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龍源電力集團股份有限公司
CHINA LONGYUAN POWER GROUP CORPORATION LIMITED*
(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 00916)

CONNECTED TRANSACTION
ACQUISITION OF 49% EQUITY INTEREST IN GUANGDONG GUONENG LONGYUAN

THE TRANSACTION

The Board of the Company approves that, the Company will enter into the Equity Transfer Agreement with CHN Energy, which will be signed no later than 30 November 2026, pursuant to which, the Company conditionally agrees to acquire and CHN Energy conditionally agrees to sell 49% equity interest in the Target Company for a consideration of RMB186,328,625.

Prior to the completion of the Transaction, as at the date of this announcement, the Target Company was a subsidiary in which the Company held a 51% equity interest and which was consolidated into the financial statements of the Company. Upon completion of the Transaction, the Target Company will become a wholly-owned subsidiary of the Company.

LISTING RULES IMPLICATIONS

As at the date of this announcement, CHN Energy directly and indirectly holds approximately 58.72% of the issued share capital of the Company, being the controlling shareholder of the Company and a connected person of the Company under Rule 14A.07 of the Listing Rules. The Target Company is held 51% by the Company and 49% by CHN Energy, respectively. Accordingly, the Target Company is a connected subsidiary of the Company pursuant to Rule 14A.16 of the Listing Rules and constitutes a connected person of the Company, and the Transaction therefore constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios (as defined in the Listing Rules) for the Transaction exceed 0.1% but are less than 5%, the Transaction is subject to the announcement and annual reporting requirements under Chapter 14A of the Listing Rules, but exempt from the independent shareholders' approval requirement.

I. INTRODUCTION

The Board of the Company approves that, the Company will enter into the Equity Transfer Agreement with CHN Energy, which will be signed no later than 30 November 2026, pursuant to which, the Company conditionally agrees to acquire and CHN Energy conditionally agrees to sell the 49% equity interest in the Target Company for a consideration of RMB186,328,625.

Prior to the completion of the Transaction, as at the date of this announcement, the Target Company was a subsidiary in which the Company held a 51% equity interest and which was consolidated into the financial statements of the Company. Upon completion of the Transaction, the Target Company will become a wholly-owned subsidiary of the Company.

II. EQUITY TRANSFER AGREEMENT

The principal terms of the Equity Transfer Agreement are as follows:

Parties

Purchaser: The Company

Transferor: CHN Energy

Transfer Target

The 49% equity interest in the Target Company held by CHN Energy

Consideration and Basis for Determining the Consideration

According to the Asset Valuation Report issued by Shanghai Lixin Asset Appraisal Co., Ltd.* (上海立信資產評估有限公司) ("**Lixin Appraisal**"), an independent and qualified asset appraisal institution, in respect of the Target Company, with 31 May 2026 as the benchmark date (the "**Valuation Benchmark Date**"), adopting the appraisal results under the income approach, the valuation of the total equity of shareholders of the Target Company was RMB380,262,500.

The consideration shall be RMB186,328,625, and the final consideration shall not exceed the valuation filed with the state-owned assets supervision and administration authority.

Payment Method of Consideration

The Company shall pay the full consideration of RMB186,328,625 to CHN Energy within twenty (20) business days from the effective date of the Equity Transfer Agreement or such other date as may be otherwise agreed by the parties.

Completion

On the twentieth (20th) business day from the effective date of the Equity Transfer Agreement or such other date as may be otherwise agreed by the parties ("**Completion Date**"), all rights, obligations and risks associated with the Target Equity shall be transferred to the Company on the Completion Date.

Gains or Losses during the Transition Period

The period from the Valuation Benchmark Date (exclusive) to the Completion Date (inclusive) shall be deemed the transition period. All profits and losses realized from the Target Equity during the transition period shall be enjoyed or borne by the Company.

Default Liability

If any party to the Equity Transfer Agreement violates its representations and warranties or makes any misrepresentation, or fails to perform any of its responsibilities or obligations under the agreement, such party shall be deemed to have defaulted. The defaulting party shall, upon the request of the other party, continue to perform its obligations or take measures to remedy its default or provide it with compensation.

Conditions Precedent

The Equity Transfer Agreement shall be established upon being signed by the legal representatives or authorized representatives of both parties and affixed with the official seals or special contract seals of their respective entities, and shall become effective upon fulfillment of all the following conditions:

(1) The Transaction has been approved by the internal competent decision-making authorities of both parties to the Equity Transfer Agreement;

(2) Government approval and filing procedures (excluding internal procedures of the Target Company) that are explicitly required by laws, regulations or normative documents governing the state-owned assets supervision and administration, and which are essential for the completion of the Transaction, have been completed by CHN Energy or the Company acting as the applicant.

III. FURTHER INFORMATION ON THE VALUATION

The income approach was adopted in preparing the valuation of 100% equity interest of the Target Company, which constitutes a profit forecast under Rule 14.61 of the Listing Rules (the "**Profit Forecast**"). For general information, key input parameters and assumptions regarding the valuation of the Target Company (the "**Valuation**") (including the valuation presented by the Company pursuant to Rule 14.60A of the Listing Rules), please refer to Appendix I of this announcement.

The reporting accountant of the Company, Baker Tilly Hong Kong Limited ("**Baker Tilly**"), has reviewed the calculation methodology underlying the Valuation of the Target Company and issued a report. The Board has confirmed that the Profit Forecast was prepared after due and careful inquiry. Pursuant to Rule 14.60A of the Listing Rules, the letters issued by Baker Tilly and the Board are set out in Appendix II and Appendix III to this announcement respectively.

Experts and Letters of Consent

Name	**Qualification**
Lixin Appraisal	Qualified PRC Appraisal Institution
Baker Tilly	Reporting Accountants, Certified Public Accountants, Registered Public Interest Entity Auditors

To the best of the knowledge, information and belief of the Directors after making all reasonable enquiries, Lixin Appraisal and Baker Tilly are each independent of the Group and its connected persons as third parties. As at the date of this announcement, neither Lixin Appraisal nor Baker Tilly has any interest in any member companies of the Group or any rights (whether legally enforceable or not) to subscribe for or nominate any person to subscribe for any securities of any member companies of the Group. Lixin Appraisal and Baker Tilly have each given their written consents dated 29 October 2026 to the publication of this announcement, agreeing to the inclusion of their names, opinions, recommendations and references to their names (including their qualifications) in the form and context in which they appear in this announcement, and such written consents have not been withdrawn as at the date hereof.

IV. RATIONALE AND BENEFITS OF THE TRANSACTION

This equity acquisition represents a significant step towards optimizing asset allocation and enhancing operational efficiency. Upon completion of the acquisition, Guangdong Guoneng Longyuan will become a wholly-owned subsidiary of the Company, enabling it to fully leverage the advantages of the listed company's capital platform and make full and effective use of the listed company's funds, which will address issues such as insufficient capital and financing constraints, whilst allowing the Company to concentrate its resources on intensifying efforts to secure new projects (such as offshore wind power in Guangdong), thereby enhancing its project acquisition and development capabilities and achieving both a scale and profitability increase for new energy projects in Guangdong.

The Directors (including the independent non-executive Directors) consider that notwithstanding that the Transaction is not in the ordinary course of the Company's business, the terms of the Transaction are entered into on normal commercial terms, which are fair and reasonable and in the interests of the Company and its shareholders as a whole.

Ms. Wang Xuelian and Mr. Zhang Tong, the Directors of the Company, hold positions at CHN Energy and therefore have a material interest in the Transaction. They have abstained from voting on the Board resolution approving the Transaction. Save as disclosed above, none of the other Directors of the Company has any material interest in the Transaction.

V. LISTING RULES IMPLICATIONS

As at the date of this announcement, CHN Energy directly and indirectly holds approximately 58.72% of the issued share capital of the Company, being the controlling shareholder of the Company and a connected person of the Company under Rule 14A.07 of the Listing Rules. The Target Company is held 51% by the Company and 49% by CHN Energy, respectively. Accordingly, the Target Company is a connected subsidiary of the Company pursuant to Rule 14A.16 of the Listing Rules and constitutes a connected person of the Company, and the Transaction therefore constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios (as defined in the Listing Rules) for the Transaction exceed 0.1% but are less than 5%, the Transaction is subject to the announcement and annual reporting requirements under Chapter 14A of the Listing Rules, but exempt from the independent shareholders' approval requirement.

VI. GENERAL INFORMATION

1. Information on the Company

The Company is a leading wind power generation company in the PRC, primarily engaged in the design, development, construction, management and operation of wind farms. In addition to the wind power business, the Company also operates other power projects such as solar and tidal energy. Meanwhile, the Company also provides consultation, repair and maintenance, training and other professional services to wind farms.

2. Information on CHN Energy

As a state-owned enterprise established in accordance with the laws of the PRC, CHN Energy is the controlling shareholder of the Company, and operates business segments including coal, thermal power, new energy, hydropower, transportation, chemicals, environmental technologies and finance. As at the date of this announcement, the ultimate beneficial owner of CHN Energy is SASAC.

3. Information on the Target Company

The Target Company is a limited liability company incorporated in the PRC, established with capital contributions from the Company and CHN Energy. It has a registered capital of RMB580 million, of which the Company holds a 51% equity interest and CHN Energy holds a 49% equity interest. The Target Company is primarily responsible for the construction and operational management of the Company's new energy projects in the Guangdong region.

The total profit and net profit of the Target Company prepared under PRC Accounting Standards for Business Enterprises for the two financial years ended 31 December 2025 are set out below:

Unit: RMB'0,000

	For the year ended 31 December 2025	**For the year ended 31 December 2024**
Total profit	253.41	495.68
Net profit	245.80	491.22

	As at 31 May 2026
Total assets	45,910.85
Net assets	37,243.39

VII. DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the meanings set out below:

"Asset Valuation Report"	the "Asset Valuation Report on the Total Equity Value of Shareholders of Guangdong Guoneng Longyuan New Energy Co., Ltd. Involved in China Energy Investment Corporation Co., Ltd.'s Proposed Transfer of the Equity Interest by Way of Non-public Agreement" (No.: Xin Zi Ping Bao Zi (2026) No. A10306), issued by Lixin Appraisal, in respect of the Target Company, with 31 May 2026 as the Valuation Benchmark Date
"Board"	the board of Directors of the Company
"CHN Energy"	China Energy Investment Corporation Co., Ltd. (國家能源投資集團有限責任公司), as at the date of this announcement, directly and indirectly holds 4,908,598,141 shares of the Company (approximately 58.72% of the total issued share capital of the Company), and is a controlling shareholder of the Company and the transferor under the Transaction

"Company"	China Longyuan Power Group Corporation Limited* (龍源電力集團股份有限公司), a joint stock limited company incorporated in the PRC, the H Shares of which are listed on the Hong Kong Stock Exchange (stock code: 00916), and the A shares of which are listed on the Shenzhen Stock Exchange (stock code: 001289), is the purchaser under the Transaction
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"controlling shareholder"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	the director(s) of the Company
"Equity Transfer Agreement"	the equity transfer agreement to be entered into between the Company and CHN Energy, pursuant to which the Company shall acquire 49% equity interest in Guangdong Guoneng Longyuan held by CHN Energy
"Group"	the Company and its subsidiaries
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"PRC"	the People's Republic of China
"RMB"	Renminbi, the lawful currency of the PRC
"SASAC"	State-owned Assets Supervision and Administration Commission of the State Council
"Shenzhen Stock Exchange"	the Shenzhen Stock Exchange
"subsidiary" or "subsidiaries"	has the meaning ascribed to it under the Listing Rules
"Target Company" or "Guangdong Guoneng Longyuan"	Guangdong Guoneng Longyuan New Energy Co., Ltd.

"Target Equity"	the 49% equity interest in the Target Company held by CHN Energy
"Transaction"	the acquisition by the Company of 49% equity interest in Guangdong Guoneng Longyuan held by CHN Energy pursuant to the Equity Transfer Agreement
"%"	percentage

By order of the Board
China Longyuan Power Group Corporation Limited*
Gong Yufei
Chairman

Beijing, the PRC
29 October 2026

As at the date of this announcement, the executive Directors of the Company are Mr. Gong Yufei and Mr. Wang Liqiang; the non-executive Directors are Ms. Wang Xuelian, Mr. Zhang Tong, Mr. Wang Yong and Mr. Liu Jintao; and the independent non-executive Directors are Mr. Michael Ngai Ming Tak, Mr. Gao Debu and Ms. Zhao Feng.

* *For identification purpose only*

Summary of the "Asset Valuation Report on the Total Equity Value of Shareholders of Guangdong Guoneng Longyuan New Energy Co., Ltd. Involved in China Energy Investment Corporation Co., Ltd.'s Proposed Transfer of the Equity Interest by Way of Non-public Agreement" and the "Asset Valuation Notes on the Total Equity Value of Shareholders of Guangdong Guoneng Longyuan New Energy Co., Ltd. Involved in China Energy Investment Corporation Co., Ltd.'s Proposed Transfer of the Equity Interest by Way of Non-public Agreement"

Shanghai Lixin Asset Appraisal Co., Ltd.* (上海立信資產評估有限公司) has evaluated the market value of the total equity of shareholders of Guangdong Guoneng Longyuan New Energy Co., Ltd. ("**Guangdong Guoneng Longyuan**") as of 31 May 2026, in relation to China Energy Investment Corporation Co., Ltd.'s proposed transfer of the equity interest by way of non-public agreement.

Subject of Valuation:	The total equity value of shareholders in Guangdong Guoneng Longyuan
Scope of Valuation:	All assets and liabilities of Guangdong Guoneng Longyuan
Valuation Benchmark Date:	31 May 2026
Type of Value:	Market value
Valuation Approaches:	Income approach and market approach
Valuation Conclusion:	The valuers employed both the income approach and market approach to evaluate the subject of valuation, with the income approach being adopted as the final valuation conclusion.

Based on the income approach, the total equity value of shareholders in Guangdong Guoneng Longyuan as at the Valuation Benchmark Date was RMB380,262,500, compared with its net book assets of RMB372,433,900, representing an appreciation of RMB7,828,600 and an appreciation rate of 2.10%.

I. VALUATION METHODOLOGY

The valuation methods adopted for this valuation are: the income approach and the market approach. The reasons for selecting these methods are as follows:

The appraised entity under valuation and its investment companies accounted for as long-term investments, are primarily engaged in wind and solar power generation. As there are a significant number of listed companies in the same industry, it is possible to calculate the appropriate value ratio by obtaining and analyzing the operational and financial data of comparable listed companies, and determine the value of the subject of valuation based on the comparative analysis with the appraised enterprises. Therefore, the listed company comparison method has been adopted for this valuation.

The appraised entity in this valuation is an enterprise with a certain profitability, and the expected income is quantifiable, the expected income period is predictable, and the risks borne by the expected income that are closely linked to discounting are foreseeable. Consequently, the income approach is appropriate for this valuation.

At present, the on-grid tariffs for wind power stations and photovoltaic power stations in China are still determined in accordance with the government's pricing catalogue and have not yet been fully marketized, and competitive tendering for construction quotas is implemented in certain provinces and regions, and changes to their on-grid tariff policies are linked to the investment costs of photovoltaic power stations. Given that the principal business of the appraised entity is wind and photovoltaic power generation, and that such operations are already in operation, there are temporal discrepancies between the valuation benchmark date and the enterprise's construction period, as well as the period during which project filing documents were obtained. Therefore, the asset-based approach has not been adopted for this valuation.

II. VALUATION ASSUMPTIONS

The assumptions adopted in the analysis and estimation of this asset valuation report are as follows:

(I) Basis for Data Forecasting

The forecast basis for this valuation is derived from the audited reports of the enterprise subject to valuation for the period from 2023 to May 2026. The analysis and forecast of the enterprise's future operations have been conducted on the basis of a thorough consideration of its current business fundamentals and growth potential, and subject to the following assumptions and premises. The principles underlying the forecast are consistent with generally accepted valuation principles both domestically and internationally. Generally speaking, the specific principles are as follows:

1. Refer to historical data without relying exclusively on it;

2. Adjust financial data based on surveyed and researched data;

3. Combine statistical data with qualitative analysis to make reasonable adjustments based on available data in order to determine the optimal parameters that reflect changes in enterprise value.

(II) Basic Assumptions

1. Going concern assumption:

It is assumed that the assets of Guangdong Guoneng Longyuan subject to valuation will, once the purpose of the valuation has been achieved, continue to be used in accordance with their original purpose and manner of use, and will continue to produce the original products or similar products.

2. Open market assumption

It is assumed that assets can be freely bought and sold in a fully competitive market, and their prices depend on the value judgments of independent buyers and sellers on the assets under normal market supply conditions.

An open market is a fully competitive market with many buyers and sellers. In such a market, both buyers and sellers operate on an equal footing, and each has the opportunity and time to obtain sufficient market information. Transactions between buyers and sellers are conducted voluntarily, rationally, and free from coercion or constrained conditions.

3. Transaction assumptions

The value of any asset is intrinsically linked to transactions. Regardless of whether the subject of the valuation is involved in any transactions within the economic activities relevant to the valuation purpose, we assume that the subject of valuation is in the process of transaction, and the valuer conducts the valuation in a simulated market according to the transaction conditions of assets to be valued.

(III) General Assumptions

1. The industry of the enterprise maintains a stable development trend, and the current national, local laws, regulations, systems, socio-political and economic policies that it follows have not changed significantly;

2. The impact of inflation on the appraisal results will not be considered;

3. Interest rates and exchange rates will remain at their current levels without significant changes;

4. No other force majeure or unforeseen factors will cause materially detrimental impact.

(IV) Specific Assumptions

1. There is no significant change in the relationship and mutual interests between the enterprise subject to valuation and cooperative partnerships;

2. The current and future operators of the enterprise subject to valuation are responsible, and the management of the enterprise can steadily advance the development plan of the enterprise, and try its best to realize the expected operating situation;

3. The core team of the enterprise subject to valuation will continue to hold positions in the enterprise in the coming years and will not engage in competing businesses outside of the enterprise;

4. The enterprise subject to valuation is able to perform the contracts and agreements executed as at the Valuation Benchmark Date in accordance with their terms;

5. The enterprise subject to valuation complies with relevant national laws and regulations, and there will be no significant violations affecting the development and revenue realization of the enterprise;

6. The accounting policies adopted in the financial data provided by the enterprise subject to valuation over the years will be substantially consistent with the accounting policies and the accounting methods used in earnings forecast in material aspects;

7. The cash flow of income and expenditure of the enterprise subject to valuation flows in and out evenly every year;

8. The premises leased by the enterprise subject to valuation for production and operations will be renewable upon lease expiry and available for continued use in the normal course of business;

9. The enterprise subject to valuation is able to obtain necessary funding in line with its business needs, and its normal operations/the progress of new projects will not be adversely affected by financing matters;

10. The relevant business licenses of the enterprise subject to valuation will be renewable upon expiry under normal circumstances;

11. With regard to certain buildings and land within the scope of the valuation that are either unregistered or in the process of being registered, we have paid due attention to their title status and made disclosures; at the same time, we have assumed that the future production and operations of the enterprise will not be affected by such matters;

12. The progress of projects under construction of the enterprise subject to valuation will proceed smoothly in accordance with the planned milestones;

13. In view of the current delays in subsidy payments within the new energy sector, and taking into account the actual settlement of new energy subsidies to date, it is assumed that the project companies will be able to recover their funds at a later date as anticipated;

14. It is assumed that electricity trading prices in future years will be substantially consistent with the company's expectations, and forecasts for future years are based on this assumption;

15. It is assumed that power curtailment rates in future years will be substantially consistent with the company's expectations, and forecasts for future years are based on this assumption;

16. The relevant data of listed companies sourced from Wind Information is true and reliable;

17. The stock exchanges on which the comparable listed companies are traded are efficient markets, and their share prices are considered fair and effective;

18. Without considering the impact on valuation conclusion due to the possible mortgages and guarantee to be undertaken and the incremental consideration might be paid for special transactions;

19. Given the high degree of uncertainty in investor preferences in the A-share market and the inability to accurately predict such preferences, investor behavior and preferences have not been factored into the valuation adjustments and are therefore not reflected in this valuation.

In accordance with the requirements of asset valuation, it is assumed that these assumptions hold valid as at the Valuation Benchmark Date. Should there be significant changes in the future economic environment, no liability shall be accepted for any differing valuation conclusion derived from such changed assumptions.

III. CALCULATION FORMULA AND KEY PARAMETER FOR INCOME APPROACH

(I) Calculation Formula of Income Approach

This valuation adopts the discounted cash flow approach (DCF) to value the operating assets of the enterprise. The income caliber is free cash flow to the firm (FCFF), and the corresponding discount rate adopts WACC model. The basic formula is as follows:

Value of all shareholders' equity = Overall value of the enterprise – Value of interest-bearing debts

Overall value of the enterprise = Value of operating assets + Value of surplus assets + value of non-operating assets and liabilities + Value of long-term equity investments

Of which, the value of operating assets is determined based on the following formula:

$$P = \sum_{i=1}^{n} \frac{F_i}{(1+r)^i}$$

Where: P: Value of operating assets;
r: Discount rate;
i: Forecast year;
F_i: Net cash flow of the i-th year;
n: Income period.

Interest-bearing debts: refer to interest-bearing debts recorded on the books as at the benchmark date.

Surplus assets: refer to surplus assets that are not directly related to the income generated from the core business of the enterprise and in excess of the enterprise's operating requirements, mainly including surplus cash and assets not included in the income approach forecast.

Non-operating assets and liabilities: refer to assets and liabilities that are not directly related to the income generated from the core business of the enterprise and make no contribution to the income of the core business.

(II) Determination of Net Cash Flow

The type of income used in the valuation is free cash flow to the firm. Free cash flow to the firm refers to the cash flow attributable to all investors, including both shareholders and interest-bearing debt holders, being the cash flow remaining after deducting capital expenditure for maintaining existing production and building new assets required for future growth and changes in working capital. The formula is as follows:

Free Cash Flow to the Firm = Net profit after tax + Depreciation and amortization + Interest expense (net of tax impact) – Capital expenditures – Changes in net working capital

(III) Income Period

Guangdong Guoneng Longyuan primarily operates five distributed photovoltaic projects, which were progressively connected to the grid between October 2023 and May 2025. According to the design specifications, the power stations have a life period of 25 years. This valuation employs a finite forecast, with the forecast period running from June 2026 to May 2050.

(IV) Discount Rate

In accordance with the principle of consistency between the basis adopted for income amount and that for the discount rate, the determination of the discount rate is based on the weighted average cost of capital (WACC) with the calculation model as follows:

$$WACC = R_e \times \frac{E}{D+E} + R_d \times (1-T) \times \frac{D}{D+E}$$

Where: WACC: Weighted average cost of capital
Re: Expected rate of return on equity
Rd: Expected rate of return on debts
E: Value of equity
D: Value of debts
T: Income tax rate

Where, the expected rate of return on equity (R_e) is calculated using the capital asset pricing model (CAPM) with the formula as follows:

$$R_e = R_f + \beta \times (R_m - R_f) + \varepsilon$$

Where: R_f: Risk-free interest rate
β : Adjustment factor for systemic risk of equity
R_m: The rate of market return
$(R_m - R_f)$: Market risk premium
ε : Specific risk premium rate

(V) Determination of Value of Surplus Assets and Non-operating Assets and Liabilities

Surplus assets, non-operating assets and liabilities are valued using the cost approach, income approach or market approach, depending on the specific circumstances.

The treatment of surplus assets, non-operating assets and liabilities is closely related to the enterprise's asset-liability structure. In this valuation, the value of surplus assets, non-operating assets and liabilities is determined through an analysis of the asset-liability structure and the utilization of assets of the enterprise subject to valuation.

(VI) Determination of Value of Long-term Equity Investments

As an asset, the long-term equity investment exists by holding certain equity interest in other enterprises; consequently, the valuation of the long-term equity investment primarily involves the valuation of the equity interest represented by that investment. In this valuation of the long-term equity investment, the valuation is determined by multiplying the net assets of the investee, as determined following its overall valuation, by the shareholding percentage.

IV. CALCULATION AND ANALYSIS FOR VALUATION UNDER THE INCOME APPROACH

(I) Free Cash Flow Forecast

1. Analysis and forecast of operating revenue

(1) Installed capacity of photovoltaic power stations

The Longyuan Guangdong Jiangmen Wanjiahong Stainless Steel Distributed Photovoltaic Project has a registered installed capacity of 4.5793 MW and an actual installed capacity of 4.5793 MW; the Longyuan Guangdong Qingyuan Huajing Automotive Components Distributed Photovoltaic Project has a registered installed capacity of 3.195855 MW, the actual installed capacity is 3.195855 MW; the Longyuan Guangdong Guangzhou Rongchuang Distributed Photovoltaic Project has a registered installed capacity of 9.96138 MW, with an actual installed capacity of 9.96138 MW; the Longyuan Guangdong Dongguan Wanjiang South China Mall Distributed Photovoltaic Project has a registered installed capacity of 2.82285 MW and an actual installed capacity of 2.82285 MW; the Longyuan Guangdong Qingyuan Huajing Automotive Components Distributed Photovoltaic Project (Phase II) has a registered installed capacity of 3.68622 MW and an actual installed capacity of 3.68622 MW.

(2) Utilization hours of power generation

As the projects have only recently been connected to the grid, the utilization hours of power generation for this valuation have been forecast on the basis of the feasibility study report, taking into account an appropriate attenuation coefficient. The attenuation coefficient has been determined with reference to the feasibility study report.

(3) Curtailment rate

There has been no power curtailment in prior years.

(4) Auxiliary power consumption rate

The auxiliary power consumption rate is forecast by referring to the historical operational data of the enterprise and taking into account the actual conditions at the power station.

(5) Settled electricity volume

Settled electricity volume = Actual installed capacity × Utilization hours of power generation × (1 – Auxiliary power consumption rate)

Transaction electricity volume = Settled electricity volume – Settled electricity volume for self-generation and self-consumption

(6) On-grid tariff and forecast period

All photovoltaic projects sell electricity under a scheme of self-generation and self-consumption with surplus electricity to grid.

For the surplus electricity to grid portion, the transaction price = benchmark on-grid tariff for coal-fired units.

The benchmark on-grid tariff for coal-fired units is determined in accordance with the benchmark tariff for coal-fired units within Guangdong Province, as RMB0.453/kW · h (tax inclusive).

For the self-generation and self-consumption portion, the electricity price for self-generation and self-consumption = settled electricity price for users.

According to the design specifications, the life period of the photovoltaic power station is 25 years, and the forecast period for this valuation is from 1 June 2026 to 31 May 2050.

2. Analysis and forecast of operating costs

Based on the historical operating performance of the enterprise, the operating costs of the appraised entity during the forecast period are primarily comprised of depreciation and amortization, employee compensation, electricity costs, material expenses, repair expenses, insurance expenses, operation and maintenance expenses, agency fees, property rental costs, safety production fees and other expenses.

Depreciation and amortization are forecast with reference to the fixed assets, right-of-use assets and intangible assets as at the Valuation Benchmark Date, in conjunction with the enterprise's accounting policies on depreciation and amortization.

Employee compensation is based on an estimated workforce of approximately three personnel, with per capita annual salary and welfare expenses of RMB400,000.

Material expenses are forecast at RMB3/kW per annum.

Repair expenses are forecast at 0.2% of the original value of the fixed assets.

Insurance expenses, operation and maintenance expenses, and property rental costs are forecast with reference to the contracts actually entered into.

Electricity costs are forecast with reference to historical actual figures.

Safety production fees and other expenses are determined with reference to historical annual levels.

3. Analysis and forecast of taxes and surcharges

The appraised entity is subject to taxes and surcharges including value-added tax surcharges (value-added tax rate of 13%, urban construction tax at 7%, education surcharge at 3%, and local education surcharge at 2%), as well as stamp duty. Different forecasting approaches are adopted for taxes of different nature:

For value-added tax surcharges, the output and input value-added tax amounts are forecast, and the payable value-added tax amounts are calculated, with reference to the forecasted operating revenue, operating costs, and capital expenditures of the appraised entity for future years. Value-added tax surcharges are then forecasted by applying the respective surcharge rates.

Stamp duty is forecast at 0.03% of sales revenue and taxable operating costs, in accordance with the tax policies implemented by the enterprise.

4. Analysis and forecast of finance expenses

Finance expenses generally consist of interest expense, interest income and handling fees. As the model of free cash flow to the firm is used in this valuation, interest expense has no impact on the free cash flow of the enterprise; therefore, for the sake of simplicity, it has been excluded from the forecast. Interest income and handling fees offset each other, and as the amounts expected to arise in the future are estimated to be relatively small, they have also been excluded from the forecast for the sake of simplicity.

5. Forecast of other expenses

Other expenses include impairment losses on assets, other gains, investment income, non-operating income and non-operating expenses, amongst others, which are all classified as non-operating gains and losses and are therefore not taken into account in this valuation.

6. Analysis and forecast of income tax expenses

The Longyuan Guangdong Jiangmen Wanjiahong Stainless Steel Distributed Photovoltaic Project and the Longyuan Guangdong Qingyuan Huajing Automotive Components Distributed Photovoltaic Project will enjoy a tax holiday from 2023 to 2025 (with an income tax rate of 0%), followed by a 50% relief period from 2026 to 2028 (with an income tax rate of 12.5%); the Longyuan Guangdong Guangzhou Rongchuang Distributed Photovoltaic Project and the Longyuan Guangdong Dongguan Wanjiang South China Mall Distributed Photovoltaic Project will enjoy a tax holiday from 2024 to 2026 (with an income tax rate of 0%), followed by a 50% relief period from 2027 to 2029 (with an income tax rate of 12.5%); the Longyuan Guangdong Qingyuan Huajing Automotive Components Distributed Photovoltaic Project (Phase II) will enjoy a tax holiday from 2025 to 2027 (with an income tax rate of 0%) and a 50% relief period from 2028 to 2030 (with an income tax rate of 12.5%).

Income tax expense is forecast in accordance with projected future profits.

7. Analysis and forecast of capital expenditures

Capital expenditures refer to expenditures incurred by the enterprise on long-term assets, such as fixed assets and intangible assets, which are required to carry out production and business operations. Capital expenditures constitute renewed expenditures for the existing assets.

Renewal expenditures for the existing assets refer to expenditures necessary in subsequent years to ensure the enterprise's continued operation, relating to assets that existed as at the Valuation Benchmark Date and those acquired after that date. The annual renewal expenditures required are estimated based on the composition, useful life, condition and renewal cycles of the assets held by the appraised entity.

8. Analysis and forecast of depreciation and amortization

The amounts of depreciation and amortization are calculated in accordance with the enterprise's existing fixed assets as at the Valuation Benchmark Date and capital expenditures for the forecast period.

The valuers forecast depreciation and amortization for future years based on the enterprise's existing fixed assets and intangible assets as at the Valuation Benchmark Date.

9. Forecast of working capital and analysis and forecast of increase in working capital

As the operating model of new energy power generation enterprises is straightforward, it is only necessary to consider key factors such as the cash required to maintain normal operations (minimum cash reserve), accounts receivable and accounts payable. Accounts receivable consist of electricity charges receivable, which are calculated based on a one-month turnover period. Payables consist primarily of operating costs inclusive of tax and are calculated as a certain proportion of the cash cost inclusive of tax (specific forecasting approach: payables include trade payables, taxes and surcharges payable, and income tax payable; of which, trade payables are calculated based on one month's cash cost inclusive of tax; taxes and surcharges payable are calculated using a one-month turnover period; and income tax payable is calculated using a three-month turnover period). The minimum monetary funds holding is calculated based on one month's cash cost.

10. Analysis and forecast of other figures

Other figures mainly comprise cash inflows arising from the offsetting of input value-added tax on project construction investment against output value-added tax.

11. Forecast of recovery value of assets at the end of the period (final year of the forecast period)

The forecast period is finite, and the recovery value of fixed assets and working capital at the end of the period must be taken into account. Fixed assets at the end of the period are treated on the basis of their residual value at the end of the forecast period, while all working capital is recovered in full at the end of the period.

(II) Determination of Discount Rates

The determination of the discount rate is based on the weighted average cost of capital (WACC) with the calculation model as follows:

$$WACC = R_{\mathrm{e}} \times \frac{E}{D+E} + R_d \times (1-T) \times \frac{D}{D+E}$$

Where: WACC: Weighted average cost of capital
Re: Expected rate of return on equity
Rd: Expected rate of return on debts
E: Value of equity
D: Value of debts
T: Income tax rate

Where, the expected rate of return on equity (R_e) is calculated using the capital asset pricing model (CAPM) with the formula as follows:

$$R_e = R_{\mathrm{f}} + \beta \times (R_{\mathrm{m}} - R_f) + \varepsilon$$

Where: R_f: Risk-free interest rate
β : Adjustment factor for systemic risk of equity
R_m: The rate of market return
(R_m-R_f): Market risk premium
ε : Specific risk premium rate

1. Determination of expected rate of return on equity (R_e)

(1) Determination of the risk-free interest rate (R_f)

The risk-free interest rate serves as compensation for the time value of money. For this valuation, reference was made to the guidelines in the Guidelines for Assets Appraisal Experts No. 12 – Measurement of Discount Rates in the Valuation of Enterprise Value by the Income Approach. The yield to maturity of China Government Bond with a remaining term of 10 years was selected as the risk-free interest rate, updated monthly. The data source is the China Government Bond Yield (to Maturity) Curve, published online by the China Appraisal Society and provided by the China Central Depository & Clearing Co., Ltd. (CCDC). The average 10-year yield to maturity announced for the month of the Valuation Benchmark Date is used for calculation. Accordingly, the risk-free interest rate (R_f) in the Chinese market as at the Valuation Benchmark Date was 1.75%.

(2) Determination of market risk premium (R_m-R_f)

Market risk premium refers to the expected excess return required by investors for equity investment with the same average risk as the overall market, that is, the risk compensation that exceeds the risk-free interest rate. The market risk premium can usually be measured by using the historical risk premium data of the market.

Considering that the primary business operations of the entity being valued are conducted within China, the CSI 300 Index, recognized as a representative benchmark for the Chinese securities market, is selected as the market return indicator. For this valuation, the annual average closing value of the CSI 300 Index is determined using the 12-month monthly closing values obtained from the Wind Information Financial Terminal. The market return (R_m) for the year is calculated as either the arithmetic average return or the geometric average return from the base date of the CSI 300 Index to the annual average closing value. This market return is then compared with the risk-free interest rate for the same year to derive the market risk premium for the Chinese securities market for each respective year.

As geometric mean return better reflects the long-term trend of returns in the Chinese securities market, the market risk premium (R_m-R_f) adopted in this valuation is based on the average of the annual market risk premiums over the past 10 years, estimated using geometric mean return and derived through data processing and analysis.

Based on the above calculation, the market risk premium (R_m-R_f) adopted in this appraisal is 5.99%.

(3) Determination of adjustment factor for systemic risk of equity (β)

The adjustment factor for systemic risk of equity measures the risk premium of the enterprise subject to valuation relative to the overall return of the capital market. It also serves as an indicator of the extent to which an individual stock is affected by changes in the broader economic environment, including stock price fluctuations. In selecting reference companies, listed companies operating in the same industry or subject to similar economic factors are typically chosen, with a preference for those located in the same country or region as the appraised company. We selected four listed companies in similar industries and queried their original β values through the Wind Information Financial Terminal to convert the reference companies with financial leverage original β coefficients to β coefficients excluding financial leverage.

The formula is as follows:

Original β after excluding leverage = original β /[1+(1 − T) × D/E]

The average financial leverage (D/E) of the reference companies is 74.77%, and the average β value excluding leverage is 0.5776. We substitute the capital structure ratios that have already been determined into the following formula to calculate the financial leverage β coefficient:

No.	Item	2026	2027	2028	2029
1	Risk coefficient excluding leverage	0.5776	0.5776	0.5776	0.5776
2	Income tax	5.50%	10.86%	12.50%	17.74%
3	Interest-bearing debt/ value of equity (%)	74.77	74.77	74.77	74.77
4	Leverage risk coefficient	0.9857	0.9625	0.9554	0.9328

No.	Item	2030	From 2031 to the end of the forecast period
1	Risk coefficient excluding leverage	0.5776	0.5776
2	Income tax	23.35%	25.00%
3	Interest-bearing debt/value of equity (%)	74.77	74.77
4	Leverage risk coefficient	0.9086	0.9015

(4) Determination of specific risk premium rate (ε)

The company-specific risk premium is the expectation of the company's shareholders that the company's exposure to risk is different from that of other companies and therefore requires an additional rate of return on investment.

Based on the company's current operational situation and taking into account the risks associated with power station operations, we have set the individual risk premium rate for this valuation at 1.75%.

(5) Determination of expected rate of return on equity

No.	Item	2026	2027	2028	2029
1	Risk-free rate of return (R_f)	1.75%	1.75%	1.75%	1.75%
2	Market risk yield (K_m)	5.99%	5.99%	5.99%	5.99%
3	Risk coefficient (β)	0.9857	0.9625	0.9554	0.9328
4	System risk yield	7.65%	7.52%	7.47%	7.34%
5	Company-specific risk adjustment coefficient (ε)	1.75%	1.75%	1.75%	1.75%
6	CAPM discount rate (R_e) = R_f + β × (K_m – R_f) + ε	9.40%	9.27%	9.22%	9.09%

No.	Item	2030	From 2031 to the end of the forecast period
1	Risk-free rate of return (R_f)	1.75%	1.75%
2	Market risk yield (K_m)	5.99%	5.99%
3	Risk coefficient (β)	0.9086	0.9015
4	System risk yield	7.19%	7.15%
5	Company-specific risk adjustment coefficient (ε)	1.75%	1.75%
6	CAPM discount rate (R_e) = R_f + β × (K_m – R_f) + ε	8.94%	8.90%

2. Determination of expected rate of return on debt (R_d)

The expected rate of return on debt represents the cost of capital for the company's debt financing.

For this valuation, the expected rate of return on debt of the appraised entity is determined using the 5-year loan prime rate (LPR) of 3.50%.

3. Determination of weighted average cost of capital

The formula is as follows:

$$WACC = R_e \times E / (D + E) + R_d \times (1 - T) \times D / (D + E)$$

Substituting the above parameters into the formula yields:

No.	Item	2026	2027	2028	2029
1	Interest rate of long-term interest-bearing debts - LPR	3.50%	3.50%	3.50%	3.50%
2	Income tax	5.50%	10.86%	12.50%	17.74%
3	Percentage of equity value W_e = E/(D+E)	57.22%	57.22%	57.22%	57.22%
4	Interest-bearing debts to value W_d = D/(D+E)	42.78%	42.78%	42.78%	42.78%
5	WACC	6.80%	6.64%	6.59%	6.43%

No.	Item	2030	From 2031 to the end of the forecast period
1	Interest rate of long-term interest-bearing debts - LPR	3.50%	3.50%
2	Income tax	23.35%	25.00%
3	Percentage of equity value $W_e = E/(D+E)$	57.22%	57.22%
4	Interest-bearing debts to value $W_d=D/(D+E)$	42.78%	42.78%
5	WACC	6.26%	6.22%

(III) Determination of Surplus Assets and Non-Operating Assets and Liabilities

Surplus assets refer to assets that are not directly related to the revenue from an enterprise's principal business operations and exceed the enterprise's operational requirements, which primarily include surplus cash and assets not included in the income approach forecasts. Non-operating assets and liabilities refer to assets and liabilities that are not directly related to the revenue from an enterprise's principal business operations and do not contribute to such operations. Surplus assets, non-operating assets and liabilities are valued using the cost approach, income approach or market approach, depending on the specific circumstances.

The treatment of surplus assets, non-operating assets and liabilities is closely related to the enterprise's asset-liability structure. In this valuation, the value of surplus assets, non-operating assets and liabilities is determined through an analysis of the asset-liability structure and the utilization of assets of the enterprise subject to valuation.

As at the Valuation Benchmark Date, there were no surplus assets within the scope of the valuation.

As at the Valuation Benchmark Date, the non-operating assets included in the scope of the valuation comprised other receivables, right-of-use assets and deferred tax assets. The carrying amount of non-operating assets was RMB78,878,000, and the valuation amounted to RMB78,393,200.

As at the Valuation Benchmark Date, there were no surplus liabilities included in the scope of the valuation.

As at the Valuation Benchmark Date, the non-operating liabilities included in the scope of the valuation consisted primarily of trade payables, other payables, the portion of non-current liabilities due within one year relating to lease liabilities, and lease liabilities. The carrying amount of the non-operating liabilities was RMB46.63 million, and the valuation was RMB46.0877 million.

For this valuation, rental costs were assessed based on the date of actual expenditure. The portion of unpaid lease payments relating to right-of-use assets included within the scope of this valuation was recognized as non-operating assets and valued at nil. Lease liabilities included within the scope of this valuation were recognized as non-operating liabilities and valued at nil.

(IV) Analysis of Interest-bearing Debt

As at the Valuation Benchmark Date, the enterprise had short-term borrowings of RMB1.5411 million and long-term borrowings and non-current liabilities due within one year totalling RMB38.2708 million; thus, the enterprise's interest-bearing debt as at the Valuation Benchmark Date amounted to RMB39.8119 million.

(V) Analysis of the Valuation of Long-term Equity Investments

The carrying amount of long-term equity investments was RMB298,306,449.24, comprising a total of 10 investees. The valuers verified the investee companies' business licenses, articles of association, investment agreements and relevant supporting documents. Different valuation methods were applied according to the specific circumstances of each investee:

1. As all entities accounted for as long-term investments in this valuation are either under the entity's control or subject to significant influence, they have each been assessed individually; the final valuation has been determined by multiplying the valuation of the investee's total shareholders' equity by the shareholding percentage.

2. In this valuation, for power station enterprises that are under normal construction or operating normally and for which future annual returns and risks can be reasonably quantified, the income approach will be used for valuation; for unaccounted-for companies and companies with suspended construction projects, the asset-based approach will be used for valuation.

3. For companies where the subscribed capital proportion and the paid-up capital proportion do not match, the valuation shall be determined as follows: Value of long-term equity investments = (valuation of the investee as at the Valuation Benchmark Date + shareholders' outstanding capital contributions) × shareholding percentage in the appraised entity – outstanding capital contributions of the appraised entity.

Based on the above analysis, the valuation of Guangdong Guoneng Longyuan's long-term equity investments is RMB293,136,720.60.

The valuation results of each long-term equity investment are as follows:

Unit: RMB

Name of the investee	Shareholding percentage%	Carrying amount	Methodology	Value of equity	Valuation
Guodian Longyuan Longchuan Wind Power Co., Ltd.	100	124,160,325.24	Income approach	147,932,700.00	147,932,700.00
Chaozhou Haishan Island Wind Power Development Co., Ltd.	60	47,938,020.00	Income approach	71,563,300.00	42,937,980.00
Guodian Longyuan Shanwei Wind Power Co., Ltd.	100	32,000,000.00	Cost approach	32,002,131.95	32,002,131.95
Guodian Yangjiang Hailing Island Wind Power Generation Co., Ltd.	100	52,750,964.00	Income approach	14,765,500.00	14,765,500.00
Qingyuan Longyuan New Energy Co., Ltd.	65	30,457,140.00	Income approach	64,422,300.00	41,874,495.00
Qingyuan Guolong New Energy Co., Ltd.	100	3,000,000.00	Income approach	5,486,900.00	5,486,900.00
Xuwen Longyuan New Energy Co., Ltd.	100	–	Cost approach	–	–
Wuhua Longyuan New Energy Development Co., Ltd.	100	–	Cost approach	–	–
Deqing Longyuan Deneng New Energy Co., Ltd.	80	8,000,000.00	Income approach	10,075,400.00	8,060,320.00
Xinhua Longyuan (Xuwen) New Energy Co., Ltd.	40	–	Cost approach	191,734.12	76,693.65

V. VALUATION CONCLUSION

Based on the income approach, the valuation of total equity of shareholders in Guangdong Guoneng Longyuan as at the Valuation Benchmark Date of 31 May 2026 was RMB380,262,500, representing an appreciation of RMB7,828,600 and an appreciation rate of 2.10%.

Independent assurance report on the calculations of discounted cash flow forecast in connection with the valuation of 100% equity interest in Guangdong Guoneng Longyuan New Energy Co., Ltd. (廣東國能龍源新能源有限公司) (the "Target Company")

To the Board of Directors of China Longyuan Power Group Corporation Limited (the "Company")

We have examined the calculations of the discounted cash flow forecast (the "**Forecast**") on which the valuation prepared by Shanghai Lixin Assets Appraisal Co., Ltd.* (上海立信資產評估有限公司) dated 31 August 2026 in respect of the appraisal of the fair value of 100% equity interest in the Target Company as at 31 May 2026 (the "**Valuation**") is based. The Valuation, prepared based on the Forecast, is regarded as a profit forecast under Rule 14.61 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

Directors' Responsibilities

The directors of the Company (the "**Directors**") are responsible for the preparation of the Forecast in accordance with the basis and assumptions (the "**Assumptions**") determined by the Directors as set out in the Valuation. This responsibility includes carrying out appropriate procedures relevant to the preparation of the Forecast for the Valuation and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the "Code of Ethics for Professional Accountants" issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Hong Kong Standard on Quality Management 1 "Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements" issued by HKICPA, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to form an assurance conclusion on the arithmetical accuracy of the calculations of the Forecast on which the Valuation is based and to report solely to you, as a body, as required by Rules 14.60A(2) of the Listing Rules, and for no other purpose. We accept no responsibility to any other person in respect of our work, or arising out of or in connection with our work.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" issued by HKICPA. This standard requires that we plan and perform our work to obtain reasonable assurance as to whether, so far as the arithmetical accuracy of the calculations of the Forecast is concerned, the Directors have properly compiled the Forecast based upon the Assumptions. Our work is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing issued by HKICPA. Accordingly, we do not express an audit opinion.

Opinion

In our opinion, so far as the arithmetical accuracy of the calculations of the Forecast is concerned, the Forecast has been properly compiled, in all material aspects, based upon the Assumptions.

Other Matter

The Assumptions include hypothetical assumptions about future events and management actions which cannot be confirmed and verified in the same way as past results and these may or may not occur. Even if the events and actions anticipated do occur, actual results are still likely to be different from those used in the Valuation and the variation may be material. Our opinion is not qualified in respect of this matter.

For the purpose of this engagement, we do not review the accounting policies for the Valuation as the Valuation relates to discounted future cash flows and no accounting policies have been adopted in the preparation of the Valuation. We are not reporting on the appropriateness and validity of the Assumptions on which the Valuation is based and our work does not constitute any valuation of the Target Company or an expression of an audit or review opinion on the Valuation.

Yours faithfully,

Baker Tilly Hong Kong Limited
Certified Public Accountants
Hong Kong, 29 October 2026
Chan Sai Ho
Practising certificate number: P07705

Dear Sirs:

Reference is made to the announcement (the "**Announcement**") dated 29 October 2026 by China Longyuan Power Group Corporation Limited (the "**Company**") in relation to (among others) (i) the acquisition by the Company of 49% equity interest in Guangdong Guoneng Longyuan held by CHN Energy (the "**Transaction**"); and (ii) the asset valuation report (the "**Asset Valuation Report**") issued by Shanghai Lixin Asset Appraisal Co., Ltd.* (上海立信資產評估有限公司) (the "**Valuer**") in respect of the Transaction, which valuation constitutes a profit forecast under Rule 14.61 of the Listing Rules of The Stock Exchange of Hong Kong Limited (Hong Kong Stock Exchange). Unless otherwise defined herein, terms used in this letter shall have the same meanings as those defined in the Announcement.

We have reviewed the bases and assumptions adopted by the Valuer in conducting the valuation, and have reviewed the valuation performed by the Valuer. We have also considered the letter dated 29 October 2026 issued by Baker Tilly Hong Kong Limited, the reporting accountants of the Company, regarding the accuracy of the forecast-related calculations in the valuation and whether the forecasts comply with the basis and assumptions set out in the Asset Valuation Report. We note that the calculations in the valuation forecasts are accurate and consistent with the basis and assumptions set out in the Asset Valuation Report.

Based on the foregoing, we are of the opinion that the profit forecast has been prepared after due and careful inquiry.

China Longyuan Power Group Corporation Limited
The Board

29 October 2026

* *For identification purpose only*