thermal Power")	Company controlled by the parent company
Cangzhou City Water Supply and Drainage Group Co., Ltd. (滄州市供水排水集團有限公司) ("Cangzhou Water Supply")	Company controlled by the parent company
Tangshan City Caofeidian Water Supply Co., Ltd. (唐山市曹妃甸供水有限責任公司) ("Caofeidian Water Supply")	Company controlled by the parent company
Qinhuangdao Mingjia Real Estate Development Co., Ltd. (秦皇島明佳房地產開發有限責任公司) ("Qinhuangdao Mingjia")	Company controlled by the parent company
PipeChina HECIC Natural Gas Co., Ltd. (國家管網集團河北建投天然氣有限公司) ("PipeChina HECIC Natural Gas")	Joint ventures of the parent company
Yan Zhao Property Insurance Co., Ltd. (燕趙財產保險股份有限公司) ("Yan Zhao Property Insurance")	Companies in which the Company's non-executive directors serve as directors
Towngas Natural Gas (Tangshan) Co., Ltd. (港華天然氣(唐山)有限公司) ("Towngas Natural Gas")	Wholly-owned subsidiary of a minority shareholder of a significant subsidiary of the Group
Hebei International Investment Ltd ("Hebei International")	Company controlled by the parent company
Hebei Hengguan Development Group Co., Ltd. (河北衡冠發展集團有限公司) ("Hebei Hengguan")	Company controlled by the parent company
Towngas Investments Limited (港華燃氣投資有限公司) ("Towngas Investments")	Investors who exercise significant influence over subsidiaries
HECIC Xiong'an Construction Development Co., Ltd. (河北建投雄安建設開發有限公司)	Company controlled by the parent company
Chongli HECIC	Note
Zhangbei HECIC	Note
HECIC Railway Co., Ltd. (河北建投鐵路有限公司) ("HECIC Railway")	Company controlled by the parent company

Note: Since 30 November 2025, Chongli HECIC and Zhangbei HECIC have changed from joint companies to subsidiaries. The related transactions covered the period from 1 January 2025 to 30 November 2025.

Other explanations:

Nil

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XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (continued)

5. Information on Related Party Transactions

(1). Related party transactions on purchase or sale of goods and provision or acceptance of services

Table on purchase of goods/receipt of services

Unit: Yuan Currency: RMB

Related party	Content of related party transactions	Content of related party transactions	Approved Transaction limit (if applicable)	Whether the transaction limit is exceeded (if applicable)	Amount for the previous period
Yanzhao Property Insurance	Sale of goods, provision of labour/services	552,413.10			7,547,267.19
Mingjia Property	Sale of goods, provision of labour/services	3,956,457.69			2,972,960.55
Smart Financial	Sale of goods, provision of labour/services	12,331,061.95			12,389,380.53
Digital industry	Sale of goods, provision of labour/services	1,655,622.39			440,742.52
Maotian (Beijing)	Sale of goods, provision of labour/services				102,830.19
Hengshui Honghua	Sale of goods, provision of labour/services				7,914,386.90
Xiong'an Langyue	Sale of goods, provision of labour/services				50,000.00
Towngas Investments	Sale of goods, provision of labour/services	100,000.00			
Dingzhou Thermal Power	Sale of goods, provision of labour/services	16,558.15			
Xinying Energy	Sale of goods, provision of labour/services	22,918,232.11			
HECIC Railway	Sale of goods, provision of labour/services	5,530,552.19			

XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (continued)

5. Information on Related Party Transactions (continued)

(1). Related party transactions on purchase or sale of goods and provision or acceptance of services (continued)

Table on sale of goods/provision of services

Unit: Yuan Currency: RMB

Related party	Content of related party transactions	Amount for the current period	Amount for the previous period
Suntien Guohua	Sale of goods, provision of labour/services	1,510,392.28	1,988,482.70
Zhangbei CIC	Sale of goods, provision of labour/services	8,897,349.43	10,247,105.89
Chongli CIC	Sale of goods, provision of labour/services	10,255,300.73	21,327,263.22
CIC Rongtan	Sale of goods, provision of labour/services	20,982.84	20,982.85
Zhangyuan Huaian	Sale of goods, provision of labour/services	944,485.36	996,485.25
Zhangyuan Xuanhua	Sale of goods, provision of labour/services	791,124.77	807,871.89
Zhangyuan Zhuolu	Sale of goods, provision of labour/services	938,241.15	1,026,760.32
Cangzhou Water Supply	Sale of goods, provision of labour/services	85,682.92	77,296.41
Xinying Energy	Sale of goods, provision of labour/services		22,292,997.96
Chengde Dayuan	Sale of goods, provision of labour/services	34,339,584.90	8,433,130.50
Hebei Hengguan Development Group Co., Ltd. (河北钒昇科技有限公司)	Sale of goods, provision of labour/services		47,518.33
Jingtang LNG	Sale of goods, provision of labour/services	454,998.00	454,998.00
North China Natural Gas Pipeline	Sale of goods, provision of labour/services	844,357.01	957,546.68
PipeChina HECIC Natural Gas	Sale of goods, provision of labour/services	2,412,313.45	2,558,562.88
Harbin Qingfeng	Sale of goods, provision of labour/services	2,918,043.35	2,723,490.57
Dingzhou Thermal Power	Sale of goods, provision of labour/services	496,739.53	630,277.66
Fengning Pumped Storage	Sale of goods, provision of labour/services	753,074.99	755,122.14
HECIC	Sale of goods, provision of labour/services	3,018,867.93	

Explanations on related party transactions on purchase or sale of goods and provision or acceptance of services

☐ Applicable ☒ Not Applicable

(2). Related entrusted management/contracting and entrusting management/outsourcing business

Table on the entrusted management/contracting business of the Company:

☐ Applicable ☒ Not Applicable

Explanation on affiliated hosting/contracting situation

☐ Applicable ☒ Not Applicable

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XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (continued)

5. Information on Related Party Transactions (continued)

(2). Related entrusted management/contracting and entrusting management/outsourcing business (continued)

Table on the entrusting management/outsourcing business of the Company

☐ Applicable ☒ Not Applicable

Explanations on related management/outsourcing business

☐ Applicable ☒ Not Applicable

(3). Leases with related parties

The Company acts as a lessor:

Unit: Yuan Currency: RMB

Name of lessee	Type of leased assets	Rental income recognised in the period	Rental income recognised in last period
CIC Rongtan	Houses	20,982.84	20,982.85

The Company acts as a lessee:

Unit: Yuan Currency: RMB

Name of lessor	Type of leased assets	Amount for the current period					Amount for the previous period				
		Rental charges for short-term leases and leases of low-value assets with simplified approach (as applicable)	Variable lease payments not included in the measurement of lease liabilities (if applicable)	Rentals paid	Interest expense on lease liabilities assumed	Increased right-of-use assets	Rental charges for short-term leases and leases of low-value assets with simplified approach (as applicable)	Variable lease payments not included in the measurement of lease liabilities (if applicable)	Rentals paid	Interest expense on lease liabilities assumed	Increased right-of-use assets
HECIC	Houses and buildings	5,325,004.12		5,325,004.12			563,774.30		5,344,051.77	6,053.50	
Huihai Leasing	Mechanical equipment			222,410,405.91	16,687,839.54				399,079,353.40	18,829,849.41	15,463,539.82
Cangzhou Water Supply	Houses and buildings			133,333.33	53,384.28				266,666.66	56,717.04	
HECIC Xiong'an Construction	Houses and buildings			1,554,202.05	67,415.04				636,304.81	38,022.15	4,515,462.26

XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (continued)

5. Information on Related Party Transactions (continued)

(3). Leases with related parties (continued)

Explanations on leases with related parties

a. Operating leases

As of 31 December 2025, the Group entered into property tenancy contracts with HECIC for office use. The monthly rent was RMB413,308.68 (2024: RMB427,955.50) for a term of 1 years. In 2025, the Group paid aggregate rents of RMB4,959,704.12 (2024: RMB5,135,466.05).

As of 31 December 2025, the Group entered into new parking lot lease contracts with HECIC. The monthly rent ranged from RMB1,035.00 to RMB15,700.00 (2024: ranged from RMB1,257.14 to RMB8,971.43) for a lease term of 1 year. In 2025, the rent paid was RMB365,300.00 (2024: RMB208,585.72).

As of 31 December 2025, the Group entered into a lease agreement with HECIC Xiong'an Construction, mainly for houses and buildings. In 2025, the Group paid principal of RMB1,486,787.01 (2024: RMB598,282.66) and interest expenses of RMB67,415.04 (2024: RMB38,022.15) to HECIC Xiong'an Construction under the direct leasing transaction arrangement.

As of 31 December 2025, the Group entered into a rooftop lease contract with Cangzhou Water Supply. The monthly rent was RMB11,111.11 (2024: RMB11,111.11) for a lease term of 20 years. In 2025, the rent paid was RMB133,333.33 (2024: RMB266,666.66).

The price at which the Group rented property from the related party was determined by the parties through negotiation with reference to the market rate.

b. Finance leases

As of 31 December 2025, the Group entered into lease agreements with Huihai Leasing, mainly for wind turbines and gas transmission pipeline-related equipment. In 2025, the Group paid principal of RMB41,022,566.37 (2024: RMB372,374,503.99) and interest expenses of RMB8,307,540.29 (2024: RMB16,380,976.23) to Huihai Leasing under the direct leasing transaction arrangement.

c. Leaseback transactions

The Group entered into a sale-and-leaseback agreement with Huihai Leasing, pursuant to which Huihai Leasing agreed to purchase fixed assets mainly including machinery equipment which the Group undertook to own the legal property rights and without any defects and lease the fixed-assets equipment to the Group for use. In the sale and leaseback arrangement between the Group and Huihai Leasing, the control over the relevant assets has not been transferred and the Group has agreed to pay the principal and interest to Huihai Leasing. In 2025, the Group paid principal of RMB164,700,000.00 (2024: RMB7,875,000.00) and interest expenses of RMB8,380,299.25 (2024: RMB2,448,873.18).

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XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (continued)

5. Information on Related Party Transactions (continued)

(4). Related party guarantees

The Company acts as a guarantor

☐ Applicable ☒ Not Applicable

The Company acts as the guaranteed party

Unit: Yuan Currency: RMB

Guarantor	Amount guaranteed	Commencement of guarantee	Expiry of guarantee	Whether fully performed
HECIC Finance (Note 1)	1,390,526.16	2024/7/9	2029/6/14	No
HECIC Finance (Note 2)	2,085,532.53	2024/11/20	2029/10/30	No

Note 1: HECIC Finance issued a quality guarantee letter for the Group with Shanghai Electric Wind Power Group Co., Ltd. as the beneficiary. The guaranteed amount is RMB1,390,526.16, and the guarantee liability period is from 9 July 2024 to 14 June 2029. Guarantee fees incurred in 2025 amounted to RMB6,952.63. As at 31 December 2025, the guarantee had not yet been fully performed.

Note 2: HECIC Finance issued a quality guarantee letter for the Group with Shanghai Electric Wind Power Group Co., Ltd. as the beneficiary. The guaranteed amount is RMB2,085,532.53, and the guarantee liability period is from 20 November 2024 to 30 October 2029. Guarantee fees incurred in 2025 amounted to RMB10,427.66. As at 31 December 2025, the guarantee had not yet been fully performed.

Explanations on related party guarantees

☐ Applicable ☒ Not Applicable

XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (continued)

5. Information on Related Party Transactions (continued)

(5). Capital lending/borrowing between related parties

Unit: Yuan Currency: RMB

Related party	Amount of lending/borrowing	Start date	Maturity date	Description
Borrowing HECIC Finance	4,002,900,000.00	13 March 2025 to 31 December 2025	12 December 2025 to 29 December 2026	

Related party	Amount of lending/borrowing	Start date	Maturity date	Description
Lending Nil				

Capital borrowing in 2024

Related party	Amount of lending/borrowing	Start date	Maturity date	Description
Borrowing HECIC Finance	3,211,950,000.00	12 January 2024 to 31 December 2024	14 March 2025 to 23 July 2048	

Interest expense on capital borrowed and handling charges

	2025	2024
HECIC Finance	56,270,470.50	38,529,713.00

Interest income

	2025	2024
HECIC Finance	24,447,153.35	29,450,202.61

In 2025, the Group did not borrow funds from HECIC Finance by way of bill discounting, and did not pay interest and handling charges (2024: Nil).

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XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (continued)

5. Information on Related Party Transactions (continued)

(6). Asset transfer and debt restructuring of related parties

Unit: Yuan Currency: RMB

Related party	Content of related party transactions	Amount for the current period	Amount for the previous period
Qinhuangdao Mingjia	Purchase of fixed assets from related parties		12,849,619.05

(7). Emolument of key management

Unit: Yuan Currency: RMB

Items	Amount for the current period	Amount for the previous period
Emolument of key management	6,359,933.45	7,701,065.24
Of which:		
Fees	340,657.00	319,117.75
Other remuneration:		
Salaries, allowances and benefits in kind	2,630,741.93	3,363,296.87
Performance related incentive payments	2,984,649.08	3,661,329.14
Contribution to pension plans	403,885.44	357,321.48

Key management includes executive Directors, supervisors, independent non-executive Directors and senior management.

a. Remuneration of Directors and Supervisors

	2025	2024
Remuneration of Directors and Supervisors (Note)	1,442,274.28	2,449,771.34

Note: In 2025, Mr. Tan Jian Xin, an executive Director and the President of the Group, received take-home pay of RMB718,812.41 (2024: RMB835,430.23) from the Group. In 2025, the Group paid a total amount of RMB1,101,617.28 (2024: RMB1,162,741.01) to Mr. Tan Jian Xin as remuneration before tax, comprising: 1) an aggregate amount of RMB471,064.44 (2024: RMB569,858.79) in respect of the various salaries, allowances, various insurance policies (including employer and employee contributions, excluding pension fund and annuity), and benefits in kind payable to or on behalf of Mr. Tan Jian Xin; 2) RMB572,854.92 (2024: RMB536,426.30) in performance related-bonus; 3) RMB57,697.92 (2024: RMB56,455.92) in contribution to pension plans (i.e., employer and employee contributions to pension fund).

XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (continued)

5. Information on Related Party Transactions (continued)

(7). Emolument of key management (continued)

a. *Remuneration of Directors and Supervisors (continued)*

In 2025, Mr. Mei Chun Xiao (Note 1) received take-home pay of RMB227,001.03 (2024: RMB508,207.64) from the Group. In 2025, the Group paid a total amount of RMB227,001.03 (2024: RMB529,101.52) to Mr. Mei Chun Xiao as remuneration before tax, comprising: 1) an aggregate amount of RMB31,780.84 (2024: RMB94,797.58) in respect of the various salaries, allowances, various insurance policies (including employer and employee contributions, excluding pension fund and annuity), and benefits in kind payable to or on behalf of Mr. Mei Chun Xiao; 2) RMB195,220.19 (2024: RMB429,831.96) in performance related-bonus; 3) no contribution to pension plans (i.e., employer and employee contributions to pension fund) (2024: RMB4,471.98).

In 2025, Mr. Cao Zhi Jie (Note 2) received take-home pay of RMB619,535.68 (2024: RMB693,601.70) from the Group. In 2025, the Group paid a total amount of RMB934,269.64 (2024: RMB967,912.58) to Mr. Cao Zhi Jie as remuneration before tax, comprising: 1) an aggregate amount of RMB401,258.98 (2024: RMB510,503.50) in respect of the various salaries, allowances, various insurance policies (including employer and employee contributions, excluding pension fund and annuity), and benefits in kind payable to or on behalf of Mr. Cao Zhi Jie; 2) RMB475,312.74 (2024: RMB400,953.16) in performance related-bonus; 3) RMB57,697.92 (2024: RMB56,455.92) in contribution to pension plans (i.e., employer and employee contributions to pension fund).

In 2025 and 2024, the Group did not pay any salary and emolument in any form to Dr. Cao Xin (Chairman), Dr. Li Lian Ping, Mr. Qin Gang, Mr. Lu Rong (Note 3), Mr. Zhao Shi Yi (Note 4) Dr. Wang Tao (Note 5) and Dr. Zhang Xulei, who are non-executive Directors.

In 2025, the Group paid fees before tax of RMB45,546.00 (2024: RMB91,176.50) to Dr. Lin Tao (Note 6) and Mr. Guo Ying Jun (Note 7), independent non-executive Directors, respectively. The Group paid fees before tax of RMB45,311.50 (2024: Nil) to Dr. Chow Man Kong (Note 8), Dr. Yang Jing Lei (Note 9) and Mr. Liu Bin (Note 10), independent non-executive Directors. The Group paid fees before tax of RMB90,857.50 (2024: RMB75,980.42) to Mr. Chan Yik Pun, an independent non-executive Director.

In 2025, the Group paid fees before tax of RMB22,773.00 (2024: RMB45,588.25) to Mr. Zhang Dong Sheng (Note 11), an independent non-executive Supervisor.

In 2024, the Group paid fees before tax of RMB15,196.08 to Mr. Wan Yim Keung, Daniel (Note 12).

In 2025 and 2024, the Group did not pay any salary and emolument in any form to Ms. Gao Jun (Note 13), a Supervisor.

Note 1: Mr. Mei Chun Xiao resigned as the President of the Company with effect from 26 January 2024, and resigned as an executive Director of the Company with effect from 6 December 2024.

Note 2: Mr. Cao Zhi Jie was appointed as a supervisor of the Board of Supervisors of the Company with effect from 8 October 2022, and resigned as a supervisor of the Board of Supervisors with effect from 25 July 2025.

Note 3: Mr. Lu Rong was appointed as a non-executive Director of the Company with effect from 25 July 2025.

Note 4: Mr. Zhao Shi Yi was appointed as a non-executive Director of the Company with effect from 25 July 2025.

Note 5: Dr. Wang Tao was appointed as a non-executive Director of the Company with effect from 16 May 2023 and resigned as a non-executive Director of the Company with effect from 25 July 2025.

Note 6: Dr. Lin Tao was appointed as an independent non-executive Director of the Company with effect from 14 June 2022, and resigned as an independent non-executive Director of the Company with effect from 25 July 2025.

Note 7: Mr. Guo Ying Jun was appointed as an independent non-executive Director of the Company with effect from 14 June 2022, and resigned as an independent non-executive Director of the Company with effect from 25 July 2025.

Note 8: Dr. Chow Man Kong was appointed as an independent non-executive Director of the Company with effect from 25 July 2025.

Note 9: Dr. Yang Jing Lei was appointed as an independent non-executive Director of the Company with effect from 25 July 2025.

Note 10: Mr. Liu Bin was appointed as an independent non-executive Director of the Company with effect from 25 July 2025.

Note 11: Mr. Zhang Dong Sheng was appointed as a supervisor of the Board of Supervisors of the Company with effect from 14 June 2022, and resigned as a supervisor of the Board of Supervisors with effect from 25 July 2025.

Note 12: Mr. Wan Yim Keung, Daniel resigned as an independent non-executive Director of the Company with effect from 28 February 2024.

Note 13: Ms. Gao Jun was appointed as a supervisor of the Board of Supervisors of the Company with effect from 14 June 2022, and was elected to be chairman of the Board of Supervisors on the same day. She resigned as the chairman of the Board of Supervisors with effect from 25 July 2025.

FINANCIAL REPORT

XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS *(continued)*

5. Information on Related Party Transactions *(continued)*

(7). Emolument of key management *(continued)*

b. Five highest paid employees

	2025	2024
Directors and supervisors	1	2
Non-director and non-supervisor employees	4	3
Total	5	5

Details of the remuneration of the above non-director and non-supervisor highest paid employees are as follows:

	2025	2024
Salary	1,500,128.51	1,527,517.01
Performance related incentive payments	1,939,234.70	1,291,488.56
Pension	230,791.68	169,367.76
Total	3,670,154.89	2,988,373.33

The number of non-director and non-supervisor highest paid employees whose salary falls within the following ranges is as follows:

	2025	2024
HKD1,000,001 to HKD1,500,000	3	3

During the years ended 31 December 2025 and 31 December 2024, no Director, supervisor, president or any highest paid individuals (not a Director or supervisor) waived or agreed to waive any emoluments and no emoluments were paid by the Group to any Director, supervisor, president or any highest paid individuals (not a Director or supervisor) as an inducement to join or upon joining the Group, or as compensation for loss of office.

c. Restricted share equity incentive expenses

In 2025, the total expense for restricted share equity incentive acquired by key management personnel amounted to RMB58,087.60 (2024: RMB632,399.60). Please refer to Note XV. 3 for details.

XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (continued)

5. Information on Related Party Transactions (continued)

(8). Other related party transactions

Capital increase by related parties

Accepting capital increase from related parties

	2025	2024
HECIC	215,888,000.00	278,277,280.00
HECIC Energy Investment	130,500,000.00	62,930,000.00
Hebei International	307,000,000.00	
Total	653,388,000.00	341,207,280.00

The aforesaid amount represents the additional capital received by the Company from Hebei International, and injected by Hebei Construction & Investment Group Co., Ltd. into the Company's subsidiaries Caofeidian Suntien Liquefied Natural Gas Co., Ltd. and Suntien Green Energy Weichang Co., Ltd., and HECIC Offshore Wind Power Co., Ltd. received the additional capital injected by HECIC Energy Investment Co., Ltd. into the Company's subsidiary HECIC Offshore Wind Power Co., Ltd.

Credit facility provided by related parties and their use

As at 31 December 2025 and 31 December 2024, HECIC Finance granted the Group credit facilities of RMB5,113 million and RMB4,522 million, respectively; The Group utilized RMB2,398 million and RMB2,287 million, respectively, and the unutilized facilities were RMB2,715 million and RMB2,235 million, respectively.

Bills of exchange accepted by HECIC Finance

In 2025, the Group did not issue bills of exchange accepted by HECIC Finance (2024: RMB3,047,841.53). As at 31 December 2025, the Group had no bills of exchange accepted by HECIC Finance (31 December 2024: RMB3,047,841.53). In 2025, the Group did not pay handling fees to HECIC Finance for the issuance of acceptance bills (2024: RMB1,523.92).

FINANCIAL REPORT

XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (continued)

5. Information on Related Party Transactions (continued)

(8). Other related party transactions (continued)

Capital increase by related parties (continued)

Continuing connected transactions

a. New Asset Financing Service Framework Agreement

Related party	Type of related transaction	Approved transaction cap (RMB'0,000)	Actual transaction amount for the year (RMB'0,000)	Whether the Transaction cap is exceeded
Huihai Leasing	Direct Leasing	80,000.00		No
Huihai Leasing	Sale and lease back	80,000.00	26,850.00	No

b. New Financial Service Framework Agreement

Related party	Type of related transaction	Maximum daily outstanding balance (RMB'0,000)	Maximum daily balance (RMB'0,000)	Whether the maximum daily outstanding balance is exceeded
HECIC Finance	Deposit service	450,000.00	436,416.43	No
HECIC Finance	Bill discounting service	50,000.00		No
HECIC Finance	Non-financial guarantee services, acceptance services, entrusted loan services and miscellaneous fee-based financial services	500.00	1.74	No

The above related party transactions also constitute continuing connected transactions as defined in Chapter 14A of the Hong Kong Listing Rules.

XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (continued)

5. Information on Related Party Transactions (continued)

(8). Other related party transactions (continued)

Capital increase by related parties (continued)

Trademark license

The Company entered into the Trademark License Agreement with HECIC on 19 February 2021, pursuant to which HECIC has granted the Company a license to use two figurative marks registered by HECIC in HKSAR. The agreement is valid from 9 February 2020 until any of the following circumstances occurs: a. Both parties reach a separate agreement stipulating the date for termination of the use of the subject trademark, and that date has passed; b. Party A is no longer the controlling shareholder of Party B; c. Both parties agree to terminate this agreement; d. Other circumstances stipulated in this agreement. During the term of the agreement, no license fee is required.

On 4 March 2019, the Company entered into the Trademark License Agreement with HECIC, pursuant to which HECIC has granted the Company a license to use 6 of the 12 domestic trademarks in relation to the Company's principal business at nil consideration, and it was agreed for the exclusive use within the scope of the Company's principal business.

During the Reporting Period, besides the six trademarks licensed by HECIC, the Company had 35 valid registered trademarks in total.

Centralised management of funds

Cash

	2025	2024
HECIC Finance	2,009,469,982.02	1,486,238,704.28

The Group entered into a financial services framework agreement with HECIC Finance to implement centralised management of funds, pursuant to which the interest rate for call deposits is 1.10%, the interest rate for agreement deposits is 0.75%, and the interest rates for other deposits are determined with reference to the demand deposit rate. These deposits have no fixed term with no restriction on the drawdown of funds under centralised management.

FINANCIAL REPORT

XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (continued)

6. Unsettled Items such as Amounts Due from and to Related Parties

(1). Accounts receivable

Unit: Yuan Currency: RMB

Items	Related party	Closing balance		Opening balance	
		Carrying balance	Provision for bad debts	Carrying balance	Provision for bad debts
Accounts receivable	Chengde Dayuan	26,671,047.73	1,975,986.06	1,024,240.77	51,212.04
Accounts receivable	Hebei Construction	3,200,000.00			
Accounts receivable	Harbin Qingfeng	1,715,045.96	85,752.30	2,886,900.00	144,345.00
Accounts receivable	Suntien Guohua	429,617.34	21,480.87	345,486.92	17,274.35
Accounts receivable	Cangzhou Water Supply	208,590.58	55,468.51	111,768.88	28,791.18
Accounts receivable	Chongli CIC			25,514,894.51	2,202,218.19
Accounts receivable	Zhangbei CIC			13,829,176.78	1,558,255.33
Accounts receivable	North China Natural Gas Pipeline			1,014,999.48	50,749.97
Other receivables	Ganghua Natural gas	62,669,676.87	3,133,483.84		
Other receivables	Hebei Construction	782,556.85	782,556.85	874,500.35	874,500.35
Other receivables	HECIC Xiong'an Construction	279,732.00	69,662.85	222,345.00	11,117.25
Other receivables	Caofeidian Water Supply	133,000.00	66,500.00	149,500.00	56,400.00
Other receivables	Huihai Leasing			89,301,857.43	4,465,092.87
Dividend receivables	Chengde Wind Energy	20,774,907.59		23,370,079.12	
Dividend receivables	Chengde Dayuan	15,833,473.20			
Dividend receivables	Huihai Leasing	6,535,521.92		5,157,456.25	
Dividend receivables	Hebei Weichang			18,555,678.96	
Dividend receivables	Zhangbei CIC			18,240,952.04	
Dividend receivables	Chongli CIC			7,881,943.16	
Prepayments	Hengshui Honghua	1,291,262.45		1,291,262.45	
Prepayments	HECIC Xiong'an Construction	118,425.38		151,804.26	
Prepayments	Yanzhao Property Insurance	78,879.69		78,879.69	
Prepayments	HECIC Operation	57,321.51		120,987.81	
Prepayments	Huihai Leasing			641,984.42	

XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (continued)

6. Unsettled Items such as Amounts Due from and to Related Parties (continued)

(2). Accounts payable

Unit: Yuan Currency: RMB

Items	Related party	Closing book balance	Opening book balance
Advances from customers	Ganghua Natural gas	1,161,061,946.88	1,161,061,946.88
Advances from customers	CIC Rongtan	26,228.59	47,211.43
Contract liabilities	Ganghua Natural gas	396,460,176.98	396,460,176.98
Contract liabilities	Suntien Guohua	25,180.44	99,043.10
Contract liabilities	Chongli CIC		121,035.40
Contract liabilities	Zhangbei CIC		19,857.52
Other current liabilities	Suntien Guohua	3,273.46	12,875.60
Other current liabilities	Chongli CIC		15,734.60
Other current liabilities	Zhangbei CIC		2,581.48
Long-term payable	Huihai Leasing	143,677,777.78	103,025,000.00
Long-term payables due within one year	Huihai Leasing	34,434,772.23	36,002,672.51
Other payables	Huihai Leasing	65,390,133.31	
Other payables	Smart Financial	1,495,689.80	2,008,345.73
Other payables	Towngas China Investments	974,015.33	771,250.03
Other payables	Hebei Hengguan	476,937.43	472,045.11
Other payables	Mingjia Property	150,000.00	150,000.00
Other payables	Hebei Construction	45,334.35	45,334.35
Other payables	CIC Rongtan	1,836.00	1,836.00
Other payables	Yanzhao Property Insurance	100.00	504,983.28
Other payables	Digital industry	120,000.00	60,000.00
Other payables	Xinying Energy		2,251,125.00
Lease liabilities	Huihai Leasing	91,365,966.10	125,836,078.39
Lease liabilities	Cangzhou Water Supply	1,040,793.41	1,140,607.84
Lease liabilities	HECIC Xiong'an Construction	910,234.11	2,433,445.08
Lease liabilities due within one year	Huihai Leasing	34,565,963.62	53,584,987.86
Lease liabilities due within one year	HECIC Xiong'an Construction	1,520,158.48	1,483,734.52
Lease liabilities due within one year	Cangzhou Water Supply	106,481.16	86,615.78
Short-term borrowings	HECIC Finance	2,269,328,458.62	2,155,360,973.44
Long-term borrowings	HECIC Finance	126,595,647.52	126,595,647.51

During the year, HECIC New Energy, a subsidiary of the Company, acquired the 49% equity interests held by Luneng New Energy (Group) Co., Ltd. (魯能新能源(集團)有限公司), the minority shareholder of Chongli HECIC and Zhangbei HECIC. Following the acquisition, HECIC New Energy's shareholding in Chongli HECIC and Zhangbei HECIC increased from 51% to 100%, thereby obtaining the control over Chongli HECIC and Zhangbei HECIC. These entities were therefore reclassified from joint ventures to subsidiaries within the scope of consolidation of the Group.

Except for long-term borrowings (including long-term borrowings due within one year), lease liabilities (including lease liabilities due within one year), certain other payables, long-term payables (including long-term payables due within one year) and short-term borrowings, all other receivables from and payables to related parties are non-interest-bearing and unsecured.

FINANCIAL REPORT

XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (continued)

6. Unsettled Items such as Amounts Due from and to Related Parties (continued)

(3). Other items

☐ Applicable ☒ Not Applicable

7. Commitments of Related Parties

Please see Note X.3 "Unrecognized commitments related to investment in joint ventures" of this section for details.

8. Others

☐ Applicable ☒ Not Applicable

XV. SHARE-BASED PAYMENT

1. Various Equity Instruments

(1). Details

Quantity unit: Share Amount Unit: Yuan Currency: RMB

Category of Grantees	Granted during the period		Exercised during the period		Vested during the period		Lapsed during the period	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Senior managers							356,400.00	1,625,184.00
Technical and business key personnel							5,702,400.00	26,002,944.00
Total							6,058,800.00	27,628,128.00

(2). Stock options or other equity instruments outstanding at the end of the period

Category of Grantees	Stock options outstanding at the end of the period		Other equity instruments outstanding at the end of the period	
	Range of exercise prices	Remaining contract term	Range of exercise prices	Remaining contract term
Senior managers	4.10	28		
Technical and business key personnel	4.10	28		

XV. SHARE-BASED PAYMENT (continued)

1. Various Equity Instruments (continued)

Other explanations

Pursuant to the resolutions passed at the First Extraordinary General Meeting for 2024, the First A Share Class Meeting for 2024, and the First H Share Class Meeting for 2024 held by the Company on 28 February 2024, which considered and approved the Resolution on the 2023 Restricted A Share Incentive Scheme (Draft) and its Summary of China Suntien Green Energy Corporation Limited, the Resolution on Administrative Measures for the 2023 Restricted A Share Incentive Scheme of China Suntien Green Energy Corporation Limited, the Resolution on Administrative Measures for the Appraisal for Implementation of the 2023 Restricted A Share Incentive Scheme of China Suntien Green Energy Corporation Limited, and the Resolution on the Authorization to the Board and its Delegated Persons by the General Meeting to Exercise Full Power to Deal with Matters Relating to the Restricted Share Incentive Scheme, the Company signed the grant agreement with the grantees on 26 April 2024. On the same day, the 25th meeting of the fifth session of the Board of Directors was held, which considered and approved the Resolution on Adjusting the List of Incentive Participants and the Number of Shares Granted under the 2023 Restricted A Share Incentive Scheme of China Suntien Green Energy Corporation Limited and the Resolution on Granting Restricted Shares to Incentive Participants under the 2023 Restricted A Share Incentive Scheme of China Suntien Green Energy Corporation Limited. The Company determined 26 April 2024 as the grant date and granted a total of 18.6 million restricted shares to 225 incentive participants at a grant price of RMB4.10 per share.

The restricted shares granted under the incentive scheme of the Company are subject to lock-up periods of 24 months, 36 months, and 48 months from the date of completion of grant registration, with unlocking ratios of 33%, 33%, and 34% respectively.

The corresponding assessment years for the restricted shares granted under the Company's incentive scheme are: 2024, 2025, and 2026. The grant or unlocking of restricted shares for incentive participants in the current year is jointly determined based on the assessment results at the company level and individual level. The company-level performance assessment indicators are operating revenue growth rate, earnings per share, and the proportion of main business revenue. The individual-level assessment indicator is the individual annual performance appraisal result, divided into four standards: Excellent, Good, Pass, and Unqualified. Subject to the fulfillment of the company performance assessment, the corresponding unlocking ratios for grantees based on the aforementioned individual appraisal results are 1.00, 1.00, 0.70, and zero, respectively.

If the Company's performance assessment targets for a specific unlocking period of the restricted shares are not met, the restricted shares for that period for all participants cannot be unlocked and will be repurchased and cancelled by the Company.

Due to the resignation of participants and the failure to meet the performance assessment conditions of the Company, the total number of 6,058,800 restricted shares which were granted but not yet unlocked lapsed in 2025. The restricted share repurchase plan has not yet been reviewed by the Board of Directors.

2. Equity-settled Share-based Payment

Unit: Yuan Currency: RMB

Equity-settled share-based payment recipients	
Method for determining the fair value of equity instruments on the grant date	Closing market price of the Company's shares on the grant date minus the grant price
Important parameters for the fair value of equity instruments on the grant date	Market price
Basis for determining the number of exercisable equity instruments	Incentive participants who meet the assessment targets based on annual assessment of company performance indicators and individual performance indicators
Reasons for significant differences between current period estimates and prior period estimates	9,295,465.68
Cumulative amount of equity-settled share-based payments included in capital reserve	2,442,816.72
Other explanations:	
Nil	

FINANCIAL REPORT

XV. SHARE-BASED PAYMENT (continued)

3. Cash-settled Share-based Payment

☐ Applicable ☒ Not Applicable

4. Share-based Payment Expenses for the Period

Unit: Yuan Currency: RMB

Category of grantees	Equity-settled share-based payment expenses	Cash-settled share-based payment expenses
Senior managers	58,087.60	
Technical and business key personnel	929,404.80	
Total	987,492.40	
Other explanations		
Nil		

5. Modifications and Termination of Share-based Payment

☐ Applicable ☒ Not Applicable

6. Others

☐ Applicable ☒ Not Applicable

XVI. COMMITMENTS AND CONTINGENCIES

1. Significant Commitments

Significant external commitments, nature, and amount as at the balance sheet date

	2025	2024
Capital commitment	16,358,849,162.22	10,681,708,161.48
Investment commitment	252,663,070.24	488,769,374.00
Total	16,611,512,232.46	11,170,477,535.48

For details of unrecognised commitments related to investment in joint ventures, please refer to Note X. 3.

XVI. COMMITMENTS AND CONTINGENCIES (continued)

2. Contingencies

(1). Significant contingencies as at the balance sheet date

	2025	2024	
Contingent liabilities arising from pending litigation or arbitration	2,383,530.32	5,304,742.45	Note 1

Note 1: The Group may be involved in disputes, lawsuits or claims with customers, suppliers and other parties in the ordinary course of business. Following consultation with relevant legal counsel and reasonable estimation of the outcome of such pending disputes, lawsuits or claims by the Company's management, the Group has made corresponding provisions for disputes, lawsuits or claims that are likely to cause losses to the Group. No provision has been made for these pending disputes, lawsuits and claims for which the final outcome cannot be reasonably estimated at this time or which, in the opinion of the Company's management, will not have a material adverse effect on the Group's results of operations or financial position.

(2). Please explain if no significant contingencies is required to be disclosed by the Company:

☐ Applicable ☒ Not Applicable

3. Others

☐ Applicable ☒ Not Applicable

XVII. EVENTS AFTER THE BALANCE SHEET DATE

1. Significant Non-adjustment Events

☐ Applicable ☒ Not Applicable

FINANCIAL REPORT

XVII. EVENTS AFTER THE BALANCE SHEET DATE *(continued)*

2. Profit Distribution

Unit: Yuan Currency: RMB

Profit or dividend to be distributed	902,538,614.60
Profit or dividend declared after review and approval	902,538,614.60

In 2025, the Company's net profit attributable to shareholders of the parent company in the audited consolidated statements was RMB1,826,333,548.28, and undistributed profits were RMB10,329,302,396.51. Undistributed profits at the end of the period in the parent company's statements were RMB5,779,557,768.17. The Company proposes to distribute a cash dividend of RMB0.20 (tax inclusive) per share, based on the total number of issued shares of the Company on the date of the Board meeting at which the 2025 profit distribution proposal is approved, being 4,512,693,073 shares. The total cash dividend will amount to RMB902,538,614.60 (tax inclusive).

3. Sales Return

☐ Applicable ☒ Not Applicable

4. Explanation on Other Events after Balance Sheet Date

☐ Applicable ☒ Not Applicable

XVIII. OTHER SIGNIFICANT EVENTS

1. Correction of Previous Accounting Errors

For details, please see "THE COMPANY'S ANALYSIS AND EXPLANATION ON THE REASONS FOR AND IMPACTS OF CHANGES OF ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES OR CORRECTION OF SIGNIFICANT ACCOUNTING ERRORS" in "SIGNIFICANT EVENTS".

2. Important Debt Restructuring

☐ Applicable ☒ Not Applicable

3. Asset Replacement

(1). Exchange of non-monetary assets

☐ Applicable ☒ Not Applicable

(2). Other asset replacement

☐ Applicable ☒ Not Applicable

4. Annuity Plan

☐ Applicable ☒ Not Applicable

5. Termination of Business

☐ Applicable ☒ Not Applicable

XVIII. OTHER SIGNIFICANT EVENTS (continued)

6. Segment Information

(1). Determination criteria and accounting policies of the reporting segments

For management purposes, the Group organizes its business units by product and service and has 3 reportable segments as follows:

- (1) The natural gas segment mainly provides the sale of natural gas and natural gas appliances and the provision of services for the construction and connection of natural gas pipelines.
- (2) The wind power and solar energy segment is mainly engaged in the development, management and operation of wind farms, solar power plants and the sale of electricity to external grid companies.
- (3) Other segments are mainly engaged in pumped storage power generation, gas power, investment management and property leasing business, etc.

Management monitors the operating results of each of its business units separately for the purpose of making decisions about resources allocation and performance assessment. Segment results are evaluated based on reported segment profit after tax.

Pricing of transfers between operating segments is determined by reference to fair prices used in transactions with third parties.

(2). Financial information of the reporting segments

Unit: Yuan Currency: RMB

Items	Natural gas	Wind and photovoltaic generation	Others	Intersegment elimination	Total
Revenue from external customers	13,594,455,106.46	6,227,625,852.20	8,738,178.35		19,830,819,137.01
Intersegment revenue	2,519,544.47	212,452.83	74,244,656.36	-76,976,653.66	
Gains on investment accounted for under the equity method	68,746,229.91	24,636,726.96	146,048,373.91		239,431,330.78
Credit impairment loss/(reversal)	10,927,673.57	-23,365,391.45	1,038,800.30		-11,398,917.58
Asset impairment losses	69,938,200.81	412,725,611.34	706,684.10		483,370,496.25
Depreciation and amortisation expense	937,454,317.87	2,315,268,032.78	16,119,111.17		3,268,841,461.82
Total profit	457,983,923.73	1,968,597,743.56	118,855,328.89	-2,295,444.41	2,543,141,551.77
Income tax expenses	130,600,626.23	398,698,123.09	-74,052.85		529,224,696.47
Net profit	327,383,297.50	1,569,899,620.47	118,929,381.74	-2,295,444.41	2,013,916,855.30
Total assets	36,011,074,764.60	53,835,665,030.32	7,567,019,171.76	-3,922,573,419.60	93,491,185,547.08
Total liabilities	28,042,942,018.17	34,964,401,580.30	2,703,393,120.47	-3,722,183,368.91	61,988,553,350.03
Other disclosures					
Non-cash expenses other than depreciation and amortisation expenses	80,865,874.38	389,360,219.89	1,745,484.40		471,971,578.67
Long-term equity investments accounted for under the equity method	1,743,124,359.75	395,203,303.07	1,545,636,428.66		3,683,964,091.48
Increase in non-current assets other than long-term equity investments (note)	1,973,995,448.19	8,664,179,391.95	24,836,935.86		10,663,011,776.00

Note: The increase in non-current assets other than long-term equity investments included the increase in investment property, fixed assets, construction in progress, right-of-use assets, intangible assets, development costs and long-term deferred expenses for the current year.

(3). Please explain if the Company has no reporting segments or is unable to disclose the total assets and total liabilities of each reporting segment

☐ Applicable ☒ Not Applicable

FINANCIAL REPORT

XVIII. OTHER SIGNIFICANT EVENTS (continued)

6. Segment Information (continued)

(4). Other explanations

More than 90% of the Group's revenue was derived from Northern China, which is managed in a unified and centralised manner by the management. Therefore, the Group had only one regional segment.

Additional information

Geographic information

Revenue from external customers

Name	2025	2024
Chinese Mainland	19,830,819,137.01	21,372,124,492.83

Revenue from external customers was attributable to the regions where the customers were located, and all customers were located in Chinese Mainland.

Total non-current assets

Name	2025	2024
China (excluding Hong Kong, Macao and Taiwan regions)	77,083,311,553.89	69,021,654,261.17
Other countries or regions	70,569,786.91	73,989,080.38
Total	77,153,881,340.80	69,095,643,341.55

The non-current assets were attributable to the regions where such assets were located, and excluded financial assets and deferred tax assets.

Information on major customers

Operating revenue (which generates revenue of 10% or more of the Group's revenue) of RMB5,839,828,132.14 (2024: RMB5,489,690,218.24) is derived from a single customer (including all entities known to be under the control of the customer) under the operating segments.

7. Other Significant Transactions and Events Affecting Investors' Decision-making

☐ Applicable ☒ Not Applicable

8. Others

☐ Applicable ☒ Not Applicable

XIX. NOTES TO KEY ITEMS OF THE FINANCIAL STATEMENTS OF THE PARENT COMPANY

1. Accounts Receivable

(1). Disclosure by aging

Unit: Yuan Currency: RMB

Age	Closing book balance	Opening book balance
Within 1 year	25,915,350.20	12,269,179.78
Including: Sub-items within 1 year		
Within 6 months	25,915,350.20	12,269,179.78
6 months to 1 year		
1 to 2 years		
2 to 3 years		
Over 3 years		
3 to 4 years		
4 to 5 years		
Over 5 years		
Total	25,915,350.20	12,269,179.78

(2). Classified disclosure by the method of provision for bad debts

Unit: Yuan Currency: RMB

Category	Closing balance					Opening balance				
	Carrying balance		Provision for bad debts		Carrying value	Carrying balance		Provision for bad debts		Carrying value
	Amount	Percentage (%)	Amount	Provision percentage (%)		Amount	Percentage (%)	Amount	Provision percentage (%)	
Bad debt provision on an individual basis										
Of which:										
Bad debt provision on a group basis	25,915,350.20	100.00			25,915,350.20	12,269,179.78	100.00			12,269,179.78
Of which:										
No recovery risk	25,915,350.20	100.00			25,915,350.20	12,269,179.78	100.00			12,269,179.78
Total	25,915,350.20	/		/	25,915,350.20	12,269,179.78	/		/	12,269,179.78

FINANCIAL REPORT

XIX. NOTES TO KEY ITEMS OF THE FINANCIAL STATEMENTS OF THE PARENT COMPANY (continued)

1. Accounts Receivable (continued)

(2). Classified disclosure by the method of provision for bad debts (continued)

Provision for bad debts on an individual basis:

☐ Applicable ☒ Not Applicable

Provision for bad debts on a group basis:

Item provision on a group basis: No recovery risk

Unit: Yuan Currency: RMB

Name	Closing balance		
	Carrying balance	Provision for bad debts	Provision ratio (%)
Amounts due from subsidiaries	25,915,350.20		
Total	25,915,350.20		

Explanation on bad debt provision on a group basis:

☐ Applicable ☒ Not Applicable

Provision for bad debts is made according to the general model of expected credit losses

☐ Applicable ☒ Not Applicable

Basis of segregation and bad debt provisioning ratio by stages

Nil

Explanation for the significant changes in the book balance of receivables for which the loss provisions have changed during the period:

☐ Applicable ☒ Not Applicable

XIX. NOTES TO KEY ITEMS OF THE FINANCIAL STATEMENTS OF THE PARENT COMPANY (continued)

1. Accounts Receivable (continued)

(3). Provision for bad debts

☐ Applicable ☒ Not Applicable

Of which, significant amounts of provision for bad debts recovered or reversed for the period:

☐ Applicable ☒ Not Applicable

Other explanations:

Nil

(4). Actual write-off of accounts receivable for the current period

☐ Applicable ☒ Not Applicable

Including: significant accounts receivable write-offs

☐ Applicable ☒ Not Applicable

Explanation on accounts receivable write-off:

☐ Applicable ☒ Not Applicable

(5). Accounts receivable and contract assets with the top five closing balances collected as per the borrowers

Unit: Yuan Currency: RMB

Name of entity	Closing balance of accounts receivable	Closing balance of contract assets	Closing balance of accounts receivable and contract assets	Percentage of total closing balance of accounts receivable and contract assets (%)	Closing balance of provision for bad debts
Hebei Fengning Construction and Investment New Energy Co., Ltd. (河北豐寧建設新能源有限公司)	7,257,734.04		7,257,734.04	28.01	
Suntien Green Energy Weichang Co., Ltd. (新天綠色能源圍場有限公司)	4,085,696.82		4,085,696.82	15.77	
Chengde Yujing New Energy Co., Ltd. (承德禦景新能源有限公司)	2,579,602.57		2,579,602.57	9.95	
Yu County Suntien Wind Energy Co., Ltd. (蔚縣新天風能有限公司)	2,004,243.03		2,004,243.03	7.73	
Suntien Green Energy (Fengning) Co., Ltd. (新天綠色能源(豐寧)有限公司)	1,282,906.87		1,282,906.87	4.95	
Total	17,210,183.33		17,210,183.33	66.41	

Other explanations:

Nil

Other explanations:

☐ Applicable ☒ Not Applicable

FINANCIAL REPORT

XIX. NOTES TO KEY ITEMS OF THE FINANCIAL STATEMENTS OF THE PARENT COMPANY (continued)

2. Other Receivables

Items presented

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Interest receivable		
Dividend receivables	654,259,902.95	332,362,702.46
Other receivables	1,028,565,724.44	2,620,600,726.77
Total	1,682,825,627.39	2,952,963,429.23

Other explanations:

☐ Applicable ☒ Not Applicable

Interest receivable

(1). Classification of interest receivable

☐ Applicable ☒ Not Applicable

(2). Significant overdue interest

☐ Applicable ☒ Not Applicable

(3). Classified disclosure by the method of provision for bad debts

☐ Applicable ☒ Not Applicable

Provision for bad debts on an individual basis:

☐ Applicable ☒ Not Applicable

Explanation on provision for bad debts on an individual basis:

☐ Applicable ☒ Not Applicable

Provision for bad debts on a group basis:

☐ Applicable ☒ Not Applicable

XIX. NOTES TO KEY ITEMS OF THE FINANCIAL STATEMENTS OF THE PARENT COMPANY (continued)

2. Other Receivables (continued)

Interest receivable (continued)

(4). *Provision for bad debts is made according to the general model of expected credit losses*

☐ Applicable ☒ Not Applicable

Basis of segregation and bad debt provisioning ratio by stages

Nil

Explanation for the significant changes in the book balance of interest receivable for which the loss provisions have changed during the period:

☐ Applicable ☒ Not Applicable

(5). *Provision for bad debts*

☐ Applicable ☒ Not Applicable

Of which, significant amounts of provision for bad debts recovered or reversed for the period:

☐ Applicable ☒ Not Applicable

Other explanations:

Nil

(6). *Actual write-off of interest receivable for the current period*

☐ Applicable ☒ Not Applicable

Including: significant interests receivable write-offs

☐ Applicable ☒ Not Applicable

Explanation on write-off:

☐ Applicable ☒ Not Applicable

Other explanations:

☐ Applicable ☒ Not Applicable

FINANCIAL REPORT

XIX. NOTES TO KEY ITEMS OF THE FINANCIAL STATEMENTS OF THE PARENT COMPANY (continued)

2. Other Receivables (continued)

Dividend receivables

(7). Dividend receivables

Unit: Yuan Currency: RMB

Projects (or investees)	Closing balance	Opening balance
Tongdao Suntien Green Energy Co., Ltd. (通道新天綠色能源有限公司)	36,615,937.56	29,063,352.52
Ruoqiang Suntien Green Energy Co., Ltd. (若羌新天綠色能源有限公司)		15,978,602.21
Junan Suntien Wind Energy Co., Ltd. (莒南新天風能有限公司)	12,182,519.55	5,473,933.68
Suntien Green Energy Lianyungang Co., Ltd. (新天綠色能源連雲港有限公司)	17,024,532.74	
Handan City Suntien Green Energy Wind Power Co., Ltd. (邯鄲市新天綠色風力發電有限公司)	1,076,303.05	
Guangxi Suntien Green Energy Co., Ltd. (廣西新天綠色能源有限公司)	17,389,892.79	
Fangchenggang Suntien Green Energy Co., Ltd. (防城港新天綠色能源有限公司)	11,645,824.42	
Heilongjiang Suntien Hadian New Energy Investment Co., Ltd. (黑龍江新天哈電新能源投資有限公司)	18,359,386.06	
Shenzhen Suntien Green Energy Investment Co., Ltd. (深圳新天綠色能源投資有限公司)	6,554,365.72	
HECIC New-energy (Tangshan) Co., Ltd. (建投新能源(唐山)有限公司)	26,448,785.04	
Hebei Fengning Construction and Investment New Energy Co., Ltd. (河北豐寧建投新能源有限公司)	470,381,203.53	261,099,134.76
Fuping Jixin Suntien Green Energy Co., Ltd. (富平冀新綠色能源有限公司)	14,231,092.42	14,231,092.42
Fuliang Zhongling Suntien Green Energy Co., Ltd. (浮梁中嶺新天綠色能源有限公司)	6,516,586.87	6,516,586.87
Chengdedayuan New Energy Co., Ltd. (承德大元新能源有限公司)	15,833,473.20	
Total	654,259,902.95	332,362,702.46

(8). Significant dividends receivable aging over 1 year

☐ Applicable ☒ Not Applicable

(9). Classified disclosure by the method of provision for bad debts

☐ Applicable ☒ Not Applicable

Provision for bad debts on an individual basis:

☐ Applicable ☒ Not Applicable

Explanation on provision for bad debts on an individual basis:

☐ Applicable ☒ Not Applicable

Provision for bad debts on a group basis:

☐ Applicable ☒ Not Applicable

XIX. NOTES TO KEY ITEMS OF THE FINANCIAL STATEMENTS OF THE PARENT COMPANY (continued)

2. Other Receivables (continued)

Dividend receivables (continued)

(10). *Provision for bad debts is made according to the general model of expected credit losses*

☐ Applicable ☒ Not Applicable

Basis of segregation and bad debt provisioning ratio by stages

Nil

Explanation for the significant changes in the book balance of dividend receivables for which the loss provisions have changed during the period:

☐ Applicable ☒ Not Applicable

(11). *Provision for bad debts*

☐ Applicable ☒ Not Applicable

Of which, significant amounts of provision for bad debts recovered or reversed for the period:

☐ Applicable ☒ Not Applicable

Other explanations:

Nil

(12). *Actual write-off of dividend receivables for the current period*

☐ Applicable ☒ Not Applicable

Including: significant dividend receivables write-offs

☐ Applicable ☒ Not Applicable

Explanation on write-off:

☐ Applicable ☒ Not Applicable

Other explanations:

☐ Applicable ☒ Not Applicable

FINANCIAL REPORT

XIX. NOTES TO KEY ITEMS OF THE FINANCIAL STATEMENTS OF THE PARENT COMPANY (continued)

2. Other Receivables (continued)

Other receivables

(13). Disclosure by aging

Unit: Yuan Currency: RMB

Age	Closing book balance	Opening book balance
Within 1 year		
Including: Sub-items within 1 year		
Within 6 months	1,028,032,169.52	187,140,219.93
6 months to 1 year		111,236,377.50
1 to 2 years	4.40	1,205,940,000.00
2 to 3 years		959,598,035.48
3 to 4 years	695,000.00	36,500,000.00
4 to 5 years		112,930,496.67
Over 5 years	540,000.00	7,591,109.00
Less: Provision for bad debts of other receivables	-701,449.48	-335,511.81
Total	1,028,565,724.44	2,620,600,726.77

(14). Classified by the nature

Unit: Yuan Currency: RMB

Nature	Closing book balance	Opening book balance
Internal borrowings (Note 1)	1,020,803,206.41	2,613,105,000.00
Intercompany	895,000.00	7,051,109.00
Deposits	340,000.00	340,000.00
Others	7,228,967.51	440,129.58
Total	1,029,267,173.92	2,620,936,238.58

Note 1: The interest rates of the Company's internal borrowings with its subsidiaries range from 2.20% to 2.70%, and the term of the borrowing is 1 year

XIX. NOTES TO KEY ITEMS OF THE FINANCIAL STATEMENTS OF THE PARENT COMPANY (continued)

2. Other Receivables (continued)

Other receivables (continued)

(15). Provision made for bad debts

Unit: Yuan Currency: RMB

Provision for bad debts	The first stage	The second stage	The third stage	Total
	Expected credit losses over the next 12 months	Lifetime expected credit losses (no credit impairment occurred)	Lifetime expected credit losses (credit impairment occurred)	
Balance as at 1 January 2025	335,511.81			335,511.81
Balance at 1 January 2025 during the period				
-Transfer into the second stage	-335,511.59	335,511.59		
-Transfer into the third stage				
-Reversal to the second stage				
-Reversal to the first stage				
Provision during the period	361,449.26	170,000.00		531,449.26
Reversal during the period		-165,511.59		-165,511.59
Transferral during the period				
Write-off during the period				
Other changes				
Balance at 31 December 2025	361,449.48	340,000.00		701,449.48

Basis of segregation and bad debt provisioning ratio by stages

Nil

Explanation for the significant changes in the book balance of other receivables for which the loss provisions have changed during the period:

☐ Applicable ☒ Not Applicable

Basis for the provisions for bad debts in this period and the assessment of whether the credit risk of financial instruments has increased significantly:

☐ Applicable ☒ Not Applicable

FINANCIAL REPORT

XIX. NOTES TO KEY ITEMS OF THE FINANCIAL STATEMENTS OF THE PARENT COMPANY (continued)

2. Other Receivables (continued)

Other receivables (continued)

(16). Provision for bad debts

Unit: Yuan Currency: RMB

Category	Opening balance	Change for the period				Closing balance
		Provision	Recovered or reversed	Write-off or cancellation	Other changes	
Other receivables	335,511.81	531,449.26	165,511.59			701,449.48
Total	335,511.81	531,449.26	165,511.59			701,449.48

Among them, significant amounts of provision for bad debts during the period have been reversed or recovered:

☐ Applicable ☒ Not Applicable

Other explanations:

2025

	Carrying balance		Provision for bad debts		Book value
	Amount	Percentage (%)	Amount	Provision ratio (%)	
Provision for bad debts based on a combination of credit risk characteristics	1,029,267,173.92	100.00	701,449.48	0.07	1,028,565,724.44

2024

	Carrying balance		Provision for bad debts		Book value
	Amount	Percentage (%)	Amount	Provision ratio (%)	
Provision for bad debts based on a combination of credit risk characteristics	2,620,936,238.58	100.00	335,511.81	0.01	2,620,600,726.77

As at 31 December 2025, other receivables with provision for bad debts made based on a combination of credit risk characteristics are as follows:

XIX. NOTES TO KEY ITEMS OF THE FINANCIAL STATEMENTS OF THE PARENT COMPANY (continued)

2. Other Receivables (continued)

Other receivables (continued)

(16). Provision for bad debts (continued)

No recovery risk:

	Carrying balance	Impairment provisions	Provision ratio (%)
Amounts due from subsidiaries	1,021,698,206.41		

As at 31 December 2025, other receivables with provision for bad debts on ageing are as follows:

	Carrying balance	Impairment provisions	Provision ratio (%)
Within 6 months	7,228,963.11	361,448.16	5.00
6 months to 1 year			
1 to 2 years	4.40	1.32	30.00
2 to 3 years			
Over 3 years	340,000.00	340,000.00	100.00
Total	7,568,967.51	701,449.48	/

(17). Actual write-off of other receivables for the current period

☐ Applicable ☒ Not Applicable

Including: significant other receivable write-offs:

☐ Applicable ☒ Not Applicable

Explanation on other receivables write-off:

☐ Applicable ☒ Not Applicable

FINANCIAL REPORT

XIX. NOTES TO KEY ITEMS OF THE FINANCIAL STATEMENTS OF THE PARENT COMPANY (continued)

2. Other Receivables (continued)

Other receivables (continued)

(18). Other receivables from the top five debtors by closing balance

Unit: Yuan Currency: RMB

Name of entity	Closing balance	Percentage of the total closing balance of other receivables (%)	Nature of the amount	Age	Closing balance of provision for bad debts
Caofeidian Suntien Liquefied Natural Gas Co., Ltd. (曹妃甸新天液化天然氣有限公司)	1,020,803,206.41	99.18	Internal borrowings	Within 6 months	
Hebei Shuijian New Energy Co., Ltd. (河北水建新能源有限公司)	7,228,963.11	0.70	Equity transfer payment	Within 6 months	361,448.16
Suntien Green Energy Xuyi Co., Ltd. (新天綠色能源盱眙有限公司)	540,000.00	0.05	Intercompany	Over 5 years	
Ruoqiang Suntien Green Energy Co., Ltd. (若羌新天綠色能源有限公司)	355,000.00	0.03	Intercompany	3 to 4 years	
Reception Office of Hebei Provincial People's Government	340,000.00	0.03	Deposits	3 to 4 years	340,000.00
Total	1,029,267,169.52	99.99	/	/	701,448.16

(19). Presented in other receivables due to centralised management of funds

☐ Applicable ☒ Not Applicable

Other explanations:

☐ Applicable ☒ Not Applicable

3. Long-term Equity Investments

Unit: Yuan Currency: RMB

Items	Closing balance			Opening balance		
	Carrying balance	Impairment provisions	Book value	Carrying balance	Impairment provisions	Book value
Investments in subsidiaries	16,455,323,345.69	165,800,000.00	16,289,523,345.69	14,202,879,724.22	136,841,123.10	14,066,038,601.12
Investments in associates and joint ventures	1,327,101,207.50		1,327,101,207.50	1,194,000,324.53		1,194,000,324.53
Total	17,782,424,553.19	165,800,000.00	17,616,624,553.19	15,396,880,048.75	136,841,123.10	15,260,038,925.65

XIX. NOTES TO KEY ITEMS OF THE FINANCIAL STATEMENTS OF THE PARENT COMPANY (continued)

3. Long-term Equity Investments (continued)

(1). Investments in subsidiaries

Unit: Yuan Currency: RMB

Investee	Opening balance (carrying value)	Opening balance of impairment provisions	Changes in the period				Closing balance (carrying value)	Closing balance of impairment provisions
			Additional investments	Decrease in investments	Impairment provisions	Others		
HECIC New Energy	5,892,370,258.98		1,041,379,190.66	67,892.58			6,933,681,557.06	
Hebei Natural Gas Co., Ltd. (河北省天然氣有限責任公司)	1,271,314,805.11		143,421.67				1,271,458,226.78	
Suntien Green Energy (Fengning) Co., Ltd. (新天綠色能源(豐寧)有限公司)	173,927,910.80		42,906.40				173,970,817.20	
Jianshui Suntien	163,310,533.20		12,908.40				163,323,441.60	
Heilongjiang Suntien Hadian New Energy Investment Co., Ltd. (黑龍江新天哈電新能源投資有限公司)	270,717,000.00						270,717,000.00	
Suntien Green Energy Investment (Beijing) Co., Ltd. (新天綠色能源投資(北京)有限公司)	60,046,844.40		4,302.80				60,051,147.20	
Suntien Green Hong Kong	609,267,434.05			5,591.77			609,261,842.28	
Ruoqiang Suntien Green Energy Co., Ltd. (若羌新天綠色能源有限公司)	209,428,822.10		11,022,062.14				220,450,884.24	
Xinyang Suntien Wind Energy Co., Ltd. (滎陽新天風能有限公司)	90,000,000.00						90,000,000.00	
Junan Suntien Wind Energy Co., Ltd. (晉南新天風能有限公司)	103,128,822.10			11,183.54			103,117,638.56	
Suntien Shenzhen	194,500,000.00						194,500,000.00	
Suntien Hebei Solar Energy Development Co., Ltd. (新天河北太陽能開發有限公司)	33,060,900.00			33,060,900.00				
Hebei Fengning Construction and Investment New Energy Co., Ltd. (河北豐寧建設新能源有限公司)	1,036,574,222.00		11,021,972.88				1,047,596,194.88	
Guangxi Suntien Green Energy Co., Ltd. (廣西新天綠色能源有限公司)	149,593,688.80		8,605.60				149,602,294.40	
Weihui Suntien Green Energy Co., Ltd. (衛輝新天綠色能源有限公司)	84,093,688.80		8,605.60				84,102,294.40	
Tongdao Suntien Green Energy Co., Ltd. (通遼新天綠色能源有限公司)	158,963,688.80		8,605.60				158,972,294.40	
Chaoyang Suntien New Energy Co., Ltd. (朝陽新天新能源有限公司)	32,000,000.00			32,000,000.00				
Offshore Wind	571,437,910.80		149,123,365.28				720,561,276.08	

FINANCIAL REPORT

XIX. NOTES TO KEY ITEMS OF THE FINANCIAL STATEMENTS OF THE PARENT COMPANY (continued)

3. Long-term Equity Investments (continued)

(1). Investments in subsidiaries (continued)

Investee	Opening balance (carrying value)	Opening balance of impairment provisions	Changes in the period				Closing balance (carrying value)	Closing balance of impairment provisions
			Additional investments	Decrease in investments	Impairment provisions	Others		
HECIC New-energy (Tangshan) Co., Ltd. (建設 新能源(唐山)有限公司)	86,000,000.00						86,000,000.00	
Fuliang Zhongling Suntien Green Energy Co., Ltd. (浮 梁中嶺新天綠色能源有限 公司)	174,346,844.40			174,346,844.40				
Hebei New Energy Clean Energy Development Co., Ltd. (河北新天綠色清潔能 源發展有限公司)	38,093,688.80			27,197.44			38,066,491.36	
Fangchenggang Suntien Green Energy Co., Ltd. (防 城港新天綠色能源有限公 司)	93,300,000.00		10,000,000.00				103,300,000.00	
Fuping Jixin Suntien Green Energy Co., Ltd. (富平冀新 綠色能源有限公司)	29,052,565.70	136,841,123.10	8,605.60		28,958,876.90		102,294.40	165,800,000.00
Caofeidian Suntien Liquefied Natural Gas Co., Ltd. (曹妃 甸新天液化天然氣有限公 司)	1,684,126,087.89		357,058,381.47				2,041,184,469.36	
Suntien Green Energy Lianyungang Co., Ltd. (新天 綠色能源連雲港有限公司)	138,029,277.75		14,197.37				138,043,475.12	
Hebei Gas	85,519,355.30			36,635.54			85,482,719.76	
Hebei Jianrong Photovoltaic Technology Co., Ltd. (河北 建融光伏科技有限公司)	22,777,752.29						22,777,752.29	
HECIC New-energy Supply Chain Management Co., Ltd. (河北建設新能供應鏈管理 有限公司)	20,093,688.80		8,605.60				20,102,294.40	
Suntien Green Energy (Tianjin) Co., Ltd. (新天綠色能源(天 津)有限公司)	10,046,844.40			11,041.36			10,035,803.04	
Xinjiang Yusheng New Energy Development Co., Ltd. (新疆 宇晟新能源開發有限公司)	16,289,400.00						16,289,400.00	
Shanghai Geluoli Technology Co., Ltd. (上海戈洛立科技 有限公司)	15,300,000.00						15,300,000.00	
Cangzhou Suntien Green Energy Co., Ltd. (滄州新天 綠色能源有限公司)	17,796,844.40		1,297,302.80				19,094,147.20	
HECIC Huineng New Energy Co., Ltd. (河北建設匯能新 能源有限責任公司)	96,578,688.80		30,928,605.60				127,507,294.40	
Jinzhou HECIC Wind Power Co., Ltd. (營州市建設風力 發電有限公司)	16,565,744.40		29,385,402.80				45,951,147.20	
Julu County HECIC New- energy WindPower Co., Ltd. (巨鹿縣建設新能風力發電 有限公司)	71,500,000.00		8,250,000.00				79,750,000.00	

XIX. NOTES TO KEY ITEMS OF THE FINANCIAL STATEMENTS OF THE PARENT COMPANY (continued)

3. Long-term Equity Investments (continued)

(1). Investments in subsidiaries (continued)

Investee	Opening balance (carrying value)	Opening balance of impairment provisions	Changes in the period				Closing balance (carrying value)	Closing balance of impairment provisions
			Additional investments	Decrease in investments	Impairment provisions	Others		
Liquan Jisheng Green Energy Co., Ltd. (禮泉冀盛綠色能源有限公司)	80,000,000.00						80,000,000.00	
Ningjin County HECIC Xinze Wind Power Co., Ltd. (寧晉縣建設新澤風力發電有限公司)	20,553,000.00		25,755,000.00				46,308,000.00	
Suntien Offshore Wind Power (Qinhuangdao) Co., Ltd. (新天海上風電(秦皇島)有限公司)	70,298,633.05		175,046,610.55				245,345,243.60	
Suntien Green Energy Qinhuangdao Beidaihe New District Co., Ltd. (新天綠色能源秦皇島北戴河新區有限公司)	37,100,000.00		221,011,000.00				258,111,000.00	
Suntien Smart Energy (Qinhuangdao Wuning) Co., Ltd. (新天智慧能源(秦皇島撫寧)有限公司)	43,085,000.00		139,070,195.92				182,155,195.92	
Handan City Suntien Green Energy Wind Power Co., Ltd. (邯鄲市新天綠色風力發電有限公司)	25,291,844.40		25,759,302.80				51,051,147.20	
Handan Suntien New Energy Co., Ltd. (邯鄲新天新能源有限公司)	34,195,000.00		32,228,000.00				66,423,000.00	
Shijiazhuang Suntien Smart Energy Co., Ltd. (石家莊新天智慧能源有限公司)			150,000,000.00				150,000,000.00	
HECIC (Tangshan) Clean Energy Development Co., Ltd. (建設(唐山)清潔能源開發有限公司)			45,028,130.96				45,028,130.96	
HECIC Pumped Storage (Laiyuan) Co., Ltd. (建設抽水蓄能(涞源)有限公司)			14,606,458.88				14,606,458.88	
Others	36,361,810.80		21,095,955.36	7,316,794.64			50,140,971.52	
Total	14,066,038,601.12	136,841,123.10	2,499,327,702.74	246,884,081.27	28,958,876.90		16,289,523,345.69	165,800,000.00

FINANCIAL REPORT

XIX. NOTES TO KEY ITEMS OF THE FINANCIAL STATEMENTS OF THE PARENT COMPANY (continued)

3. Long-term Equity Investments (continued)

(2). Investments in associates and joint ventures

Unit: Yuan Currency: RMB

Investment	Opening balance (carrying value)	Changes in the period							Closing balance (carrying value)	Closing balance of impairment provisions
		Additional investments	Decrease in investments	Gain or loss of investment recognized using equity method	Adjustments to other comprehensive income	Changes in other equity	Declaration of payment of cash dividend or profit	Impairment provisions		
I. Joint ventures										
Harbin Qingfeng	70,200,767.71	29,800,000.00		19,757,825.02		122,628.85			119,881,221.58	
Suntien Guohua	53,759,608.49			-4,030,452.82		814,338.97			50,543,494.64	
Chengde Dayuan	276,348,252.11	36,240,000.00		43,284,931.66		1,148,751.88	76,067,977.66		280,953,957.99	
Xinying Energy	14,811,180.49			543,312.52					15,354,493.01	
Sub-total	415,119,808.80	66,040,000.00		59,555,616.38		2,085,719.70	76,067,977.66		466,733,167.22	
II. Associates										
QIC Rongtan	16,641,634.23			237,138.43			96,705.88		16,782,066.78	
Hebei Fansheng Technology Co., Ltd. (河 北帆昇科技有限公司)	25,331,204.85			617,919.37					25,949,124.22	
Fengning Pumped Storage	712,595,887.76			78,103,509.54		1,536,879.32	32,000,000.00		760,236,276.62	
Jinjianjia Huludao Liaohe Oil Field Gas Co., Ltd.	1,540,937.05			-960,547.25					580,389.80	
Yanzhao Energy Storage	22,770,851.84	30,000,000.00		4,049,331.02					56,820,182.86	
Sub-total	778,880,515.73	30,000,000.00		82,047,351.11		1,536,879.32	32,096,705.88		860,368,040.28	
Total	1,194,000,324.53	96,040,000.00		141,602,967.49		3,622,599.02	108,164,683.54		1,327,101,207.50	

XIX. NOTES TO KEY ITEMS OF THE FINANCIAL STATEMENTS OF THE PARENT COMPANY (continued)

3. Long-term Equity Investments (continued)

(3). Impairment testing for long-term equity investments

Recoverable amount is determined based on the net amount after deducting disposal costs from fair value

☐ Applicable ☒ Not Applicable

The recoverable amount was determined based on the present value of the estimated future cash flow

Unit: Yuan Currency: RMB

Items	Book value	Recoverable amount	Impairment amount	Years in the forecast period	Key parameters for the forecast period	Key parameters for the stabilisation period	Basis of determining key parameters for the stabilisation period
Fuping Jixin Suntien Green Energy Co., Ltd. (富平冀新綠色能源有限公司)	28,958,876.90		28,958,876.90	2026-June 2042	Average annual electricity sales, average annual unit price of electricity sold, pre-tax discount rate: 7.33%	N/A	N/A
Total	28,958,876.90		28,958,876.90	/	/	/	/

As the revenue from the Fuping 100MW Wind Farm did not meet expectations, an impairment test was conducted on the subsidiary Fuping Jixin Green Energy Co., Ltd. in 2025.

Reasons for the significant discrepancy between the foregoing information and information used in impairment testing for prior years or external information

☐ Applicable ☒ Not Applicable

Reasons for the significant discrepancy between the information used by the Company in impairment tests in prior years and the actual situations in the current year

☐ Applicable ☒ Not Applicable

Other explanations:

Provision for impairment of long-term equity investments:

	Opening balance	Increase during the year	Decrease during the year	Closing balance
Fuping Jixin Suntien Green Energy Co., Ltd. (富平冀新綠色能源有限公司)	136,841,123.10	28,958,876.90		165,800,000.00

FINANCIAL REPORT

XIX. NOTES TO KEY ITEMS OF THE FINANCIAL STATEMENTS OF THE PARENT COMPANY (continued)

4. Operating Revenue and Operating Costs

(1). Operating revenue and operating costs

Unit: Yuan Currency: RMB

Items	Amount for the current period		Amount for the previous period	
	Revenue	Cost	Revenue	Cost
Principal operations				
Other operations	76,209,850.00	52,377,996.82	78,828,529.60	53,768,384.29
Total	76,209,850.00	52,377,996.82	78,828,529.60	53,768,384.29

(2). Breakdown of operating revenues and operating costs

Unit: Yuan Currency: RMB

Contract classification	Total	
	Operating revenue	Operating costs
By product type		
Service fee revenue	76,209,850.00	52,377,996.82
By region of operation		
Chinese Mainland	76,209,850.00	52,377,996.82
By time of transfer of goods		
Transferred at a point in time	73,044,461.56	51,438,353.13
Transferred over time	3,165,388.44	939,643.69
Total	76,209,850.00	52,377,996.82

Other explanations:

☐ Applicable ☒ Not Applicable

(3). Explanation for performance of obligations under contracts

☐ Applicable ☒ Not Applicable

(4). Explanation for allocation to residual performance of obligations under contracts

☐ Applicable ☒ Not Applicable

(5). Material contract changes or significant transaction price adjustments

☐ Applicable ☒ Not Applicable

Other explanations:

Nil

XIX. NOTES TO KEY ITEMS OF THE FINANCIAL STATEMENTS OF THE PARENT COMPANY (continued)

5. Investment Income

Unit: Yuan Currency: RMB

Items	Amount for the current period	Amount for the previous period
Income from long-term equity investments under the cost method	1,263,468,127.01	1,910,561,767.06
Long-term equity investment income accounted for under the equity method	141,602,967.49	59,529,095.65
Investment income on disposal of long-term equity investment	14,890,184.12	
Investment income of held-for-trading financial assets during the period of holding		4,463,555.80
Dividend income from investment in other equity instruments during the period of holding	14,290,389.37	13,931,074.40
Interest income from debt investments in the period of holding		
Interest income from other debt investments in the period of holding		
Investment income on disposal of held-for-trading financial assets		
Investment income on disposal of investment in other equity instruments		
Investment income on disposal of debt investments		
Investment income on disposal of other debt investments		
Gain on debt restructuring		
Total	1,434,251,667.99	1,988,485,492.91

Other explanations:

Nil

6. Others

Other non-current assets

	2025			2024		
	Carrying balance	Impairment provisions	Book value	Carrying balance	Impairment provisions	Book value
Capital lending/borrowing	1,829,756,000.00		1,829,756,000.00	2,460,398,700.00		2,460,398,700.00

FINANCIAL REPORT

XX. SUPPLEMENTARY INFORMATION

1. Non-recurring Gain or Loss Statement of the Period

Unit: Yuan Currency: RMB

Items	Amount	Description
Gain or loss on disposal of non-current assets, including the write-off portion of asset impairment provisions already provided for	-13,446.20	
Government subsidies included in profit or loss in the current period, but excluding those closely related to the Company's normal business operations, in line with national policies and regulations, received in accordance with specific standards and impacting the Company's gain or loss on a continuous basis	26,814,096.44	
Gain or loss arising from changes in 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, except for effective hedging business related to the Company's normal business operations		
Capital utilization fee received from non-financial enterprises and included in profit or loss for the period		
Gain or loss on entrusted investments or assets under management		
Gain or loss from external entrusted loans		
Losses of various assets due to force majeure factors such as natural disasters		
Reversal of impairment provisions for receivables subject to individual impairment test	14,432,839.24	
Gain on investments of subsidiaries, associates and joint ventures in which the investment cost was less than the interest in fair value of identifiable net assets of the investees at the time of acquisition		
Net gain or loss of subsidiaries from the beginning of the period to the consolidation date arising from the consolidation of enterprises under common control		
Gain or loss on exchange of non-monetary assets		
Gain or loss on debt restructuring		
One-off expenses incurred by the enterprise as a result of the discontinuation of the relevant business activities, such as staff settlement expenses, etc.		
One-off effect on profit or loss due to adjustments in taxation, accounting and other laws and regulations		
One-off share-based payment expenses recognized for cancellation and modification of equity incentive schemes		
Gain or loss arising from changes in the fair value of remuneration payable to employees after the exercise date in respect of cash-settled share-based payments		
Gain or loss on changes in fair value of investment properties adopting fair value method for subsequent measurement		
Gain arising from transactions with the unfair transaction price		
Gain or loss on contingency items unrelated to the normal business operations of the Company		
Custody fee income received from custody operation	5,290.49	
Investment income from the disposal of associates and joint ventures	1,059,507.11	
Investment income from disposal of subsidiaries and businesses		
Gains on remeasurement at fair value of equity interests originally held by subsidiaries acquired in stages	69,511,037.02	
Other non-operating income and expenses apart from the aforesaid items	127,760,123.22	
Other items of non-recurring gains or losses	987,202.93	
Less: Effect of income tax	59,519,321.65	
Effect of minority interests (after taxation)	18,498,803.71	
Total	162,538,524.89	

XX. SUPPLEMENTARY INFORMATION (continued)

1. Non-recurring Gain or Loss Statement of the Period (continued)

The Group's recognition of non-recurring gain or loss items is carried out in accordance with the provisions of "the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Securities to the Public – Non-recurring Profit or Loss" (CSRC Announcement [2023] No. 65).

Explanation of the reasons why the company identifies items not listed in the "Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Securities to the Public – Non-recurring Profit or Loss" as non-recurring profit or loss items with significant amounts, and defines items listed as non-recurring profit or loss in the "Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Securities to the Public – Non-recurring Profit or Loss" as recurring profit or loss items.

Unit: Yuan Currency: RMB

Items	Amount involved	Reason
VAT refund	368,135,168.36	Closely related to the Company's normal business operations
Reserve gas subsidy	276,037,735.85	Closely related to the Company's normal business operations

Other explanations:

☐ Applicable ☒ Not Applicable

FINANCIAL REPORT

XX. SUPPLEMENTARY INFORMATION (continued)

2. Net Return Rate of Assets and Earnings per Share

Profit generated during the Reporting Period	Weighted average net return rate of assets (%)	Earnings per share	
		Basic earnings per share	Diluted earnings per share
Net profit attributable to ordinary shareholders of the Company	8.12	0.43	0.43
Net profit attributable to ordinary shareholders of the Company, net of non-recurring gain or loss	7.39	0.39	0.39

The basic earnings per share was calculated by dividing the net profit for the current period attributable to ordinary shareholders of the Company by the weighted average number of outstanding ordinary shares. The number of newly issued ordinary shares is determined according to the specific terms of the issue contract and calculated from the date of consideration receivable (normally the stock issue date).

The calculation of basic earnings per share and diluted earnings per share is detailed as follows:

	2025	2024
Earnings		
Net profit for the period attributable to ordinary shareholders of the Company		
Continuing operations	1,826,333,548.28	1,672,367,020.97
Less: Distribution related to the perpetual bonds	16,512,328.78	11,753,444.44
Adjusted net profit for the current period attributable to ordinary shareholders of the Company used to calculate diluted earnings per share	1,809,821,219.50	1,660,613,576.53
Less: Cash dividends distributed during the current period to holders of restricted shares expected to be unlocked in the future	1,310,904.00	2,632,456.80
Adjusted net profit for the current period attributable to ordinary shareholders of the Company used to calculate basic earnings per share	1,808,510,315.50	1,657,981,119.73
Shares		
Weighted average number of outstanding ordinary shares of the Company	4,212,676,406.33	4,187,093,073.00
Dilutive effect – weighted average number of ordinary shares from restricted shares	1,365,168.42	134,230.86
Adjusted weighted average number of outstanding ordinary shares of the Company	4,214,041,574.75	4,187,227,303.86

Note: As at 31 December 2025, the number of restricted shares granted by the Company that are expected to be unlocked in the future is 6,242,400 shares. Since the exercise price of the restricted shares is lower than the average market price of ordinary shares during the period, the dilutive effect of the restricted shares is considered, and the diluted earnings per share for each reporting period is calculated based on the adjusted weighted average number of shares.

3. Differences in Accounting Data under Domestic and Foreign Accounting Standards

☐ Applicable ☒ Not Applicable

4. Others

☐ Applicable ☒ Not Applicable

Chairman: Cao Xin
Date Approved by the Board for Submission: 25 March 2026

INFORMATION REVISION

☐ Applicable ☒ Not Applicable

