THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **China Longyuan Power Group Corporation Limited***, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

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)

PROPOSED EXTENSION OF THE VALIDITY PERIOD OF THE SHAREHOLDERS' RESOLUTION AND RELEVANT AUTHORISATION IN RESPECT OF THE PLAN FOR THE ISSUANCE OF A SHARES TO SPECIFIC TARGETS
ENTERING INTO THE FRAMEWORK AGREEMENT FOR PURCHASE AND SALE OF COMPREHENSIVE PRODUCTS AND SERVICES
AND
NOTICE OF THE THIRD EXTRAORDINARY SHAREHOLDERS' MEETING IN 2026

Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders

Gram Capital Limited
嘉林資本有限公司

The Company will convene the third extraordinary shareholders' meeting in 2026 (the "**ESM**") at 9:30 a.m. on Tuesday, 15 December 2026 at the Conference Room, 3/F, Block c, 6 Fuchengmen North Street, Xicheng District, Beijing, the People's Republic of China. Notice of the ESM is set out on pages 56 to 57 in this circular.

If you intend to appoint a proxy to attend the ESM, you are required to complete and return the accompanying form of proxy in accordance with the instructions printed thereon. For holders of H Shares, the form of proxy should be returned to Computershare Hong Kong Investor Services Limited not less than 24 hours before the time fixed for holding the ESM (i.e. not later than 9:30 a.m. on Monday, 14 December 2026) or any adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the ESM or at any other adjourned meeting.

23 November 2026

* *For identification purpose only*

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In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

"A Shares"	the ordinary shares of the Company with a nominal value of RMB1.00 each, which are listed on the Shenzhen Stock Exchange
"Articles" or "Articles of Association"	the articles of association of China Longyuan Power Group Corporation Limited* (as amended, modified or otherwise supplemented from time to time)
"Board"	board of directors of the Company
"CHN Energy"	China Energy Investment Corporation Limited (國家能源投資集團有限責任公司), as of the Latest Practicable Date, directly and indirectly holds 4,908,598,141 Shares (representing approximately 58.72% of the total issued share capital of the Company) in the Company in aggregate, and is the controlling shareholder of the Company
"Company Law"	the Company Law of the People's Republic of China
"Company" or "Longyuan Power"	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 and its H Shares are listed on the Hong Kong Stock Exchange (Stock Code: 00916) and A Shares are listed on the Shenzhen Stock Exchange (Stock Code: 001289)
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"continuing connected transactions"	has the meaning ascribed to it under the Listing Rules
"controlling shareholder"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	director(s) of the Company
"ESM"	the third extraordinary shareholders' meeting in 2026 to be held by the Company at 9:30 a.m. on Tuesday, 15 December 2026 at the Conference Room, 3/F, Block c, 6 Fuchengmen North Street, Xicheng District, Beijing, the People's Republic of China

"Existing Framework Agreement for Purchase and Sale of Comprehensive Products and Services"	the framework agreement on the mutual supply of materials, products and services dated 12 November 2023 entered into by the Company and CHN Energy
"Framework Agreement for Purchase and Sale of Comprehensive Products and Services"	the framework agreement for purchase and sale of comprehensive products and services for 2027 to be entered into by the Company and CHN Energy
"Group"	the Company and its subsidiaries
"H Shares"	the overseas listed foreign shares of the Company with a nominal value of RMB1.00 each, which are listed on the Hong Kong Stock Exchange
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Independent Board Committee"	the independent committee of the Board, comprising Mr. Michael Ngai Ming Tak, Mr. Gao Debu and Ms. Zhao Feng, the independent non-executive Directors of the Company, established to advise the Independent Shareholders in respect of the Framework Agreement for Purchase and Sale of Comprehensive Products and Services and the proposed annual caps thereof for 2027
"Independent Financial Adviser" or "Gram Capital"	Gram Capital Limited, a licensed corporation to carry out type 6 (advising on corporate finance) regulated activity under the SFO and the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Framework Agreement for Purchase and Sale of Comprehensive Products and Services and the proposed annual caps thereof for 2027

"Independent Shareholders"	Shareholders who are not required under the Listing Rules to abstain from voting on the relevant resolutions to be proposed at the ESM for consideration in respect of the Framework Agreement for Purchase and Sale of Comprehensive Products and Services and the proposed annual caps thereof for 2027
"Issuance" or "Issuance of A Shares to Specific Targets"	the issuance of A Shares to specific targets in 2025 and the related matters considered and approved by the Board on 29 October 2025
"Latest Practicable Date"	16 November 2026, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"NDRC"	the National Development and Reform Commission of the PRC
"Notice of the ESM"	the notice of the third extraordinary shareholders' meeting in 2026
"PRC"	the People's Republic of China
"RMB"	Renminbi, the lawful currency of the PRC
"Securities Law"	the Securities Law of the People's Republic of China
"SFO"	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
"Shareholder(s)"	holder(s) of Shares of the Company
"Shares"	share(s) in the share capital of the Company with a nominal value of RMB1.00 each, comprising A Shares and H Shares
"subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules
"%"	per cent

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)

Executive Directors:
Mr. Gong Yufei *(Chairman)*
Mr. Wang Liqiang *(President)*

Non-executive Directors:
Ms. Wang Xuelian
Mr. Zhang Tong
Mr. Wang Yong
Mr. Liu Jintao *(Employee Director)*

Independent Non-executive Directors:
Mr. Michael Ngai Ming Tak
Mr. Gao Debu
Ms. Zhao Feng

Registered office in the PRC:
Room 2006, 20th Floor
Block c, 6 Fuchengmen North Street
Xicheng District, Beijing
the PRC

Head office in the PRC:
Block c, 6 Fuchengmen North Street
Xicheng District, Beijing
the PRC

Principal place of business in Hong Kong:
Room 1917, 19/F
Lee Garden One
33 Hysan Avenue, Causeway Bay
Hong Kong

23 November 2026

To the Shareholders

Dear Sirs or Madams,

PROPOSED EXTENSION OF THE VALIDITY PERIOD OF THE SHAREHOLDERS' RESOLUTION AND RELEVANT AUTHORISATION IN RESPECT OF THE PLAN FOR THE ISSUANCE OF A SHARES TO SPECIFIC TARGETS
ENTERING INTO THE FRAMEWORK AGREEMENT FOR PURCHASE AND SALE OF COMPREHENSIVE PRODUCTS AND SERVICES
AND
NOTICE OF THE THIRD EXTRAORDINARY SHAREHOLDERS' MEETING IN 2026

* *For identification purpose only*

I. INTRODUCTION

This circular aims to give you the Notice of the ESM and provide you with relevant information, to enable you to make an informed decision on whether to vote for or against the following resolutions to be proposed at the ESM for consideration.

II. PROPOSED EXTENSION OF THE VALIDITY PERIOD OF THE SHAREHOLDERS' RESOLUTION AND RELEVANT AUTHORISATION IN RESPECT OF THE PLAN FOR THE ISSUANCE OF A SHARES TO SPECIFIC TARGETS

References are made to (1) the circular of the Company dated 3 December 2025 in relation to, among other things, the plan for the Issuance of A Shares to Specific Targets and the authorisation by the shareholders' meeting to the Board or its authorized person(s) to proceed with specific matters in respect of the Issuance of A Shares to Specific Targets in their sole discretion (the "**Relevant Authorisation**"); and (2) the poll results announcement of the Company dated 23 December 2025 in relation to, among other things, the consideration and approval of the resolutions in respect of the plan for the Issuance of A Shares to Specific Targets and the Relevant Authorisation at the shareholders' meeting. Accordingly, the validity period of the shareholders' resolution and the Relevant Authorisation in respect of the plan for the Issuance of A Shares to Specific Targets is 12 months from 23 December 2025 (i.e. until 23 December 2026).

On 21 August 2026, the China Securities Regulatory Commission (the "**CSRC**") issued the Reply on Approving the Registration of China Longyuan Power Group Corporation Limited for the Issuance of Shares to Specific Targets (Zheng Jian Xu Ke [2026] No. 2188), approving the Company's registration application for the Issuance of A Shares to Specific Targets, with a 12-month validity period from the date of approval of registration.

Given that the validity period of the shareholders' resolution and the Relevant Authorisation in respect of the plan for the Issuance of A Shares to Specific Targets is about to expire, while the relevant work relating to the Issuance is still ongoing, it is proposed to extend the validity period of the shareholders' resolution and the Relevant Authorisation in respect of the plan for the Issuance of A Shares to Specific Targets until the completion of the Issuance, so as to ensure the continuity and effectiveness of the work relating to the Issuance and to ensure the smooth progress of the subsequent work.

Save for the extension of the validity period of the shareholders' resolution and the Relevant Authorisation in respect of the Issuance of A Shares to Specific Targets, all other contents relating to the Issuance and the Relevant Authorisation shall remain unchanged. For the principal contents of the issuance plan and the Relevant Authorisation, please refer to Appendix I to this circular and the circular of the Company dated 3 December 2025.

III. FRAMEWORK AGREEMENT FOR PURCHASE AND SALE OF COMPREHENSIVE PRODUCTS AND SERVICES

Reference is made to the circular of the Company dated 13 December 2023 in relation to, among other things, the entering into of the Existing Framework Agreement for Purchase and Sale of Comprehensive Products and Services between the Company and CHN Energy.

In view of the expiry of the Existing Framework Agreement for Purchase and Sale of Comprehensive Products and Services on 31 December 2026, the Board has resolved and approved to enter into the Framework Agreement for Purchase and Sale of Comprehensive Products and Services with CHN Energy on 10 November 2026 to renew the aforesaid continuing connected transactions.

The Framework Agreement for Purchase and Sale of Comprehensive Products and Services and the proposed annual caps thereof for 2027 are subject to the approval by the Independent Shareholders. The Independent Board Committee comprising all independent non-executive Directors has been established to advise the Independent Shareholders in respect of the Framework Agreement for Purchase and Sale of Comprehensive Products and Services and the proposed annual caps thereof for 2027. Gram Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders on the same matters.

Reference is also made to the announcement of the Company dated 10 November 2026 in relation to, among other things, the entering into of the Framework Agreement for Purchase and Sale of Comprehensive Products and Services between the Company and CHN Energy, details of which are set out below:

Date

The Framework Agreement for Purchase and Sale of Comprehensive Products and Services will be entered into before the convening of the ESM.

Parties

The Company

CHN Energy

Term

The Framework Agreement for Purchase and Sale of Comprehensive Products and Services shall come into force upon the signature and affixing of the official seals by the legal representatives or authorised representatives of both parties and the approval by the ESM, and shall be effective for a term commencing on 1 January 2027 and expiring on 31 December 2027.

Principal Terms

1. Pursuant to the Framework Agreement for Purchase and Sale of Comprehensive Products and Services, the Group will provide products and services to CHN Energy and its subsidiaries (other than the Group in terms of the Existing Framework Agreement for Purchase and Sale of Comprehensive Products and Services and the Framework Agreement for Purchase and Sale of Comprehensive Products and Services (same as below)), including:

   (1) in terms of production: electricity trading, power generation rights trading, wind power technical services, resource evaluation of wind power projects, development and technical services of photovoltaic power generation and other related or similar services;

   (2) in terms of supply: sales or leasing of spare parts, technical and design consulting services such as wind power design and consulting services, office supplies, and other related or similar products and services;

   (3) in terms of auxiliary production: engineering general contracting services, software and hardware sales and related technical services, information technology services, logistics services, wind power vocational training, and other related or similar products and services.

2. Pursuant to the Framework Agreement for Purchase and Sale of Comprehensive Products and Services, CHN Energy and its subsidiaries will provide products and services to the Group, including:

   (1) in terms of production: electricity trading, power generation rights trading and other related or similar services;

   (2) in terms of supply: sales or leasing of production equipment and spare parts (unit spare parts, relevant technical services, etc.), office supplies, and other related or similar products and services;

(3) in terms of auxiliary production: EPC services for projects, engineering construction, logistics services, training, bidding agency services, information technology services, technical consulting, and other related or similar services; and

(4) in terms of administrative management: social security and pension management services and staff data recording management services and other related or similar services.

The Group and CHN Energy and its subsidiaries will enter into specific transaction agreements setting out the content of the products and/or services to be supplied and the terms and conditions on which such products and/or services will be provided, in accordance with the principles laid down by the Framework Agreement for Purchase and Sale of Comprehensive Products and Services.

The settlement terms shall be determined separately and in line with market practice applicable to each specific transaction. The detailed settlement terms will be set out in specific transaction agreements.

There is no exclusivity arrangement between the Company and CHN Energy under the Framework Agreement for Purchase and Sale of Comprehensive Products and Services. In the event that one party under the Framework Agreement for Purchase and Sale of Comprehensive Products and Services is unable to satisfy the other party's demand for products or services, or if more favourable conditions are offered by an independent third party, the other party will be entitled to enter into a transaction with such independent third party.

If either party violates any term of the Framework Agreement for Purchase and Sale of Comprehensive Products and Services (the "**Defaulting Party**"), the other party (the "**Observant Party**") can notify it in written form about the breach, and require the Defaulting Party to remedy the breach within a reasonable term. If the Defaulting Party fails to make any remedy for the breach within the above term, the Observant Party shall be entitled to terminate the Framework Agreement for Purchase and Sale of Comprehensive Products and Services immediately and reserve the right to claim compensation and any other legally permitted claims against the Defaulting Party.

Pricing Policy

Pursuant to the Framework Agreement for Purchase and Sale of Comprehensive Products and Services, the prices and conditions for the provision of products and services by the Group to CHN Energy and its subsidiaries shall be no less favourable to the Group than the prices and conditions for the provision of similar products and services by the Group to an independent third party; the prices and conditions for the provision of products and services by CHN Energy and its subsidiaries to the Group shall be no less favourable to the Group than the prices and conditions for the provision of similar products and services by an independent third party to the Group.

The prices of the products and services under the Framework Agreement for Purchase and Sale of Comprehensive Products and Services will be determined based on the following principles and order, provided that such determination does not violate the aforementioned pricing policy:

1. Government-prescribed price or government-guided prices: if there are prescribed prices or guided prices applicable to products and services under the Framework Agreement for Purchase and Sale of Comprehensive Products and Services, such products or services shall be provided at the applicable government-prescribed prices or as agreed within the scope of government-guided prices.

   For example, for electricity trading, the Company has mainly taken into account the policies issued by NDRC and National Energy Administration for the electricity trading, and the information published from time to time by the power exchange centres jointly set up by local energy competent authorities and local grid companies. In accordance with the Basic Rules for the Medium- and Long-Term Electricity Market (Fa Gai Neng Yuan Gui [2025] No. 1656) (《電力中長期市場基本規則》(發改能源規〔2025〕1656號)) issued by NDRC and National Energy Administration in December 2025, as well as the Implementation Opinions on Improving the National Unified Electricity Market System (《關於完善全國統一電力市場體系的實施意見》) by the General Office of the State Council, the development of the national unified electricity market system continues to advance, mechanisms for routine inter-provincial and inter-regional trading are gradually being implemented, while the rules governing trading products such as electricity contract transfers and green electricity trading are being continuously refined, with new energy participating fully in market transactions. As the level of interconnection within the national electricity market increases, the scope for market participants to engage in diversified collaboration, such as cross-provincial and cross-regional trading, continues to expand, providing a compliant policy framework and market environment for enterprises within CHN Energy to engage in electricity-related collaborative activities as well.

2. Tender and bidding price: if laws and regulations require the application of tendering and bidding procedures, the price shall be determined according to the tendering and bidding procedures. Regarding the tendering and bidding procedures of the Company:

   (1) the Company maintains contact with the suppliers of the Group by way of holding meetings with different suppliers at least once within a month based on purchase needs of the Company in order to keep abreast of the market development and the price trend of the comprehensive services.

   (2) the Group will engage a professional tendering company to organise the tendering procedures, ensuring that connected persons and other independent suppliers will compete on a fair basis;

(3) normally, when a tender announcement is first published, no fewer than three qualified bidders are required. In reviewing the tender and the bids, the Group will comprehensively consider whether the bidders' commercial and technical proposals meet the requirements of the tendered project. Among these, the commercial factors mainly include the bidders' qualifications, financial position and past performance; the technical factors mainly include the project's technical proposal, service proposal and project implementation capability.

(4) after the tender results are approved by the Company's senior management team, the Group will enter into contracts with the winning bidders. Accordingly, if the Group can obtain more favourable terms from other suppliers, they will not procure products and comprehensive services from the connected persons of the Company and their associates.

3. Market price: refers to the prices determined according to the following order: (i) the prices charged/paid by at least two independent third parties providing/receiving similar-sized products or services for the time being under normal commercial transactions in the places where such products and services are provided or their vicinity; or (ii) the prices charged/paid by at least two independent third parties providing/receiving applicable products or services under normal commercial transactions for products or services of similar sizes at that time. (Note: The term "prices charged" above applies to the situation where CHN Energy and its subsidiaries provide products or services for the Group, while "prices paid" applies to the situation where the Group provides products or services for CHN Energy and its subsidiaries.)

   In addition to the circumstances described above, the market price also refers to the fair purchase and selling price agreed upon between independent third parties for similar products or services.

4. Agreed price: it is determined based on fair negotiations between the parties by adding a reasonable profit margin over a reasonable cost. Reasonable costs refer to the actual costs incurred in providing such products or services by CHN Energy and its subsidiaries to the Group or by the Group to CHN Energy and its subsidiaries, as agreed and recognised by the parties. Reasonable profit margin is determined with reference to at least two comparable deals with independent third parties during the same period. If the agreed price is adopted, the provider shall provide the recipient with the basis for calculating the reasonable costs and reasonable profit in corresponding to the products or services.

On the basis of the above, the following pricing policies will be adopted for specific types of products or services:

(1) Engineering construction: if a bidding is required by laws and regulations, the prices shall be determined through the tendering procedures; if there is no requirement for bidding according to laws and regulations, market prices shall be implemented.

(2) Electricity trading and power generation rights trading: government-guided price if any; unified market-clearing price shall be applicable for the centralised bidding transaction; and the independent negotiated transaction shall refer to transaction price of the recent comparable market deals.

(3) Hardware and software sales and related technical services: market price (including tender and bidding price).

(4) Production equipment and spare parts, office products: market price.

(5) Bidding agency services: price prescribed under relevant rules of NDRC.

(6) Technical consulting services: agreed price with a profit margin of approximately 10%.

(7) Information technology services: the budget is reviewed and determined by professional institution(s) with pricing reviewing qualification according to relevant national and industry rules and regulations on construction pricing, pricing mechanism and fee standards, with reference to the market customs of the information technology industry, actual standards and market price, taking into account the actual condition of the Company's information technology construction. The parties negotiate and agree on the service price within the scope of budget.

(8) Logistics services and training services: agreed price (cost plus a profit margin of approximately 5%).

(9) Social security and pension management services and staff data recording management services: agreed price (cost plus a profit margin of approximately 5%).

Historical Amounts

The actual transaction amounts under the Existing Framework Agreement for Purchase and Sale of Comprehensive Products and Services for the years ended 31 December 2024, 31 December 2025 and the nine months ended 30 September 2026 are set out below:

Unit: RMB million

	For the year ended 31 December 2024	**For the year ended 31 December 2025**	**For the nine months ended 30 September 2026**
Provision of products and services to CHN Energy and its subsidiaries by the Group	446.85	433.65	145.86
Provision of products and services to the Group by CHN Energy and its subsidiaries	6,290.10	1,178.78	472.77

Note: The above actual amounts incurred for the nine months ended 30 September 2026 are unaudited. The actual transaction amounts for the year ending 31 December 2026 are not expected to exceed the annual caps under the Existing Framework Agreement for Purchase and Sale of Comprehensive Products and Services.

The annual caps of the Existing Framework Agreement for Purchase and Sale of Comprehensive Products and Services for the years ended 31 December 2024, 31 December 2025 and the year ending 31 December 2026 are set out below:

Unit: RMB million

	For the year ended 31 December 2024	**For the year ended 31 December 2025**	**For the year ending 31 December 2026**
Provision of products and services to CHN Energy and its subsidiaries by the Group	4,030.46	4,276.28	4,664.43
Provision of products and services to the Group by CHN Energy and its subsidiaries	7,484.21	7,360.14	7,444.47

Regarding the estimated annual cap amounts for the long-term mutual provision of products and services between the Group and CHN Energy and its subsidiaries, such annual cap amounts are determined based on the amount of the maximum demand for the procurement or provision of products and services that may arise between the Group and CHN Energy and its subsidiaries. With respect to the actual utilization of the annual caps, the Group or CHN Energy and its subsidiaries will also consider and compare the prices and conditions offered by independent third-party entities in the market for similar transactions. In the event that an independent third-party entity offers more favourable prices and conditions for similar transactions than the Group or CHN Energy and its subsidiaries, under the Existing Framework Agreement for Purchase and Sale of Comprehensive Products and Services, either the Group or CHN Energy and its subsidiaries have the right to choose to enter into relevant transactions with the independent third party. Accordingly, the annual caps under the Existing Framework Agreement for Purchase and Sale of Comprehensive Products and Services have not been fully utilized.

The above arrangement in relation to the right of the Group and CHN Energy and its subsidiaries to select independent third party counterparties in the market for the long-term mutual provision of products and services is also in line with the pricing policy and internal control measures under the Existing Framework Agreement for Purchase and Sale of Comprehensive Products and Services. Meanwhile, considering that in accordance with the Existing Framework Agreement for Purchase and Sale of Comprehensive Products and Services, the provision of products and services by the Group to CHN Energy and its subsidiaries will generate revenue for the Group and the procurement of products and services by the Group from CHN Energy and its subsidiaries is also beneficial for the Group to save costs and maintain business and operation stability, the reservation of sufficient balance of the annual cap amounts for the mutual provision of products and services between the Group and CHN Energy and its subsidiaries is conducive to the convenience of the Group's business operation and is in the interests of the Company and its Shareholders as a whole.

Proposed Annual Caps and Basis of Determination

For the year ending 31 December 2027, the proposed aggregate annual transactions under the Framework Agreement for Purchase and Sale of Comprehensive Products and Services shall not exceed the caps set out below:

Unit: RMB million

	For the year ending 31 December 2027
Proposed annual cap for the provision of products and services to CHN Energy and its subsidiaries by the Group	817.50
Proposed annual cap for the provision of products and services to the Group by CHN Energy and its subsidiaries	1,478.34

The aforesaid annual caps have been determined after taking into account the following factors:

1. Regarding the proposed annual caps for the provision of products and services by the Group to CHN Energy and its subsidiaries, the Company has taken into consideration:

   (1) the proposed annual caps in respect of the provision of products and services to CHN Energy and its subsidiaries by the Group have been determined with reference to the historical transactions and their amounts in respect of the provision of products and services to CHN Energy and its subsidiaries by the Group, estimated business development and actual demand of CHN Energy and its subsidiaries, as well as estimates on contractual amount, etc.

   (2) the Group will provide products and services to CHN Energy and its subsidiaries, including electricity trading, wind power technical services, sales or leasing of spare parts, engineering general contracting services, wind power vocational training and other related or similar products and services. CHN Energy and its subsidiaries have a long-term and stable cooperative relationship with the Group. In 2024, 2025 and the nine months ended 30 September 2026, the Group provided products and services to CHN Energy and its subsidiaries in amounts of RMB446.85 million, RMB433.65 million, and RMB145.86 million, respectively.

The proposed annual caps for the provision of products and services by the Group to CHN Energy and its subsidiaries in 2027 are mainly due to the following considerations:

(i) in the future, the Group will continuously promote the development of green energy and continue to expand its scale. In combination with the Group's development plan, the Group's new energy commissioning plan will maintain a certain growth rate in 2027. Accordingly, the Group expects that there will be opportunities for more cooperation between the Group and CHN Energy and its subsidiaries, and the Group will be able to provide CHN Energy and its subsidiaries with more services in the field of new energy power generation such as electricity trading, power generation rights trading, wind power technical services, engineering general contracting services, logistics services, etc.

(ii) the amount of the proposed annual caps for the provision of products and services by the Group to CHN Energy and its subsidiaries has been determined based on the amount of the maximum demand for transactions that may arise between the Group and CHN Energy and its subsidiaries. In June 2026, NDRC and National Energy Administration jointly issued the 15th Five-Year Plan for the Development of a New Energy System (《新型能源體系建設「十五五」規劃》). It clarifies that a clean, low-carbon, safe and efficient new energy system will be initially established by 2030, and sets core targets of lifting the share of non-fossil energy consumption to 25% and raising the proportion of wind and solar installed capacity above 50%. In line with the provisions of the national 15th Five-Year Plan for Renewable Energy Development (《可再生能源發展「十五五」規劃》), the aggregated additional wind and solar installed capacity nationwide during the 15th Five-Year Plan period is expected to be approximately 1 billion kW. With the accelerated implementation of large-scale bases in deserts, Gobi and wastelands, offshore wind power and new energy storage projects, renewable energy has become the main driver of growth in installed power generation capacity, shifting from a phase of rapid expansion in scale to one of high-quality operation. Based on the national policy support and the development trend of the new energy industry, the provision of products and services by the Group to CHN Energy and its subsidiaries will generate revenue for the Group. The Company is of the view that reserving a sufficient balance of the annual caps will help the Group to flexibly respond to the development of the new energy industry or policy, facilitate the conduct of business and enhance its competitiveness in the market, and will be in the interests of the Company and its Shareholders as a whole.

(3) the Group will continue to expand its scale in the future. Based on the Group's development plan, the installed capacity will continue to grow steadily in 2027. With the growth of installed capacity and the incentive orientation of national policies, the transaction scale of electricity will gradually expand. At the same time, the Measures for the Administration of Voluntary Greenhouse Gas Emission Reduction Trading (For Trial Implementation) (《溫室氣體自願減排交易管理辦法(試行)》), jointly revised by the Ministry of Ecology and Environment and the State Administration for Market Regulation, came into force in September 2026. The national Chinese Certified Emission Reduction (CCER) market regulatory framework continues to be refined, while project development opportunities and trading volumes are steadily expanding. In the future, the Company will vigorously develop the CCER project development and trading related works, and continuously enhance its ability to provide power trading and CCER-related services to CHN Energy and its subsidiaries. In addition, the General Office of the State Council issued the Implementation Opinions on Improving the National Unified Electricity Market System (《關於完善全國統一電力市場體系的實施意見》) in February 2026, which set out measures to refine the green electricity market system, expand the scale of green electricity consumption, establish a green certificate consumption system combining mandatory and voluntary elements, and promote multi-year green electricity trading and cross-provincial and cross-regional green electricity trading and other trading arrangements; NDRC and National Energy Administration have also successively issued documents such as the Opinions on Promoting the High-Quality Development of the Renewable Energy Green Power Certificate Market (《促進可再生能源綠色電力證書市場高質量發展的意見》) and the Basic Rules for the Medium- and Long-Term Electricity Market (《電力中長期市場基本規則》), driving the normalised operation of green electricity trading while continuously refining the mechanism for realising the environmental value of green electricity. As the green and low-carbon transition of CHN Energy continues to advance, the demand for green electricity procurement and carbon emission reduction compliance is constantly increasing, and the scope for related trading services continues to expand. Accordingly, based on the demand for market transactions such as power trading, green power deals and green certificate trading expected to take place between the Group and CHN Energy and its subsidiaries in 2027, it is expected that for the year 2027, the scale of relevant transactions between the Group and CHN Energy and its subsidiaries will remain substantial.

(4) taking into comprehensive consideration factors including the increased demand for synergistic businesses and equipment operation, maintenance and overhaul services arising from the continued growth in the business scale of CHN Energy and its subsidiaries, the Group's continuously enhanced product supply and service support capabilities, as well as reasonable increases in commodity prices and labor costs, it is estimated that the cap amount of products and services provided by the Group to CHN Energy and its subsidiaries in 2027 will be RMB817.50 million.

2. Regarding the proposed annual caps for the provision of products and services by CHN Energy and its subsidiaries to the Group, the Company has taken into consideration:

(1) the proposed annual caps in respect of the provision of products and services to the Group by CHN Energy and its subsidiaries have been determined with reference to the historical transactions and their amounts in respect of the provision of products and services to the Group by CHN Energy and its subsidiaries, estimated business development and actual demand of the Group, as well as estimates on contractual amount, etc.

(2) CHN Energy and its subsidiaries will provide products and services to the Group, including sales or leasing of production equipment and spare parts, power generation rights trading, and other related or similar products and services. Given the long-term cooperative relationship between the Group and CHN Energy and its subsidiaries, CHN Energy has business advantages and good reputation, and is able to provide production materials and auxiliary services to the Group at fair and reasonable prices. In 2024, 2025 and the nine months ended 30 September 2026, CHN Energy and its subsidiaries provided products and services to the Group in amounts of RMB6,290.10 million, RMB1,178.78 million, and RMB472.77 million, respectively.

(3) in the future, the Company will adhere to the path of high-quality, large-scale development in the new energy sector, and steadily advance the development and construction of key projects such as large-scale wind and solar power bases in deserts, Gobi and wastelands, as well as offshore wind power, with demand for the operation and maintenance of existing infrastructure and additional construction projects growing in parallel, driving a corresponding increase in demand for internal synergistic services such as engineering and technical consultancy, spare parts for production, operation and maintenance, and safety management services. CHN Energy possesses a complete industrial chain covering energy development, engineering construction, equipment manufacturing, logistics and transport, and technical services,

which features a mature supply system, consistent product and service quality, and robust delivery capabilities. By purchasing from entities within CHN Energy, the Company can leverage CHN Energy's integrated economies of scale to effectively control procurement costs, shorten delivery cycle, and ensure the continuity of project construction and production operations, thereby meeting the practical needs of the Company's business development. Meanwhile, in the next year, the warranty period of wind turbine units of approximately 3,500 MW is expected to expire, resulting in significant increase in the Group's demand for spare parts for daily units maintenance, regular maintenance, and emergency repair.

(4) in summary, the expenditure on purchasing production equipment and services, engineering construction services, material supply, and technical services from CHN Energy and its subsidiaries is expected to increase in 2027. Considering the impact of business growth, rising prices and labor costs, it is estimated that the cap amount of products and services provided by CHN Energy and its subsidiaries to the Group in 2027 will be RMB1,478.34 million.

Reasons for and Benefits of Entering into the Framework Agreement for Purchase and Sale of Comprehensive Products and Services

The transactions under the Framework Agreement for Purchase and Sale of Comprehensive Products and Services are and will continue to be based on the normal business needs of the Group and carried out in the ordinary and usual course of business of the Group and such transactions will continue to be agreed on based on arm's length negotiations and on terms that are fair and reasonable to the Group. The Group does not rely on such transactions, and such transactions will not have a material adverse effect on the Group's going concern and independence. The prices and conditions at which the Group and CHN Energy and its subsidiaries will provide products and services to each other under the Framework Agreement for Purchase and Sale of Comprehensive Products and Services will be no less favourable than the prices and conditions at which the Group enters into similar transactions with the independent third parties.

The mutual provision of products and services between the Group and CHN Energy and its subsidiaries is conducive to the operation and development of the Company's business, enables the Company to conduct its business more extensively and gain a comprehensive understanding of industry development information, and enhances the Company's operating efficiency while reducing its operating costs and risks.

Internal Control Measures

In order to ensure that the prices of and terms on which the Group enters into specific transactions are entered into on normal commercial terms and that the terms of the relevant specific transactions, in particular the pricing terms, have complied with the pricing policy under the framework agreement for the continuing connected transactions, the Company has adopted the following regulatory and internal control procedures:

1. The Company has adopted and implemented a set of connected transactions administration rules. To be specific, the Company has established a connected transaction management team, which is responsible for managing the connected transaction affairs of the Group and for providing guidance, supervision and inspection of the connected transaction management work of its subsidiaries and branches. The team is led by the general manager of the Company, with deputy team leaders comprising the senior management members in charge of securities affairs and financial affairs. The members of the connected transaction management team are drawn from the relevant business departments, including planning, production, finance, legal, securities, audit and procurement. They are respectively responsible for specific tasks such as formulating and supervising the internal control systems and procedures for continuing connected transactions, reviewing the pricing policies and transaction amounts of connected transactions, and monitoring the implementation and aggregate amounts of continuing connected transactions, so as to ensure that connected transactions are conducted in compliance with applicable laws and regulations, that the transaction prices and terms are fair and reasonable, and that they are in the interests of the Company.

2. In compliance with the Listing Rules, the Company's independent non-executive Directors have reviewed and will continue to review each of the Group's connected transaction agreements and the implementation of the transactions to ensure that such transactions and their terms are fair and reasonable, on normal or better commercial terms and in the interests of the Company and its Shareholders as a whole. The auditors of the Company also conduct annual review of the agreements, pricing policies and transaction amounts of each continuing connected transaction of the Group.

Directors' Confirmation

The Board has resolved and approved the resolution in relation to the Framework Agreement for Purchase and Sale of Comprehensive Products and Services and its proposed annual caps on 10 November 2026, and authorised chairman of the Board to deal with all matters relating to the entering into of the Framework Agreement for Purchase and Sale of Comprehensive Products and Services, making such amendments to the Framework Agreement for Purchase and Sale of Comprehensive Products and Services as he deems appropriate or necessary. Ms. Wang Xuelian and Mr. Zhang Tong, connected Directors of the Company, have abstained from voting on the resolution for the approval of the Framework Agreement for Purchase and Sale of Comprehensive Products and Services and its proposed annual caps. Save for the above, none of the other Directors of the Company has a material interest in the Framework Agreement for Purchase and Sale of Comprehensive Products and Services and the transactions contemplated thereunder.

The Directors (including the independent non-executive Directors) consider that the Framework Agreement for Purchase and Sale of Comprehensive Products and Services and its proposed annual caps are entered into in the ordinary and usual course of business of the Group and on normal commercial terms, which are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

Implications Under the Listing Rules

As of the Latest Practicable Date, CHN Energy, being the controlling shareholder of the Company, directly and indirectly holds approximately 58.72% of the issued share capital of the Company and is a connected person of the Company under Rule 14A.07 of the Listing Rules, and therefore the Framework Agreement for Purchase and Sale of Comprehensive Products and Services and the transactions contemplated thereunder constitute continuing connected transactions of the Company.

As the highest applicable percentage ratios in respect of the mutual provision of products and services between the Group and CHN Energy and its subsidiaries under the Framework Agreement for Purchase and Sale of Comprehensive Products and Services exceed 0.1% but are less than 5%, such transactions are subject to the announcement and annual reporting requirements under Chapter 14A of the Listing Rules, but are exempt from the Independent Shareholders' approval requirement.

Pursuant to the Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange, the Framework Agreement for Purchase and Sale of Comprehensive Products and Services and the transactions contemplated thereunder are still subject to the consideration and approval of ESM.

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 power generation. Meanwhile, the Company also provides consultation, repair and maintenance, training and other professional services to wind farms. As of the Latest Practicable Date, the ultimate beneficial owner of the Company is CHN Energy.

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 of the Latest Practicable Date, the ultimate beneficial owner of CHN Energy is the State-owned Assets Supervision and Administration Commission of the State Council.

Based on the above, an ordinary resolution will be proposed at the ESM to approve the entering into of the Framework Agreement for Purchase and Sale of Comprehensive Products and Services between the Company and CHN Energy and the proposed annual caps thereof, and to propose to the ESM to authorise the chairman of the Board to deal with all matters in connection with the entering into of the Framework Agreement for Purchase and Sale of Comprehensive Products and Services at his sole discretion, to make such amendments to the Framework Agreement for Purchase and Sale of Comprehensive Products and Services as he may deem appropriate or necessary and to authorise the chairman of the Board to sign such other documents as may be required for the purpose of the effectiveness and the implementation of the Framework Agreement for Purchase and Sale of Comprehensive Products and Services, or to take such other steps or actions as may be necessary for such purpose.

IV. ESM

The Company will convene the ESM at 9:30 a.m. on Tuesday, 15 December 2026 at the Conference Room, 3/F, Block c, 6 Fuchengmen North Street, Xicheng District, Beijing, the People's Republic of China. Notice of the ESM is set out in this circular.

In order to determine the holders of Shares who are eligible to attend and vote at the ESM, the H Share register of members of the Company will be closed from Thursday, 10 December 2026 to Tuesday, 15 December 2026, both days inclusive. The record date will be Tuesday, 15 December 2026. To be eligible to attend and vote at the ESM, unregistered holders of the H Shares of the Company shall lodge relevant H Share transfer documents with (for holders of H Shares) the Company's H Share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Wednesday, 9 December 2026.

Shareholders who intend to appoint a proxy to attend the ESM shall complete and return the accompanying form of proxy in accordance with the instructions printed thereon. For holders of H Shares, the form of proxy should be returned by courier or post to Computershare Hong Kong Investor Services Limited not less than 24 hours before the time fixed for holding the ESM (i.e. not later than 9:30 a.m. on Monday, 14 December 2026) or any adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the ESM or at any other adjourned meeting.

V. VOTING BY POLL AT ESM

Pursuant to Rule 13.39(4) of the Listing Rules, all votes of Shareholders at the shareholders' meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The chairman of the ESM will therefore demand a poll for each resolution put to the vote at the ESM.

On a poll, every Shareholder present in person or by proxy (or being a corporation by its duly authorised representative) shall have one vote for each Share registered in his/her/its name in the register of members.

As of the Latest Practicable Date, CHN Energy directly and indirectly holds 4,908,598,141 A Shares of the Company (of which 4,602,432,800 Shares are directly held by CHN Energy and of the remaining Shares, 212,238,141 Shares are held by Inner Mongolia Pingzhuang Coal (Group) Co., Ltd. (內蒙古平莊煤業(集團)有限責任公司), a subsidiary of CHN Energy, and 93,927,200 Shares are held by CHN Energy Liaoning Electric Power Co., Ltd. (國家能源集團遼寧電力有限公司), a subsidiary of CHN Energy), representing approximately 58.72% of the issued share capital of the Company, is the controlling shareholder and a connected person of the Company, and has a material interest in the resolution in relation to the Framework Agreement for Purchase and Sale of Comprehensive Products and Services and the transactions thereunder. Accordingly, CHN Energy and its associates are required to abstain from voting on the resolution at the ESM.

As of the Latest Practicable Date, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, none of other Shareholders other than CHN Energy and its associates is materially interested in the resolution in relation to the Framework Agreement for Purchase and Sale of Comprehensive Products and Services and the transactions thereunder.

Ms. Wang Xuelian and Mr. Zhang Tong, the connected Directors of the Company, have abstained from voting on the relevant Board resolution for the approval of the Framework Agreement for Purchase and Sale of Comprehensive Products and Services and its proposed annual caps. Save for the persons mentioned above, none of the other Directors has a material interest in the above resolution.

VI. RECOMMENDATION

The Board considers that the resolutions set out in the Notice of the ESM for consideration and approval by the Shareholders are in the best interests of the Company and its Shareholders. As such, the Board recommends the Shareholders to vote in favour of the resolutions set out in the Notice of the ESM which are to be proposed at the ESM.

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

* *For identification purpose only*

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)

23 November 2026

To the Independent Shareholders

Dear Sirs or Madams,

FRAMEWORK AGREEMENT FOR PURCHASE AND SALE OF COMPREHENSIVE PRODUCTS AND SERVICES AND THE PROPOSED ANNUAL CAPS THEREOF

We refer to the circular dated 23 November 2026 (the "**Circular**") to all Shareholders of the Company, of which this letter forms part. Terms used in this letter shall have the same meanings as those defined in the Circular unless otherwise specified.

We have been appointed by the Board as members of the Independent Board Committee to advise the Independent Shareholders on whether the Framework Agreement for Purchase and Sale of Comprehensive Products and Services and the proposed annual caps thereof (details of which are set out in the Letter from the Board in the Circular) are fair and reasonable so far as the Independent Shareholders of the Company are concerned and are in the interests of the Company and the Shareholders as a whole. Gram Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders of the Company on the same. Your attention is drawn to the Letter from Gram Capital set out in the Circular.

Having considered the information set out in the Letter from the Board as well as the principal factors, reasons and opinions stated in the Letter from Gram Capital, we are of the view that the Framework Agreement for Purchase and Sale of Comprehensive Products and Services and its proposed annual caps for 2027 were entered into in the ordinary and usual course of business of the Company on normal commercial terms. The transactions contemplated under the Framework Agreement for Purchase and Sale of Comprehensive Products and Services and its proposed annual caps are fair and reasonable so far as the Independent Shareholders are concerned on a financial basis and it is believed that the transactions contemplated under the Framework Agreement for Purchase and Sale of Comprehensive Products and Services and its proposed annual caps are in the interests of the Company and the Shareholders as a whole. Our view related to fairness and reasonableness is based on information, facts and circumstances currently prevailing.

Accordingly, we advise the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the ESM to approve the Framework Agreement for Purchase and Sale of Comprehensive Products and Services and the proposed annual caps thereof for 2027.

Yours faithfully,
Independent Board Committee
Mr. Michael Ngai Ming Tak, Mr. Gao Debu and Ms. Zhao Feng
Independent Non-executive Directors

* *For identification purpose only*

Set out below is the text of a letter received from Gram Capital, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Transactions for the purpose of inclusion in this circular.

Gram Capital Limited
嘉林資本有限公司

Room 1209, 12/F.
Nan Fung Tower
88 Connaught Road Central/
173 Des Voeux Road Central
Hong Kong

23 November 2026

*To: The independent board committee and the independent shareholders of China Longyuan Power Group Corporation Limited**

Dear Sir/Madam,

CONTINUING CONNECTED TRANSACTIONS ENTERING INTO THE FRAMEWORK AGREEMENT FOR PURCHASE AND SALE OF COMPREHENSIVE PRODUCTS AND SERVICES

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the transactions contemplated under the Framework Agreement for Purchase and Sale of Comprehensive Products and Services (the "**Transactions**"), details of which are set out in the letter from the Board (the "**Board Letter**") contained in the circular dated 23 November 2026 issued by the Company to the Shareholders (the "**Circular**"), of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

With reference to the Board Letter, in view of the expiry of the Existing Framework Agreement for Purchase and Sale of Comprehensive Products and Services on 31 December 2026, the Board has resolved and approved to enter into the Framework Agreement for Purchase and Sale of Comprehensive Products and Services with CHN Energy on 10 November 2026 to renew the aforesaid continuing connected transactions. Pursuant to the Framework Agreement for Purchase and Sale of Comprehensive Products and Services, the Group has agreed to provide products and services to CHN Energy and CHN Energy has agreed to provide products and services to the Group. The Framework Agreement for Purchase and Sale of Comprehensive Products and Services shall come into force upon the signature and affixing of the official seals by the legal representatives or authorised representatives of both parties and the approval by the shareholders' meeting of the Company, and shall be effective for a term commencing on 1 January 2027 and expiring on 31 December 2027.

With reference to the Board Letter, the Transactions constitute continuing connected transactions of the Company, and are subject to the announcement and annual reporting requirements under Chapter 14A of the Listing Rules, but are exempt from the Independent Shareholders' approval requirement.

Pursuant to the Rules Governing the Listing of Stocks on Shenzhen Stock Exchange, the Framework Agreement for Purchase and Sale of Comprehensive Products and Services and the transactions contemplated thereunder are still subject to the consideration and approval of the ESM.

The Independent Board Committee comprising Mr. Michael Ngai Ming Tak, Mr. Gao Debu and Ms. Zhao Feng (all being independent non-executive Directors) has been established to advise the Independent Shareholders in respect of the Framework Agreement for Purchase and Sale of Comprehensive Products and Services and the proposed annual caps thereof for 2027. We, Gram Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this respect.

INDEPENDENCE

During the past two years immediately preceding the Latest Practicable Date, Gram Capital was engaged as the independent financial adviser to the independent board committee and independent shareholders of the Company in relation to a connected transaction of the Company (details of which are set out in the Company's circular dated 25 November 2024). Save for the aforesaid engagement, there was no other service provided by Gram Capital to the Company during the past two years immediately preceding the Latest Practicable Date.

Notwithstanding the aforesaid engagement, we were not aware of any relationships or interests between Gram Capital and the Company, or any other parties during the past two years immediately preceding the Latest Practicable Date that could be reasonably regarded as hindrance to Gram Capital's independence to act as the Independent Financial Adviser.

Having considered the above and that (i) none of the circumstances as set out under the Rule 13.84 of the Listing Rules existed as at the Latest Practicable Date; and (ii) the aforesaid past engagement was only independent financial adviser engagement and will not affect our independence to act as the Independent Financial Adviser, we are of the view that we are independent to act as the Independent Financial Adviser.

BASIS OF OUR OPINION

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have relied on the statements, information, opinions and representations contained or referred to in the Circular and the information and representations as provided to us by the Directors. We have assumed that all information and representations that have been provided by the Directors, for which they are solely and wholly responsible, are true and accurate at the time when they were made and continue to be so as at the Latest Practicable Date. We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors in the Circular were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Company, its advisers and/or the Directors, which have been provided to us. Our opinion is based on the Directors' representation and confirmation that there are no undisclosed private agreements/arrangements or implied understanding with anyone concerning the Transactions. We consider that we have taken sufficient and necessary steps on which to form a reasonable basis and an informed view for our opinion in compliance with Rule 13.80 of the Listing Rules.

The Circular, for which the directors of the issuer collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in the Circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement as contained therein or the Circular misleading. We, as the Independent Financial Adviser, take no responsibility for the contents of any part of the Circular, save and except for this letter of advice.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent in-depth investigation into the business and affairs of the Company, CHN Energy or their respective subsidiaries or associates, nor have we considered the taxation implication on the Group or the Shareholders as a result of the Transactions. Our opinion is necessarily based on the financial, economic, market and other conditions in effect and the information made available to us as at the Latest Practicable Date. Shareholders should note that subsequent developments (including any material change in market and economic conditions) may affect and/or change our opinion and we have no obligation to update this opinion to take into account events occurring after the Latest Practicable Date or to update, revise or reaffirm our opinion. In addition, nothing contained in this letter should be construed as a recommendation to hold, sell or buy any Shares or any other securities of the Company.

Lastly, where information in this letter has been extracted from published or otherwise publicly available sources, it is the responsibility of Gram Capital to ensure that such information has been correctly extracted from the relevant sources while we are not obligated to conduct any independent in-depth investigation into the accuracy and completeness of those information.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the Transactions, we have taken into consideration the following principal factors and reasons:

Information of the Group

With reference to the Board Letter, 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 power generation. Meanwhile, the Company also provides consultation, repair and maintenance, training and other professional services to wind farms. As of the Latest Practicable Date, the ultimate beneficial owner of the Company is CHN Energy.

Set out below are the consolidated financial information of the Group for the two years ended 31 December 2025 and the six months ended 30 June 2026 (with comparative figures for the corresponding period in 2025) as extracted from the Company's annual report for the year ended 31 December 2025 (the "**2025 Annual Report**") and the Company's interim report for the six months ended 30 June 2026 (the "**2026 Interim Report**"):

	For the six months ended 30 June 2026 ("1H2026")	**For the six months ended 30 June 2025 ("1H2025")**	**Change from 1H2025 to 1H2026**	**For the year ended 31 December 2025 ("FY2025")**	**For the year ended 31 December 2024 ("FY2024")**	**Change from FY2024 to FY2025**
	RMB'000	*RMB'000*	*%*	*RMB'000*	*RMB'000*	*%*
	(unaudited)	*(unaudited)*		*(audited)*	*(audited)*	
Revenue	14,642,307	15,657,018	(6.5)	30,252,713	31,464,356	(3.8)
– *Wind power*	12,455,483	13,826,434	(9.9)	25,995,070	28,760,751	(9.6)
– *Solar power*	2,048,911	1,701,929	20.4	3,809,284	2,441,442	56.0
– *Others*	137,913	128,655	7.2	448,359	262,163	71.0
Operating profit	5,405,859	6,730,206	(19.7)	10,573,860	12,646,065	(16.4)
Profit attributable to equity holders of the Company	2,527,329	3,519,492	(28.2)	4,637,935	6,434,743	(27.9)

FY2025 vs FY2024

As illustrated in the above table, the Group's revenue for FY2025 was approximately RMB30,253 million, representing a decrease of approximately 3.8% as compared to that for FY2024. With reference to the 2025 Annual Report, such decrease was primarily due to (i) a decrease of approximately RMB2,764 million, or approximately 9.6%, in electricity sales and other revenue of the wind power segment to approximately RMB25,995 million for FY2025 as compared to approximately RMB28,761 million for FY2024, which was primarily due to the decrease in the average on-grid tariff and the decrease in the average utilization hours; and (ii) an increase of approximately RMB1,368 million, or approximately 56.0%, in electricity sales and other revenue of the solar power segment to approximately RMB3,809 million for FY2025 as compared to approximately RMB2,441 million for FY2024, which was mainly due to the increase in the average installed capacity and power generation.

The Group's operating profit for FY2025 was approximately RMB10,574 million, representing a decrease of approximately 16.4% as compared to that for FY2024. With reference to the 2025 Annual Report, such decrease was mainly due to (i) the aforementioned decrease in the Group's revenue; and (ii) the increase of approximately RMB811 million, or approximately 4.1%, in the Group's operating expenses for FY2025 as compared to that for FY2024, which was primarily due to (a) the increase of approximately RMB1,339 million in the depreciation and amortisation as a result of the conversion of new projects into fixed assets; and (b) the increase of approximately RMB305 million in personnel costs as more projects were put into operation.

In line with the aforementioned decreases in the Group's revenue and operating profit, the Group's profit attributable to equity holders of the Company decreased from approximately RMB6,435 million for FY2024 to approximately RMB4,638 million for FY2025.

1H2026 vs 1H2025

As illustrated in the above table, the Group's revenue for 1H2026 was approximately RMB14,642 million, representing a decrease of approximately 6.5% as compared to that for 1H2025. With reference to the 2026 Interim Report, such decrease was primarily due to (i) a decrease of approximately RMB1,371 million, or approximately 9.9%, in electricity sales and other revenue of wind power segment to approximately RMB12,455 million for 1H2026 as compared to approximately RMB13,826 million for 1H2025, which was primarily due to the decrease in average utilisation hours and the average on-grid tariff; and (ii) an increase of approximately RMB347 million, or approximately 20.4%, in electricity sales and other revenue of solar power segment to approximately RMB2,049 million for 1H2026 as compared to approximately RMB1,702 million for 1H2025, which was primarily due to the increase in installed capacity and power generation.

The Group's operating profit for 1H2026 was approximately RMB5,406 million, representing a decrease of approximately 19.7% as compared to that for FY2024. With reference to the 2026 Interim Report, on the one hand, wind power generation volumes for 1H2026 was lower than that for 1H2025, due to a year-on-year decline in wind resource levels in the regions where some of the Group's large-capacity projects are located, as well as an increase in regional power rationing. On the other hand, the average on-grid tariff for wind power for 1H2026 fell compared with that for 1H2025. Against a backdrop of relatively inflexible fixed costs, the year-on-year decline in revenue could not be offset by a corresponding reduction in costs, resulting in a decrease in operating profit.

In line with the aforementioned decreases in the Group's revenue and operating profit, the Group's profit attributable to equity holders of the Company decreased from approximately RMB3,519 million for 1H2025 to approximately RMB2,527 million for 1H2026.

Information on CHN Energy

With reference to the Board Letter, 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 of the Latest Practicable Date, the ultimate beneficial owner of CHN Energy is the State-owned Assets Supervision and Administration Commission of the State Council.

Reasons for and benefits of the Transactions

With reference to the Board Letter, the Transactions are and will continue to be based on the normal business needs of the Group and carried out in the ordinary and usual course of business of the Group and such transactions will continue to be agreed on based on arm's length negotiations and on terms that are fair and reasonable to the Group. The Directors consider that:

(1) the transactions between the Group and CHN Energy and its subsidiaries have been and will continue to be beneficial to the operation and development of the business of the Group. The provision of products and services by the Group to CHN Energy and its subsidiaries enables the Group to carry out its business more extensively and to have a comprehensive understanding of the development of the industry;

(2) the Group purchases products and services from CHN Energy and its subsidiaries in the ordinary and usual course of business, and CHN Energy and its subsidiaries have provided a stable supply to the Group for a long period of time. Therefore, CHN Energy and its subsidiaries are able to fully understand the business and operational requirements of the Group. The Group and CHN Energy and its subsidiaries have established a long-term cooperative relationship and understand each other's operational plans, quality control and certain special requirements. The provision of products and services by CHN Energy and its subsidiaries to the Group will, to a large extent, enhance the operational efficiency of the Group and reduce operating costs and risks of the Group; and

(3) to maintain a stable and high-quality supply of products and services to the Group is crucial to the Group's current and future production and operations. Based on the past experience in the mutual supply of products and services between the Group and CHN Energy and its subsidiaries, CHN Energy and its subsidiaries have a relatively good ability to perform their contracts. The Group has maintained normal business dealings with CHN Energy and its subsidiaries, and all specific connected transactions have been executed in accordance with the business contracts entered into, which have agreed on a reasonable settlement period. So far, all the connected transaction contracts have been well executed. CHN Energy and its subsidiaries are in good financial position. The risk of loss to the Group due to the inability of the connected parties to perform contracts properly is relatively small and within the available range. Accordingly, it is believed that CHN Energy and its subsidiaries are able to effectively meet the Group's requirements for stable and high-quality supply of products and services.

Pursuant to the the Framework Agreement for Purchase and Sale of Comprehensive Products and Services, we noted that the Group shall be given priority in sourcing materials, products and services from CHN Energy and its associates unless the consideration of such materials, products and services offered by an independent third party are better than those offered by the Group. In addition, CHN Energy and its associates are allowed to provide products and services to third parties, provided that it will not affect the provision of products and services to the Group. As such, we consider that the aforementioned arrangement would allow the Company to have a stable source of materials, products and services without losing the flexibility of purchasing similar materials, products and services from other independent third parties at a more favorable term.

In respect of provision of products and services to CHN Energy and its subsidiaries by the Group, the transactions contemplated thereunder are in revenue nature and therefore could allow the Group to have a stable source of income.

In view of the above factors, we are of the view that the Transactions are conducted in the ordinary and usual course of business of the Group and are in the interests of the Company and the Shareholders as a whole.

Principal terms of the Transactions

Set out below are the principal terms of the Transactions, details of which are set out under the section headed " III. Framework Agreement for Purchase and Sale of Comprehensive Products and Services" of the Board Letter:

Date

The Framework Agreement for Purchase and Sale of Comprehensive Products and Services will be entered into before the convening of the ESM.

Parties

(i) The Company; and

(ii) CHN Energy

Term

The Framework Agreement for Purchase and Sale of Comprehensive Products and Services shall come into force upon the signature and affixing of the official seals by the legal representatives or authorised representatives of both parties and the approval by the ESM, and shall be effective for a term commencing on 1 January 2027 and expiring on 31 December 2027.

Principal terms

1. Pursuant to the Framework Agreement for Purchase and Sale of Comprehensive Products and Services, the Group will provide products and services to CHN Energy and its subsidiaries (other than the Group in terms of the Existing Framework Agreement for Purchase and Sale of Comprehensive Products and Services and the Framework Agreement for Purchase and Sale of Comprehensive Products and Services (same as below)) (the "**Products and Services (Sale) Transactions**"), including:

   (1) in terms of production: electricity trading, power generation rights trading, wind power technical services, resource evaluation of wind power projects, development and technical services of photovoltaic power generation and other related or similar services;

   (2) in terms of supply: sales or leasing of spare parts, technical and design consulting services such as wind power design and consulting services, office supplies, and other related or similar products and services; and

(3) in terms of auxiliary production: engineering general contracting services, software and hardware sales and related technical services, information technology services, logistics services, wind power vocational training, and other related or similar products and services.

2. Pursuant to the Framework Agreement for Purchase and Sale of Comprehensive Products and Services, CHN Energy and its subsidiaries will provide products and services to the Group (the "**Products and Services (Purchase) Transactions**"), including:

(1) in terms of production: electricity trading, power generation rights trading and other related or similar services;

(2) in terms of supply: sales or leasing of production equipment and spare parts (unit spare parts, relevant technical services, etc.), office supplies, and other related or similar products and services;

(3) in terms of auxiliary production: EPC services for projects, engineering construction, logistics services, training, bidding agency services, information technology services, technical consulting, and other related or similar services;

(4) in terms of administrative management: social security and pension management services and staff data recording management services and other related or similar services.

The Group and CHN Energy and its subsidiaries will enter into specific transaction agreements setting out the content of the products and/or services to be supplied and the terms and conditions on which such products and/or services will be provided, in accordance with the principles laid down by the Framework Agreement for Purchase and Sale of Comprehensive Products and Services.

The settlement terms shall be determined separately and in line with market practice applicable to each specific transaction. The detailed settlement terms will be set out in specific transaction agreements.

There is no exclusivity arrangement between the Company and CHN Energy under the Framework Agreement for Purchase and Sale of Comprehensive Products and Services. In the event that one party under the Framework Agreement for Purchase and Sale of Comprehensive Products and Services is unable to satisfy the other party's demand for products or services, or if more favourable conditions are offered by an independent third party, the other party will be entitled to enter into a transaction with such independent third party.

If either party violates any term of the Framework Agreement for Purchase and Sale of Comprehensive Products and Services (i.e. the Defaulting Party), the other party (i.e. the Observant Party) can notify it in written form about the breach, and require the Defaulting Party to remedy the breach within a reasonable term. If the Defaulting Party fails to make any remedy for the breach within the above term, the Observant Party shall be entitled to terminate the Framework Agreement for Purchase and Sale of Comprehensive Products and Services immediately and reserve the right to claim compensation and any other legally permitted claims against the Defaulting Party.

Pricing policy

With reference to the Board Letter, the prices and conditions for the provision of products and services by the Group to CHN Energy and its subsidiaries shall be no less favourable to the Group than the prices and conditions for the provision of similar products and services by the Group to an independent third party; the prices and conditions for the provision of products and services by CHN Energy and its subsidiaries to the Group shall be no less favourable to the Group than the prices and conditions for the provision of similar products and services by an independent third party to the Group.

The prices of the products and services under the Framework Agreement for Purchase and Sale of Comprehensive Products and Services will be determined based on the following principles and order, provided that such determination does not violate the aforementioned pricing policy:

(1) Government-prescribed price or government-guided prices: if there are prescribed prices or guided prices applicable to products and services under the Framework Agreement for Purchase and Sale of Comprehensive Products and Services, such products or services shall be provided at the applicable government-prescribed prices or as agreed within the scope of government-guided prices.

(2) Tender and bidding price: if laws and regulations require the application of tendering and bidding procedures, the price shall be determined according to the tendering and bidding procedures.

(3) Market price: refers to the prices determined according to the following order: (i) the prices charged/paid by at least two independent third parties providing/receiving similar-sized products or services for the time being under normal commercial transactions in the places where such products and services are provided or its vicinity; or (ii) the prices charged/paid by at least two independent third parties providing/receiving applicable products or services under normal commercial transactions for products or services of similar sizes at that time. (Note: The term "price charged" above applies to the situation where CHN Energy and its subsidiaries provide products or services for the Group, while "price paid" applies to the situation where the Group provides products or services for CHN Energy and its subsidiaries.)

In addition to the circumstances described above, the market price also refers to the fair purchase and selling price agreed upon between independent third parties for similar products or services.

(4) Agreed price: it is determined based on fair negotiations between the parties by adding a reasonable profit margin over a reasonable cost. Reasonable costs refer to the actual costs incurred in providing such products or services by CHN Energy and its subsidiaries to the Group or by the Group to CHN Energy and its subsidiaries, as agreed and recognised by the parties. Reasonable profit margin is determined with reference to at least two comparable deals with independent third parties during the same period. If the agreed price is adopted, the provider shall provide the recipient with the basis for calculating the reasonable costs and reasonable profit in corresponding to the products or services.

Based on our independent research on continuing connected transactions conducted by other companies which were listed on the Stock Exchange involving the purchase/sales of materials/products/services from/to their connected persons, we noted that the comparing prices to independent third parties for same/similar materials/products/services was one of the commonly adopted pricing policies adopted in the continuing connected transactions and cost-plus method will be adopted if there is no market price for comparison. The pricing principles under the Framework Agreement for Purchase and Sale of Comprehensive Products and Services are in line with the commonly adopted pricing policies adopted for continuing connected transactions.

In order to ensure that the prices and terms on which the Group enters into specific transactions are entered into on normal commercial terms and that the terms of the relevant specific transactions, in particular the pricing terms, have complied with the pricing policy under the framework agreement for the continuing connected transactions, the Company has adopted the certain regulatory and internal control procedures, details of which are set out under the section headed "Internal Control Measures" of the Board Letter. Having considered that there are different departments involving in the internal control measures for pricing related matters (e.g. review pricing strategies, organization, supervision and implementation of bidding and purchase, etc.), we consider the effective implementation of the supervision and internal control procedures would help ensure the fair pricing of the Transactions.

As advised by the Directors, the Company keeps a record of and calculates on a monthly basis that the transaction values for each month in relation to the Transactions, so as to ensure the proposed annual caps not being exceeded.

With reference to the 2025 Annual Report, the Company has engaged its external auditor to report on the Group's continuing connected transactions for FY2025. The Company's auditor has issued an unqualified letter containing their conclusions in respect of the Group's continuing connected transactions in accordance with Rule 14A.56 of the Listing Rules. The independent non-executive Directors have reviewed each of the abovementioned continuing connected transactions and confirmed that such transactions have been conducted: (1) in the usual course of business of the Group; (2) on normal commercial terms or, if there are no sufficient comparable transactions to determine whether the transaction terms are on normal commercial terms, on terms no less favourable to the Group than those available to or from independent third parties; and (3) in accordance with relevant terms of the transaction agreements, and the transaction terms are fair and reasonable and in the interests of the Shareholders of the Company as a whole.

Having considered the above, we do not doubt the effectiveness of the implementation of the internal control procedures as mentioned above.

Proposed annual caps

The table below shows (i) the historical amounts of the Transactions for the three years ending 31 December 2026, together with the existing annual caps and utilization rate; and (ii) the proposed annual caps for the year ending 31 December 2027 ("**FY2027**"):

	For the year ended 31 December 2024	**For the year ended 31 December 2025**	**For the year ending 31 December 2026**
	RMB million	*RMB million*	*RMB million*
Historical amounts of Product and Services (Sale)			
Transactions	446.85	433.65	145.86 *(Note)*
Existing annual caps	4,030.46	4,276.28	4,664.43
Utilization rate	11.1%	10.1%	N/A
Historical amounts of Products and Services (Purchase)			
Transactions	6,290.10	1,178.78	472.77 *(Note)*
Existing annual caps	7,484.21	7,360.14	7,444.47
Utilization rate	84.0%	16.0%	N/A

	For the year ending 31 December 2027
	RMB million
Proposed annual caps:	
– Products and Services (Sale) Transactions (the "**Sale Cap**")	817.50
– Products and Services (Purchase) Transactions (the "**Purchase Cap**")	1,478.34

Note: the figures were for the nine months ended 30 September 2026 ("**9M2026**").

With reference to the Board Letter, the Sale Cap and Purchase Cap for FY2027 were determined after taking into account of various factors, details of which are set out under the section headed "Proposed Annual Caps and Basis of Determination" of the Board Letter.

A. The Sale Cap for FY2027

To assess the fairness and reasonableness of the Sale Cap for FY2027, we obtained from the Company the calculation of the Sale Cap for FY2027 (the "**Sale Cap Calculation**"). We noted from the Sale Cap Calculation that the estimated transaction amounts of Products and Services (Sale) Transactions in terms of (i) electricity trading (the "**Estimated Electricity Trading Amounts**"); and (ii) the sales or leasing of spare parts and relevant technical services (the "**Estimated Spare Parts and Technical Services Amounts**") collectively account for over 80% of the Sale Cap for FY2027.

In respect of the Estimated Electricity Trading Amounts, we noted from the Directors that such amount was determined primarily by reference to the projected electricity trading volume for FY2027 and the projected electricity price for FY2027. In this regard, the Company provided us with a set of internal documents, including the historical electricity trading volumes and electricity price for FY2024 and FY2025 and the relevant executed agreements. After reviewing the aforementioned documents, we noted that the projected electricity trading volume and the projected electricity price for FY2027 are respectively close to the corresponding historical figures for FY2024 and FY2025. Accordingly, we consider that the Estimated Electricity Trading Amounts to be justifiable.

In respect of the Estimated Spare Parts and Technical Services Amounts, we noted from the Directors that such amount was determined primarily by reference to the Group's development plan for FY2027 together with the historical transaction amounts of Products and Services (Sale) Transactions in terms of the sales or leasing of spare parts and relevant technical services for FY2024 and FY2025. In this regard, the Company provided us with a set of internal documents, including the Group's development plan for the five years ending 31 December 2030 (the "**Group's Development Plan**"), the historical transaction amounts of Products and Services (Sale) Transactions in terms of the sales or leasing of spare parts and relevant technical services for FY2024 and FY2025 and the corresponding executed agreements. After reviewing the aforementioned documents, we noted that the factors in setting the Estimated Spare Parts and Technical Services Amounts are in line with those set forth in such documents and nothing has come to our attention to cause us to doubt the calculation of the Estimated Spare Parts and Technical Services Amounts. Accordingly, we consider that the Estimated Spare Parts and Technical Services Amounts to be justifiable.

In light of the above, we are of the view that the Sale Cap for FY2027 is fair and reasonable.

B. The Purchase Cap for FY2027

To assess the fairness and reasonableness of the Purchase Cap for FY2027, we obtained from the Company the calculation of the Purchase Cap for FY2027 (the "**Purchase Cap Calculation**"). We noted from the Purchase Cap Calculation that the estimated transaction amounts of the Products and Services (Purchase) Transactions in terms of (i) sales or leasing of production equipment and spare parts (unit spare parts, relevant technical services, etc.) and EPC services for projects (the "**Estimated Production and EPC Services Amounts**"); and (ii) office supplies, and other related or similar products and services (the "**Estimated Office Supplies and Related Services Amounts**") collectively account for over 80% of the Purchase Cap for FY2027.

In respect of the Estimated Production and EPC Services Amounts, we noted from the Directors that such amount was determined primarily by reference to the Group's Development Plan, the historical transaction amounts of the Products and Services (Purchase) Transactions in terms of sales or leasing of production equipment and spare parts (unit spare parts, relevant technical services, etc.) for FY2024 and FY2025 and the estimated amount for relevant EPC project for FY2027. In this regard, the Company provided us with a set of internal documents, including the Group's Development Plan, the historical transaction amounts of the Products and Services (Purchase) Transactions in terms of sales or leasing of production equipment and spare parts (unit spare parts, relevant technical services, etc.) for FY2024 and FY2025, and the relevant executed agreements together with the project schedule for the relevant EPC project for FY2027. After reviewing the aforementioned documents, we noted that the factors in setting the Estimated Production and EPC

Services Amounts are in line with those set forth in such documents and nothing has come to our attention to cause us to doubt the calculation of the Estimated Production and EPC Services Amounts. Accordingly, we consider that the Estimated Production and EPC Services Amounts to be justifiable.

In respect of the Estimated Office Supplies and Related Services Amounts, we noted from the Directors that such amount was determined primarily by reference to the historical transaction amounts of the Products and Services (Purchase) Transactions in terms of the office supplies, and other related or similar products and services for FY2024 and FY2025. In this regard, the Company provided us with a set of internal documents, including the historical transaction amounts of the Products and Services (Purchase) Transactions in terms of the office supplies, and other related or similar products and services for FY2024 and FY2025, the relevant executed agreements and corresponding invoices. After reviewing the aforementioned documents, we noted that the Estimated Office Supplies and Related Services Amounts is close to the average transaction amounts as represented by the historical transaction amounts for FY2024 and FY2025. Accordingly, we consider that the Estimated Office Supplies and Related Services Amounts to be justifiable.

In light of the above, we are of the view that the Purchase Cap for FY2027 is fair and reasonable.

Shareholders should note that as the Sale Cap and the Purchase Cap are relating to future events and were estimated based on assumptions which may or may not remain valid for the entire period up to 31 December 2027, and they do not represent forecasts of revenue to be generated or costs to be incurred from the Transactions. Consequently, we express no opinion as to how closely the actual revenue to be generated or costs to be incurred from the Transactions will correspond with the Sale Cap and the Purchase Cap.

In light of the above, we are of the view that the terms of the Transactions are on normal commercial terms and are fair and reasonable.

Listing Rules implication

The Directors confirmed that the Company shall comply with the requirements of Rules 14A.53 to 14A.59 of the Listing Rules pursuant to which (i) the values of the Transactions must be restricted by the respective annual caps for the period concerned under the Framework Agreement for Purchase and Sale of Comprehensive Products and Services; (ii) the terms of the Transactions must be reviewed by the independent non-executive Directors annually; (iii) details of independent non-executive Directors' annual review on the terms of the Transactions must be included in the Company's subsequent published annual reports.

Furthermore, it is also required by the Listing Rules that the auditors of the Company must provide a letter to the Board confirming whether anything has come to their attention that causes them to believe that the Transactions (i) have not been approved by the Board; (ii) were not entered into, in all material respects, in accordance with the relevant agreement governing the transactions; and (iii) have exceeded the annual caps.

In the event that the total amounts of the Transactions are anticipated to exceed the respective annual cap, or that there is any proposed material amendment to the terms of the Transactions, as confirmed by the Directors, the Company shall comply with the applicable provisions of the Listing Rules governing continuing connected transactions.

Given the above stipulated requirements for continuing connected transactions pursuant to the Listing Rules, we are of the view that there are adequate measures in place to monitor the Transactions and thus the interest of the Independent Shareholders would be safeguarded.

RECOMMENDATION

Having taken into consideration the factors and reasons as stated above, we are of the opinion that (i) the terms of the Transactions are on normal commercial terms and are fair and reasonable; and (ii) the Transactions are in the interests of the Company and the Shareholders as a whole and are conducted in the ordinary and usual course of business of the Group. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the resolution to be proposed at the ESM to approve the Transactions and we recommend the Independent Shareholders to vote in favour of the resolution in this regard.

Yours faithfully,
For and on behalf of
Gram Capital Limited
Fu Chen
Director

Note: Mr. Fu Chen is a licensed person registered with the Securities and Futures Commission and a responsible officer of Gram Capital Limited to carry out Type 6 (advising on corporate finance) regulated activity under the SFO. He has over 15 years of experience in investment banking industry.

* *For identification purposes only*

I. THE COMPANY'S PLAN FOR THE ISSUANCE OF A SHARES TO SPECIFIC TARGETS

The main content of the issuance plan is as follows:

1. Type and nominal value of the share to be issued

The shares to be issued are Renminbi ordinary shares (A Shares), with a nominal value of RMB1.00 per share.

2. Issuance method and time

All shares issued this time will be offered in the form of A Shares to specific targets, and the Company will issue the A Shares as and when appropriate after obtaining approval by the Shenzhen Stock Exchange and consent for registration by the CSRC.

3. Issuance targets and subscription method

The issuance targets will be no more than 35 (inclusive), including institutional investors such as securities investment fund management companies, securities companies, trust companies, finance companies, insurance institutional investors, qualified foreign institutional investors and RMB qualified foreign institutional investors, and other legal person, natural persons or other legal organizations, which are in line with the provisions of the CSRC. Securities investment fund management companies, securities companies, qualified foreign institutional investors and RMB qualified foreign institutional investors subscribing for two or more products under their management are considered as one issuance target. In case of trust investment companies as issuance targets, they can only subscribe with their own funds.

Based on the subscription and quotation situation, the final issuance targets will be determined by the Board or its authorized persons through negotiating with the sponsor (lead underwriter) of the Issuance in accordance with the authorization of the shareholders' meeting. If national laws, regulations, and normative documents contain new provisions regarding the issuance targets, the Company will make adjustments in accordance with the new provisions.

All issuance targets will subscribe the shares under the Issuance in RMB cash and at the same price.

The Company expects that all issuance targets of the Issuance are not connected persons of the Company (as defined under the Listing Rules) and are third parties which are independent of the Company and its connected persons (as defined under the Listing Rules). Should any issuance target be a connected person of the Company (as defined under the Listing Rules), the Company will otherwise comply with the relevant announcement, circular, and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

4. Pricing Benchmark Date, issue price and pricing principles

The Pricing Benchmark Date of the Issuance is the first day of the issuance period. The issue price will not be less than 80% of the average trading price of the Company's A Shares in the 20 trading days preceding the Pricing Benchmark Date, nor shall it be less than the Company's latest audited net assets per share attributable to ordinary shareholders of the parent company prior to the Issuance (If any ex-rights or ex-dividend events occur between the balance sheet date and the issue date, the net asset value per share shall be adjusted accordingly).

The average trading price of the Company's A Shares in the 20 trading days preceding the Pricing Benchmark Date = the total trading amount of the Company's A Shares during the 20 trading days preceding the Pricing Benchmark Date/the total trading volume of the Company's A Shares transactions during the 20 trading days preceding the Pricing Benchmark Date.

If the Company undergoes ex-right and ex-dividend events during the period from the Pricing Benchmark Date to the issue date such as distribution of cash dividends, bonus issue or conversion of capital reserve into share capital, the issue price of the shares issued to specific targets this time will be adjusted accordingly through the following methods:

Distribution of cash dividends: P1=P0-D;

Bonus issue or conversion into the share capital: P1=P0/(1+N);

Distribution of cash dividends and bonus issue or conversion into share capital: P1=(P0-D)/(1+N);

In which, P0 is the pre-adjustment issue price, D is the amount of cash dividend per share, N is the number of bonus shares or shares to be converted into the share capital per share, and P1 is the post-adjustment issue price.

The final issue price of the Issuance will, after the application for the Issuance has been reviewed and approved by the Shenzhen Stock Exchange and registered by the CSRC, be determined by the Board of Directors or its authorized persons pursuant to the authorization granted by the shareholders' meeting, through negotiation with the sponsor (lead underwriter) by way of bidding in accordance with applicable laws, regulations and requirements of regulatory authorities, which is based on the subscription quotations submitted by the issuance targets, but shall not be lower than the aforementioned minimum issue price.

The Board will ensure that the issue price and the adjusted issue price (if applicable) shall under no circumstances be at a discount of 20% or more to the benchmark price as defined in Rule 13.36(5) of the Listing Rules.

5. Number of shares to be issued

The number of shares under the Issuance will be determined by dividing the total amount of funds raised by the issue price, and the number of shares under the Issuance shall not exceed 30% of the Company's total share capital of 8,359,816,164 shares prior to the Issuance, i.e., not exceeding 2,507,944,849 shares (inclusive), and not exceed the authorization scope of the general mandate for the issuance of additional shares as approved at the 2024 annual general meeting, the 2025 first A shareholders class meeting and the 2025 first H shareholders class meeting of the Company. Within the aforementioned scope, the final issuance number will, after the application for the Issuance has been reviewed and approved by the Shenzhen Stock Exchange and registered by the CSRC, be determined by the Board of the Company or its authorized persons through negotiating with the sponsor (lead underwriter) based on the final issue price and the subscription price quoted by issuance targets in accordance with the authorization of the shareholders' meeting.

The number of A Shares issued to the specific targets will be adjusted accordingly in the event of any ex-dividend or ex-rights events such as distribution of cash dividends, bonus issue or conversion of capital reserve into share capital, resulting in changes to the issue price during the period from the Pricing Benchmark Date to the issue date.

If the total number of shares of the Issuance is adjusted due to changes in laws, regulations and regulatory policies or in accordance with the requirements of the registration documents of the CSRC, the total number of shares to be issued and the total amount of proceeds will be accordingly adjusted at that time.

6. Lock-up period

The shares subscribed by the issuance targets in the Issuance shall not be transferred within six months from the closing date of the Issuance. If related regulations and normative documents stipulate otherwise regarding the lock-up period of shares issued to specific targets, such provisions shall apply. The shares subscribed by the issuance target that are derived from the Company's bonus issue, conversion of capital reserve into share capital of the Company and other circumstances shall also comply with the above-mentioned lock-up period arrangements. If the lock-up period commitment of the above-mentioned shares does not conform to the latest regulatory opinions of the securities regulatory authorities, corresponding adjustments will be made in accordance with the regulatory opinions of the relevant securities regulatory authorities.

Upon the expiration of the aforementioned lock-up period, any reduction of shares shall also comply with the relevant provisions of laws, regulations, rules, normative documents such as the Company Law, the Securities Law, and the Shenzhen Stock Exchange Listing Rules (《深圳證券交易所股票上市規則》), as well as the Articles of Association.

7. Total amount and use of proceeds

The total proceeds of the Company raised from the Issuance of A Shares to Specific Targets shall not exceed RMB5 billion (inclusive). The net proceeds after deducting issuance expenses will be used to invest the following projects:

Unit: RMB100 million

No.	Projects invested by the proceeds	Total amount of project investment	Proposed amount of proceeds to be invested
1	Hainan Dongfang CZ8 Site 500 MW Offshore Wind Power Project(海南東方CZ8場址50萬千瓦海上風電項目)	51.67	25.00
2	The "Ningxiang DC" supporting new energy base Shapotou 1 million kilowatts Wind Power Project(「寧湘直流」配套新能源基地沙坡頭100萬千瓦風電項目)	42.72	25.00

Before the receipt of the proceeds from the Issuance of A Shares to Specific Targets, the Company will, based on the actual progress of the projects invested by the proceeds, finance these projects by self-raised funds which shall be replaced once the proceeds have been received according to procedures required by relevant legal regulations.

In the event that the actual amount of net proceeds after deducting issuance expenses is less than the proposed amount of proceeds to be invested for the above-mentioned projects, any shortfall shall be covered by the Company's self-raised funds.

8. Arrangement of accumulated undistributed profits prior to the Issuance

All Shareholders will be entitled to the accumulated undistributed profits prior to the Issuance according to their shareholding percentage after completion of the Issuance.

9. Place of listing

The Shares issued in the Issuance will be listed on the Main Board of the Shenzhen Stock Exchange.

10. Valid period of the resolution of the Issuance

The valid period of the resolution of the Issuance will be 12 months since the date on which the relevant proposal regarding the Issuance is considered and approved by the shareholders' meeting.

Conditions Precedent to the Issuance

The conditions precedent to the Issuance were fulfilled on 21 August 2026.

Reasons and benefits for the Issuance

1. Background of the Issuance

(1) Strong national policy support for the new energy power industry

In recent years, amid the long-term challenge of global climate change, vigorous development of clean and renewable energy has become an inevitable trend in the energy sector. China has identified the development and utilization of renewable energy as a key component of its national energy strategy. In September 2020, at the 75th session of the United Nations General Assembly, General Secretary Xi Jinping announced China's goal of reaching peak carbon emissions by 2030 and achieving carbon neutrality by 2060, demonstrating China's strong commitment to this strategic objective.

To thoroughly implement the "Dual Carbon" strategy, the State Council, the NDRC, and other departments have issued policies such as the Action Plan for Carbon Dioxide Peaking Before 2030 (《2030年前碳達峰行動方案》), the Outline of the 14th Five-Year Plan for National Economic and Social Development and Long-Range Objectives Through 2035 (《中華人民共和國國民經濟和社會發展第十四個五年規劃和2035年遠景目標綱要》), and the 14th Five-Year Plan for Renewable Energy Development (《「十四五」可再生能源發展規劃》), providing clear direction for building a new-type power system. The Company's efforts to advance its renewable energy business and accelerate project investment and construction play a significant role in supporting the implementation of the "Dual Carbon" strategy and promoting green and low-carbon development across society.

(2) Higher capital demand due to growing operational scales

During the "14th Five-Year Plan" period, Longyuan Power has firmly seized development opportunities, continuously expanded its business scale, and increased its installed capacity. At present, the Company is in a period of rapid development. During the "15th Five-Year Plan" period in the future, its capital expenditure will remain at a relatively high level, and there is an urgent need for funding to meet the substantial capital requirements arising from this rapid expansion, strengthen the Company's financial capacity, and provide a solid foundation for enhancing its industry competitiveness, profitability, and overall quality as a listed company.

The proceeds to be raised through the Issuance to the specific targets will be used to primarily support the construction of the wind power projects of the Company, focusing on initiatives with strong demonstration effects, substantial investment scale, and favorable rates of return. Upon completion, these projects will help Longyuan Power further enhance its core competitiveness, improve profitability, and ensure the smooth implementation of the future business strategy of the Company.

2. Purposes of the Issuance

(1) Seize the development opportunities in the new energy power generation industry

Against the backdrop of the "Dual Carbon" strategy goals, important documents such as the "Modern Energy System Plan for the 14th Five Year Plan Period" have been successively released, setting higher requirements for the development of the new energy industry. The Third Plenary Session of the 20th CPC Central Committee has called for improving policies and measures to facilitate the consumption and regulation of new energy, advancing energy pricing reforms, and promoting the development of strategic industries like new energy through policy and governance systems. The Fourth Plenary Session of the 20th Central Committee of the Communist Party of China made it clear that during the 15th Five-Year Plan period, China will basically establish a clean, low-carbon, secure and efficient new energy system, and the new energy sector is now entering a period where transformation and opportunities coexist. Longyuan Power will raise proceeds through the Issuance of A Shares to Specific Targets for self-built projects, which demonstrates the firm grasp of development opportunities in the new energy power generation industry by Longyuan Power and its proactive assumption of the responsibility and mission as a leading force in new energy development.

(2) Reduce the overall asset-liability ratio of the Company and improve its Shareholder structure

The new energy power generation industry in which the Company operates is capital-intensive. As the Company increases its construction projects, its demand for capital continues to grow. The asset-liability ratios of the Company at the end of each period were relatively high, being 64.07%, 64.09%, and 66.51%, respectively. Longyuan Power has limited scope for large-scale capital replenishment through debt financing, which urgently needs to supplement equity capital via equity financing to reduce its asset-liability ratio and enhance liquidity. At the same time, the current public shareholding ratio of A Shares of the Company stands at only 1.59%, which is relatively low with restricted liquidity. The refinancing initiative will increase the proportion of public shares in Longyuan Power's A Shares, improve the Shareholder structure of the Company, and enhance stock liquidity.

Impact of the Issuance on the Company's Shareholding Structure

As of the Latest Practicable Date, CHN Energy directly holds 4,602,432,800 Shares in the Company, and indirectly holds 306,165,341 Shares in the Company through Inner Mongolia Pingzhuang Coal (Group) Co., Ltd.*(內蒙古平莊煤業(集團)有限責任公司) and CHN Energy Liaoning Electric Power Co., Ltd.*(國家能源集團遼寧電力有限公司), representing in aggregate 58.72% of the total share capital of the Company. CHN Energy is the controlling shareholder of the Company. The State-owned Assets Supervision and Administration Commission of the State Council is the de facto controller of the Company. Upon completion of the Issuance, CHN Energy will remain the controlling shareholder of the Company, and the Issuance will not result in any change in the control of the Company.

Other Information

As of the Latest Practicable Date, the Company has not conducted any equity financing activities or issued any equity securities in the immediately preceding 12-month period.

The final net issue price per A Share under the Issuance will be determined based on the final terms of the issue and will be announced separately upon completion of the Issuance. The market price of the shares on the date of the final determination of the issue price will also be announced separately.

II. RESOLUTION ON THE AUTHORIZATION BY THE SHAREHOLDERS' MEETING TO THE BOARD OR ITS AUTHORIZED PERSON(S) TO PROCEED WITH SPECIFIC MATTERS IN RESPECT OF THE ISSUANCE OF A SHARES TO SPECIFIC TARGETS IN THEIR SOLE DISCRETION

To efficiently complete the Issuance, in accordance with the relevant law provisions of the Company Law, the Securities Law, the Administrative Measures for the Issuance and Registration of Securities by Listed Companies, and the relevant provisions of the Articles of Association, the Board proposes to the shareholders' meeting to authorize the Board or its authorized persons to deal with matters related to the Issuance of A Shares to Specific Targets, in compliance with relevant laws and regulations, including but not limited to:

- Formulating, adjusting, and implementing the specific plan for the Issuance in accordance with laws and regulations, relevant provisions and opinions of regulatory authorities of the PRC, and in consideration of market conditions and the Company's actual circumstances, including but not limited to, determining or adjusting the issuance time, amount of proceeds, issuance price, issuance amount, issuance targets, and other matters related to the issuance plan;

- Handling the declaration for the Issuance, including but not limited to preparing, amending, executing, submitting, supplementing, and disclosing materials related to the Issuance and listing in accordance with the requirements of relevant government departments, regulatory authorities, stock exchanges, and securities depositories and clearing organizations; responding to feedback from relevant regulatory authorities; and handling information disclosure matters related to the Issuance in compliance with regulatory requirements;

- Deciding and employing sponsors, lead underwriters, law firms, accounting firms, and other intermediaries, as well as handling other related matters;

- Signing, amending, supplementing, completing, submitting, and executing all agreements, contracts, and documents related to the Issuance (including but not limited to the sponsorship and underwriting agreement, intermediary engagement agreements, agreements concerning proceeds, subscription agreements and supplemental agreements with investors, and the issuance of announcements and other disclosure documents);

- Subject to the applicable laws of the PRC in effect at that time, should policies governing the Issuance of A Shares to Specific Targets or market conditions change, except for matters requiring re-approval by the shareholders' meeting under relevant laws, regulations, and the Articles of Association and not permitting delegation of authority, adjustments may be made to the issuance plan to specific targets or the use of proceeds, and the Issuance may continue in accordance with relevant regulations, regulatory requirements (including review feedback on the Issuance application), market conditions, and the Company's actual operational circumstances;

- Establishing a dedicated account for the proceeds to be raised from the Issuance; handling matters related to the use of the proceeds to be raised from the Issuance; based on the actual progress and operational needs of the investment projects of the proceeds, deciding that the Company may use self-raised funds to commence implementation of the investment projects of the proceeds prior to the receipt of the proceeds, with the funds to be replaced upon receipt of the proceeds;

- Upon completion of the Issuance, confirming the change in registered capital based on the Issuance results, amending the corresponding provisions of the Articles of Association, and submitting to relevant government departments and regulatory authorities for approval or filing, additionally, completing the industrial and commercial change registration and filing of the amended Articles of Association with the industrial and commercial administrative authorities due to the change in registered capital, handling matters related to the registration, custody, and lock-up of newly issued shares with relevant departments;

- Reviewing and selecting the eligibility of investors intending to subscribe to the Issuance in accordance with the qualification requirements of the CSRC for shareholders of listed companies;

- In the event that relevant laws, regulations, and regulatory authorities issue new provisions or requirements regarding the replenishment of immediate returns through refinancing, the Company shall, in accordance with such laws, regulations, and regulatory requirements at that time, further analyze, study, and evaluate the impact of the Issuance on the Company's immediate financial indicators and the immediate returns to shareholders. The Company shall formulate and amend relevant replenishment measures and policies, and handle all other related matters in its sole discretion;

- In the event of force majeure or other circumstances that would make it difficult to implement the Issuance plan, or that could be implemented but would result in adverse consequences for the Company, or in the event of changes to the policy governing the Issuance of shares to specific targets by listed companies, the Company may, at its discretion, decide to postpone, suspend, or terminate the implementation of the Issuance plan;

- Handling other matters related to the Issuance;

- Subject to the Board obtaining the aforementioned authorization, the Board hereby approves the further authorization to the chairman of the Board and/or relevant persons designated by the chairman to handle all matters related to the Issuance.

The mandate shall remain valid for 12 months from the date of approval by the shareholders' meeting. If the Issuance has not obtained the relevant regulatory approval and/or registration prior to the expiration of the general mandate to issue shares approved at the 2024 Annual General Meeting, the Issuance may proceed under the general mandate to issue shares for the following year as approved by shareholders from time to time, provided that the maximum number of shares issued under the Issuance does not exceed the authorization amount for the following year as approved by Shareholders from time to time.

At the same time, the Board proposes to the shareholders' meeting to authorize the Board or its authorized persons (chairman of the Board and/or relevant persons of the Company designated by the chairman) to deal with matters related to the Issuance of A Shares to Specific Targets.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the issuer. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make this circular or any statement herein misleading.

2. DISCLOSURE OF INTERESTS AND CONFIRMATIONS

As at the Latest Practicable Date, none of the Directors or chief executives of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations. As at the Latest Practicable Date:

(1) none of the Directors or chief executives of the Company had any interest and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which are required 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 and short positions which he/she is taken or deemed to have under such provision of the SFO); or are required pursuant to section 352 of the SFO to be entered in the register referred to therein; or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers;

(2) the Company has not granted its Directors, chief executives or their respective spouses or children below 18 any rights to subscribe for its equity securities or debt securities;

(3) apart from Ms. Wang Xuelian and Mr. Zhang Tong, Directors of the Company, who are deemed under the Listing Rules as connected Directors and have abstained from voting for the consideration by the Board on 10 November 2026 in respect of the continuing connected transactions in relation to CHN Energy, none of the Directors was materially interested in any contract or arrangement entered into by any member of the Group since 31 December 2025, being the date to which the latest published audited annual financial statements of the Company were made up, and which was subsisting as at the date of this circular and significant in relation to the business of the Group;

(4) none of the Directors had any direct or indirect interest in any assets which had been since 31 December 2025 (being the date to which the latest published audited annual financial statements of the Company were made up) acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group;

(5) save as disclosed in the section "Interest of Directors in Competing Business" of the Appendix II of this circular, none of the Directors or, so far as is known to them, any of their respective associates was interested in any business (apart from the Group's business) which competes or is likely to compete either directly or indirectly with the Group's business (as would be required to be disclosed under Rule 8.10 of the Listing Rules if each of them was a controlling shareholder);

(6) none of the Directors had entered into any service contract with the Company or any member of the Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)).

3. INTEREST OF DIRECTORS IN COMPETING BUSINESS

As at the Latest Practicable Date, save as disclosed below, none of the Directors or their associates had any competing interests in any business which competed or was likely to compete, either directly or indirectly, with the business of the Group:

Name of Director	Position in the Company	Other Interests
Wang Xuelian	Non-executive Director	First-level business director of China Energy Group Research Institute of Technology and Economy (China Energy Economy and Technology Institute Co., Ltd.)
Zhang Tong	Non-executive Director	Deputy director of the Corporate Management and Legal Affairs Department (Reform Office) of CHN Energy, Deputy Secretary of the Party Committee of China Energy Shendong Coal Group Co., Ltd.

Save as disclosed above, none of the Directors is a director or employee of a company which has an interest or short position in the shares or underlying shares of the Company which is required to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO.

4. SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES

As at the Latest Practicable Date, so far as known to the Directors, the following persons (other than the Directors or chief executives of the Company) had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO:

Name of Shareholder	Class of Share	Capacity	Number of Shares/Underlying Shares Held *(Share)*	Percentage in the Relevant Class of Share Capital [(Note 1)] *(%)*	Percentage in the Total Share Capital [(Note 1)] *(%)*
CHN Energy	A Shares	Beneficial owner and interest of corporation controlled by substantial Shareholders	4,908,598,141 [(Note 2)] (Long position)	97.36	58.72
BlackRock, Inc.	H Shares	Interest of corporation controlled by substantial Shareholders	194,591,158 [(Note 3)] (Long position)	5.86	2.33
BlackRock, Inc.	H Shares	Interest of corporation controlled by substantial Shareholders	138,439,008 [(Note 4)] (Short position)	4.17	1.66
Rui Life Insurance Co., Ltd.	H Shares	Beneficial owner	564,070,000 (Long position)	17.00	6.75
Citigroup Inc.	H Shares	Interest of corporation controlled by substantial Shareholders and approved lending agent	258,755,273 [(Note 5)] (Long position)	7.79	3.10
Citigroup Inc.	H Shares	Interest of corporation controlled by substantial Shareholders	41,304,925 [(Note 6)] (Short position)	1.24	0.49
Citigroup Inc.	H Shares	Approved lending agent	213,248,094 (Shares in a lending pool)	6.42	2.55
JPMorgan Chase & Co.	H Shares	Interest of corporation controlled by substantial Shareholders, investment manager, person having a security interest in shares, trustee and approved lending agent	168,923,622 [(Note 7)] (Long position)	5.09	2.02
JPMorgan Chase & Co.	H Shares	Interest of corporation controlled by substantial Shareholders	101,770,083 [(Note 8)] (Short position)	3.06	1.22

Name of Shareholder	Class of Share	Capacity	Number of Shares/Underlying Shares Held *(Share)*	Percentage in the Relevant Class of Share Capital *(Note 1)* *(%)*	Percentage in the Total Share Capital *(Note 1)* *(%)*
JPMorgan Chase & Co.	H Shares	Approved lending agent	50,896,158 (Shares in a lending pool)	1.53	0.61
GIC Private Limited	H Shares	Investment manager	166,477,723 (Long position)	5.02	1.99
Xintai Life Insurance Co., Ltd.	H Shares	Beneficial owner	340,871,000 (Long position)	10.27	4.08

Notes:

1. The percentage is based on the issued number of relevant class of shares/total issued shares of the Company as at the Latest Practicable Date.

2. Among these 4,908,598,141 A Shares, 4,602,432,800 A Shares are directly held by CHN Energy while the remaining 212,238,141 A Shares are held by Inner Mongolia Pingzhuang Coal (Group) Co., Ltd. (內蒙古平莊煤業(集團)有限責任公司), an indirect non-wholly-owned subsidiary of CHN Energy and 93,927,200 A Shares are held by CHN Energy Liaoning Electric Power Co., Ltd. (國家能源集團遼寧電力有限公司), a wholly-owned subsidiary of CHN Energy. Accordingly, CHN Energy is deemed as the owner of the equity interests held by its aforesaid subsidiaries.

3. Among these 194,591,158 H Shares, 20,000 H Shares are held by BlackRock Investment Management, LLC, an indirect wholly-owned subsidiary of BlackRock, Inc., 1,109,000 H Shares are held by BlackRock Financial Management, Inc., an indirect wholly-owned subsidiary of BlackRock, Inc., 22,085,693 H Shares are held by BlackRock Institutional Trust Company, National Association, an indirect non-wholly-owned subsidiary of BlackRock, Inc., 85,460,000 H Shares are held by BlackRock Fund Advisors, an indirect non-wholly-owned subsidiary of BlackRock, Inc., 2,298,196 H Shares are held by BlackRock Japan Co., Ltd., an indirect non-wholly-owned subsidiary of BlackRock, Inc., 1,158,000 H Shares are held by BlackRock Asset Management Canada Limited, an indirect non-wholly-owned subsidiary of BlackRock, Inc., 669,000 H Shares are held by BlackRock Investment Management (Australia) Limited, an indirect non-wholly-owned subsidiary of BlackRock, Inc., 3,636,016 H Shares are held by BlackRock Asset Management North Asia Limited, an indirect non-wholly-owned subsidiary of BlackRock, Inc., 730,000 H Shares are held by BlackRock (Netherlands) B.V., an indirect non-wholly-owned subsidiary of BlackRock, Inc., 70,685,000 H Shares are held by BlackRock Asset Management Ireland Limited, an indirect non-wholly-owned subsidiary of BlackRock, Inc., 76,000 H Shares are held by BlackRock (Luxembourg) S.A., an indirect non-wholly-owned subsidiary of BlackRock, Inc., 3,083,000 H Shares are held by BlackRock Investment Management (UK) Limited, an indirect non-wholly-owned subsidiary of BlackRock, Inc., 2,918,882 H Shares are held by BlackRock Fund Managers Limited, an indirect non-wholly-owned subsidiary of BlackRock, Inc., 10 H Shares are held by BlackRock Life Limited, an indirect non-wholly-owned subsidiary of BlackRock, Inc., 395,761 H Shares are held by BlackRock (Singapore) Limited, an indirect non-wholly-owned subsidiary of BlackRock, Inc., 35,000 H Shares are held by BlackRock Asset Management Schweiz

AG, an indirect non-wholly-owned subsidiary of BlackRock, Inc., and 231,600 H Shares are held by Aperio Group, LLC, an indirect non-wholly-owned subsidiary of BlackRock, Inc. Accordingly, BlackRock, Inc. is deemed to have the equity interests in the H shares held by its aforementioned subsidiaries.

4. Among these 138,439,008 H Shares, 79,224,000 H Shares are held by BlackRock Financial Management, Inc., an indirect non-wholly-owned subsidiary of BlackRock, Inc., 56,251,008 H Shares are held by BlackRock Institutional Trust Company, National Association, an indirect non-wholly-owned subsidiary of BlackRock, Inc., and 2,964,000 H Shares are held by BlackRock (Luxembourg) S.A., an indirect non-wholly-owned subsidiary of BlackRock, Inc. Accordingly, BlackRock, Inc. is deemed to have the short positions in the H shares held by its aforementioned subsidiaries.

5. Among these 258,755,273 H Shares, 213,248,094 H Shares are held by Citibank, N.A., a wholly-owned subsidiary of Citigroup Inc., 6,566,153 H Shares are held by Citigroup Global Markets Hong Kong Limited, an indirect wholly-owned subsidiary of Citigroup Inc., 831,265 H Shares are held by Citigroup Global Markets Inc., an indirect wholly-owned subsidiary of Citigroup Inc., and 38,109,761 H Shares are held by Citigroup Global Markets Limited, an indirect wholly-owned subsidiary of Citigroup Inc. Therefore, Citigroup Inc. is deemed to have the equity interests in the H shares held by its aforementioned subsidiaries.

6. Among these 41,304,925 H Shares, 4,398,000 H Shares are held by Citigroup Global Markets Hong Kong Limited, an indirect wholly-owned subsidiary of Citigroup Inc., 12,654,774 H Shares are held by Citigroup Global Markets Inc., an indirect wholly-owned subsidiary of Citigroup Inc., and 24,252,151 H Shares are held by Citigroup Global Markets Limited, an indirect wholly-owned subsidiary of Citigroup Inc. Therefore, Citigroup Inc. is deemed to have the short positions in the H shares held by its aforementioned subsidiaries.

7. Among these 168,923,622 H Shares, 3,632,960 H Shares are held by J.P. Morgan SE, an indirect wholly-owned subsidiary of JPMorgan Chase & Co., 6,085,205 H Shares are held by J.P. Morgan Securities LLC, an indirect wholly-owned subsidiary of JPMorgan Chase & Co., 216,000 H Shares are held by J.P. Morgan Investment Management Inc., an indirect wholly-owned subsidiary of JPMorgan Chase & Co., 880 H Shares are held by J.P. Morgan Trust Company of Delaware, an indirect wholly-owned subsidiary of JPMorgan Chase & Co., 51,370,158 H Shares are held by JPMorgan Chase Bank, National Association, a wholly-owned subsidiary of JPMorgan Chase & Co., 55,000 H Shares are held by J.P. Morgan Alternative Asset Management, Inc., an indirect wholly-owned subsidiary of JPMorgan Chase & Co., and 107,563,419 H Shares are held by J.P. MORGAN SECURITIES PLC, an indirect wholly-owned subsidiary of JPMorgan Chase & Co. Accordingly, JPMorgan Chase & Co. is deemed to have the equity interests in the H shares held by its aforementioned subsidiaries.

8. Among these 101,770,083 H Shares, 5,966,905 H Shares are held by J.P. Morgan Securities LLC, an indirect wholly-owned subsidiary of JPMorgan Chase & Co., and 95,803,178 H Shares are held by J.P. MORGAN SECURITIES PLC, an indirect wholly-owned subsidiary of JPMorgan Chase & Co. Accordingly, JPMorgan Chase & Co. is deemed to have the short positions in the H shares held by its aforementioned subsidiaries.

5. SERVICE AGREEMENTS

The Company has entered into service agreements with all of its Directors. None of the Directors has entered into or proposed to enter into any service agreements with the Company which cannot be terminated by the Company within one year without any compensation (other than the statutory compensation).

6. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors confirm that there was no material adverse change in the financial or trading position of the Group since 31 December 2025, the date to which the latest published audited consolidated financial statements of the Company were made up.

7. QUALIFICATION OF EXPERT AND CONSENT

The following are the qualifications of the expert who has provided opinion or advice contained in this circular:

Name	Qualification
Gram Capital Limited	a licensed corporation to carry out type 6 (advising on corporate finance) regulated activity under the SFO

(1) As at the Latest Practicable Date, Gram Capital did not hold any beneficial interest in the share capital of any member of the Group, nor does it have the right (whether legally exercisable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

(2) As at the Latest Practicable Date, Gram Capital has given and has not withdrawn its written consent to the issue of this circular with inclusion of its letter, as the case may be, and references to its name included herein in the form and context in which it appears.

(3) As at the Latest Practicable Date, Gram Capital did not have any interest in any assets which had been, since 31 December 2025 (being the date to which the latest published audited annual accounts of the Company were made up), acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

8. DOCUMENT ON DISPLAY

Copy of the following document will be published on the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (www.clypg.com.cn) for a period of not less than 14 days from the date of this circular:

(1) the Framework Agreement for Purchase and Sale of Comprehensive Products and Services.

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)

NOTICE OF THE THIRD EXTRAORDINARY SHAREHOLDERS' MEETING IN 2026

NOTICE IS HEREBY GIVEN that the third extraordinary shareholders' meeting (the "**ESM**") of China Longyuan Power Group Corporation Limited* (the "**Company**") in 2026 will be held at the Conference Room, 3/F, Block c, 6 Fuchengmen North Street, Xicheng District, Beijing, the People's Republic of China at 9:30 a.m. on Tuesday, 15 December 2026 to consider and approve the following matters:

SPECIAL RESOLUTION

1. To consider and approve the resolution on extension of the validity period of the shareholders' resolution and relevant authorisation in respect of the Company's plan for the Issuance of A Shares to Specific Targets

ORDINARY RESOLUTION

2. To consider and approve the Framework Agreement for Purchase and Sale of Comprehensive Products and Services and the proposed annual caps thereof for 2027

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

Beijing, the PRC, 23 November 2026

As at the date of this notice, 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*

Notes:

1. In order to determine the holders of Shares who are eligible to attend and vote at the ESM, the H share register of members of the Company will be closed from Thursday, 10 December 2026 to Tuesday, 15 December 2026, both days inclusive. No delivery registration of the Company's H Shares will be accepted during the period. The record date will be Tuesday, 15 December 2026. To be eligible to attend the ESM, all H share transfer documents accompanied by relevant share certificates must be lodged with the Company's H share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H Shares of the Company), for registration not later than 4:30 p.m. on Wednesday, 9 December 2026.

2. A Shareholder entitled to attend and vote at the ESM may appoint one or more proxies (whether he/she is a Shareholder) to attend and vote at the ESM on his, her or its behalf.

3. The instrument to appoint a proxy shall be signed by the appointer or his/her attorney duly authorised in writing or, in the case of a legal person, must be either executed under its common seal or under the hand of its director or attorney duly authorised.

4. To be valid, the form of proxy must be lodged with the Company's H share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H Shares of the Company) not less than 24 hours prior to the holding of the ESM (i.e. not later than 9:30 a.m. on Monday, 14 December 2026). If such form of proxy is signed by another person under a power of attorney or other authorisation documents given by the appointer, such power of attorney or other authorisation documents shall be notarized by a notary. The notarized power of attorney or other authorisation documents shall, together with the form of proxy, be deposited at the specified place at the time set out in such form of proxy.

5. If the appointer is a legal person, its legal representative or any person authorised by resolution of its board or other governing bodies may attend the ESM on behalf of the appointer.

6. Voting at the ESM will be conducted through on-site voting and online voting (online voting for A Shareholders only).

7. The Company has the right to request a Shareholder or a proxy who attends the ESM on behalf of a Shareholder to provide proof of identity.

8. The ESM is expected to take less than half a day. Shareholders who attend the ESM shall be responsible for their own travel and accommodation expenses.