

Stock code: 000037, 200037

Stock abbreviation: Shenzhen Nanshan Power A, Shenzhen
Nanshan Power B

Announcement No.: 2025-009

Shenzhen Nanshan Power Co., Ltd.

2024 Annual Report

April 2025

2024 Annual Report

Section I Important, contents and definitions

The Board of Directors, the Board of Supervisors, directors, supervisors and senior officers guarantee that the contents of the annual report are true, accurate and complete, without any false records, misleading statements or major omissions, and shall bear individual and joint legal liability.

Kong Guoliang, the Principal, Chen Yuhui, the Chief Accountant, Zhang Xiaoyin, the Chief Financial Officer, and Lin Xiaojia, Head of the Finance Department (Finance Head), guarantee that the financial reports in the annual report are true, accurate and complete

All directors attended the meeting of Board of Directors at which the report was reviewed.

The Company has planned not to distribute cash dividends, give away bonus shares, or increase share capital by capital reserves.

The annual report is prepared in Chinese and English respectively. If there is any ambiguity in the understanding of the two texts, the Chinese text shall prevail. Investors are requested to read the full text of the annual report carefully.

If there are forward-looking statements in the annual report involving the company's future development strategy, business plans, etc., they do not

constitute the Company's substantive commitment to investors. Investors are advised to maintain adequate risk awareness and understand the differences between plans, forecasts and commitments, and pay attention to investment risks.

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List of documents for inspection

- I. Financial statements bearing the signatures and seals of the Principal, Chief Financial Officer and Chief Accountant (accounting supervisor) of the Company.
- II. The original auditor's report stamped by the accounting firm and signed and stamped by the certified public accountant.
- III. The originals of all the Company's documents and announcements that have been publicly disclosed on the designated media during the reporting period.
- IV. Place of inspection: office of the Company's Board of Directors.

Interpretation

Item	Refer to	Content
Company, the Company, Shenzhen Nanshan Power and listed company	Refer to	Shenzhen Nanshan Power Co., Ltd.
CSRC	Refer to	China Securities Regulatory Commission
Shenzhen State-owned Assets Supervision and Administration Commission	Refer to	State-owned Assets Supervision and Administration Commission of Shenzhen People's Government
Energy Corporation	Refer to	Shenzhen Energy Corporation
Shenzhen Nanshan Power Zhongshan Company	Refer to	Shenzhen Nanshan Power (Zhongshan) Power Co., Ltd.
Shenzhen Nanshan Power Engineering Company	Refer to	Shenzhen Nanshan Power Gas Turbine Engineering Technology (Shenzhen) Co., Ltd.
Shenzhen Nanshan Power Environmental Protection Company	Refer to	Shenzhen Nanshan Power Environmental Protection (Shenzhen) Co., Ltd.
Shenzhen Nanshan Power Xiwan Company	Refer to	Shenzhen Nanshan Power Xiwan Energy (Zhongshan) Co., Ltd.
Xiefu Company	Refer to	Shenzhen Xiefu Energy Co., Ltd.
New Power Company	Refer to	Shenzhen New Power Industrial Co., Ltd.
Nanshan Power Plant	Refer to	Shenzhen Nanshan Power Co., Ltd. Nanshan Power Plant
Zhongshan Nanlang Power Plant	Refer to	Shenzhen Nanshan Power (Zhongshan) Power Co., Ltd. Zhongshan Nanlang Power Plant
Huidong Xiefu	Refer to	Huidong Xiefu Port Comprehensive Development Co., Ltd.
Shenzhen United Property and Equity Exchange	Refer to	Shenzhen United Property and Equity Exchange
Zhuozhi Fund	Refer to	Zhuhai Hengqin Zhuozhi Investment Partnership (Limited Partnership)
Company Law	Refer to	Company Law of the People's Republic of China
Securities Law	Refer to	Securities Law of the People's Republic of China
Stock Listing Rules	Refer to	Rules Governing the Listing of Stocks on Shenzhen Stock Exchange
Articles of Association	Refer to	Articles of Association of Shenzhen Nanshan Power Co., Ltd.
RMB, RMB 10,000, RMB 100,000,000	Refer to	Except for the specially described monetary units, the remaining ones are RMB, RMB 10,000, and RMB 100,000,000
Reporting period	Refer to	From January 1, 2024 to December 31, 2024

Section II Company profile and key financial indicators

I. Company information

Stock name	Shenzhen Nanshan Power A, Shenzhen Nanshan Power B	Ticker	000037, 200037
Stock exchange	Shenzhen Stock Exchange		
Name in Chinese	Shenzhen Nanshan Power Co., Ltd.		
Abbreviation in Chinese	Shenzhen Nanshan Power		
Name in English (if any)	Shenzhen Nanshan Power Co., Ltd.		
Legal representative of the Company	Kong Guoliang		
Registered address	No. 2097, Yueliangwan Avenue, Nanshan District, Shenzhen, Guangdong Province		
Postal code	518054		
Historical changes of registered address	None		
Office address	16/F-17/F, Hantang Building, OCT, Nanshan District, Shenzhen, Guangdong Province		
Postal code	518053		
Website	http://www.nsr.com.cn		
E-mail	Public@nspower.com.cn; investor@nspower.com.cn		

II. Contact and contact information

	Secretary of the Board of Directors	Securities representative
Name	Zou Yi	
Contact address	16/F-17/F, Hantang Building, OCT, Nanshan District, Shenzhen, Guangdong Province	
Tel.	0755-26003611	
Fax	0755-26003684	
E-mail	investor@nspower.com.cn	

III. Information disclosure and preparation location

The stock exchange website where the Company discloses its annual report	Shenzhen Stock Exchange: http://www.szse.cn/
Name and website of the media where the Company discloses its annual report	Securities Times: http://www.stcn.com/ Cninfo: http://www.cninfo.com.cn/
Preparation location of annual report	Office of the Board of Directors, 17/F, Hantang Building, OCT, Nanshan District, Shenzhen, Guangdong Province

IV. Changes in registration

Unified social credit code	91440300618815121H
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Changes in the Company's main business since its listing (if any)	No change
Previous changes in controlling shareholders (if any)	No controlling shareholder

V. Other relevant information

The accounting firm hired by the Company

Name of the accounting firm	Lixinzhonglian CPAS (Special General Partnership)
Office address	1-1-2205-1, North District, Financial and Trade Center, No. 6865 Yazhou Road, Tianjin Pilot Free Trade Zone (Dongjiang Bonded Port Zone)
Name of signatory accountant	Cao Wei, Li Mincong

The sponsor hired by the Company to perform continuous supervision responsibilities during the reporting period

☐ Applicable ☒ Not applicable

Financial consultant hired by the Company to perform continuous supervision duties during the reporting period

☐ Applicable ☒ Not applicable

VI. Key accounting data and financial indicators

Whether the Company needs to retroactively adjust or restate the accounting data of previous years

☐ Yes ☒ No

	2024	2023	Change compared with the previous year	2022
Operating revenue (RMB)	442,971,955.85	589,780,190.71	-24.89%	694,227,657.28
Net profit attributable to shareholders of listed companies (RMB)	21,908,828.57	4,158,797.10	426.81%	-160,163,240.67
Net profit attributable to shareholders of listed companies after deducting non-recurring profit or loss (RMB)	-87,508,091.57	-70,789,007.91	-23.62%	-225,967,573.71
Net cash flows from operating activities (RMB)	-37,635,766.05	-100,371,976.92	62.50%	207,168,402.26
Basic earnings per share (RMB/share)	0.0363	0.0069	426.09%	-0.2657
Diluted earnings per share (RMB/share)	0.0363	0.0069	426.09%	-0.2657
Weighted average rate of return on net assets	1.49%	0.29%	Increased by 1.20 percentage points	-10.43%
	End of 2024	End of 2023	Change compared with the end of the previous year	End of 2022

Total assets (RMB)	2,012,736,635.59	2,049,365,388.69	-1.79%	2,606,216,345.99
Net assets attributable to shareholders of listed companies (RMB)	1,485,380,575.08	1,459,288,691.94	1.79%	1,455,129,894.84

The Company's net profit before and after deducting non-recurring profit or loss in the past three fiscal years, whichever is lower, is negative; meanwhile, the auditor's report for the most recent year shows that there is uncertainty in the Company's going-concern ability

☐Yes ☒No

The lower of net profit before and after deducting non-recurring profit or loss is negative.

☒Yes ☐No

Item	2024	2023	Remark
Operating revenue (RMB)	442,971,955.85	589,780,190.71	Mainly from power production and sales and integrated energy services
Amount after deduction of operating revenue (RMB)	5,642,037.47	1,409,620.51	Mainly from self-owned property lease and property lease management services
Amount after deduction of operating revenue (RMB)	437,329,918.38	588,370,570.20	Operating revenue after deducting revenue from self-owned property lease and property lease management services

VII. Differences in accounting data under domestic and foreign accounting standards

1. Differences in net profit and net assets in financial reports disclosed in accordance with both international and Chinese accounting standards

☐Applicable ☒Not applicable

There was no difference between net profit and net assets in the financial reports disclosed in accordance with both international and Chinese accounting standards during the reporting period of the Company.

2. Differences in net profit and net assets in financial reports disclosed in accordance with both international and Chinese accounting standards

☐Applicable ☒Not applicable

There was no difference between net profit and net assets in the financial reports disclosed in accordance with both international and Chinese accounting standards during the reporting period of the Company.

VIII. Key financial indicators by quarter

Unit: RMB

	Q1	Q2	Q3	Q4
Operating revenue	80,580,975.91	107,323,288.80	183,104,712.19	71,962,978.95
Net profit attributable to shareholders of listed companies	-29,071,219.61	-8,779,890.29	-7,777,120.17	67,537,058.64

Net profit attributable to shareholders of listed companies after deducting non-recurring profit or loss	-32,868,603.74	-11,891,453.34	-11,138,395.03	-31,609,639.46
Net cash flows from operating activities	-71,854,442.05	18,857,950.62	-28,410,239.05	43,770,964.43

Whether there are significant differences between the above financial indicators or their totals and the relevant financial indicators disclosed by the Company in quarterly reports and semi-annual reports or not

☐Yes ☒No

IX. Non-recurring profit or loss and amounts

☒Applicable ☐Not applicable

Unit: RMB

Item	Amount in 2024	Amount in 2023	Amount in 2022	Remark
Profit or loss on disposal of non-current assets (including write-off of provision for asset impairment)	163,881,112.16	1,878,391.11	-1,171,953.71	Mainly affected by the profit or loss of the 40% equity transfer of Huidong Xiefu and the profit or loss of land acquisition and storage of Shenzhen Nanshan Power Zhongshan Company.
Government subsidies included in current profit or loss (except those that are closely related to the Company's normal business, in line with national policy regulations and in accordance with defined criteria, and have a lasting impact on the Company's profit or loss)	486,069.90	44,431,212.00	9,333,093.72	Mainly due to the government subsidies related to income.
Profit or loss from changes in fair value of financial assets and liabilities held by non-financial enterprises and profit or loss from the disposal of financial assets and financial liabilities, except for effective hedging operations related to the Company's normal business operations	11,286,239.10	18,538,064.54	58,227,971.21	Mainly from the investment income obtained from the structured deposits.
Reversal of provision for impairment of receivables individually tested for impairment	0.00	1,235,154.68	0.00	
Other non-operating revenue and expenses other than the above	775,495.19	11,628,630.83	-635,065.42	Mainly due to housing demolition and resettlement subsidies.
Less: income tax impact	9,140,402.85	0.00	0.00	
Changes in the amount of minority interests (after tax)	57,871,593.36	2,763,648.15	-50,287.24	
Total	109,416,920.14	74,947,805.01	65,804,333.04	--

Details of other profit or loss that meet the definition of non-recurring profit or loss:

☐ Applicable ☒ Not applicable

The Company had no specific profit or loss items that meet the definition of non-recurring profit or loss.

Notes on the definition of the non-recurring profit or loss items listed in the "Interpretive Announcement No. 1 on Information Disclosure of Companies Issuing Securities to the Public - Non-recurring Profit or Loss" as recurring profit or loss items

☐ Applicable ☒ Not applicable

The Company had no circumstances of definition of the non-recurring profit or loss items listed in the "Interpretive Announcement No. 1 on Information Disclosure of Companies Issuing Securities to the Public - Non-recurring Profit or Loss" as recurring profit or loss items.

Section III Management discussion and analysis

I. Industry status of the Company during the reporting period

The Company shall comply with the disclosure requirements for power supply industry in the Shenzhen Stock Exchange Listed Company Self-Regulatory Guidelines No. 3 - Industry Information Disclosure

In 2024, China's power consumption demand continued to grow steadily, with the national total electricity consumption reaching 9.85 trillion KWH, a year-on-year increase of 6.8% and an increase of growth rate by 0.1% compared with the previous year, and with the electricity consumption of the whole industry (including the primary, secondary and tertiary industries) reaching 8.36 trillion KWH, a year-on-year increase of 6.2%, reflecting the stability of China's economic fundamentals and the continuous improvement of the electrification level of terminal energy consumption. Driven by the "Carbon Peaking and Carbon Neutrality" goal and energy transition, the power production industry accelerated its transition to green and low-carbon. As at the end of 2024, the annual installed capacity of power generation exceeded 3.35 billion KWH, a year-on-year increase of 14.6%, and the installed capacity of non-fossil energy accounted for more than half, marking a new stage in China's energy structure adjustment. Specifically, the installed capacity of new energy power generation, including wind power, solar power and biomass power generation, reached 1.45 billion KWH, surpassing the installed capacity of thermal power (1.44 billion KWH) for the first time and becoming the main supporting power source of the new power system. Among them, the installed capacity of solar power generation was 887 million KWH (up 45.2% YoY), and the installed capacity of wind power was 521 million KWH (up 18% YoY), which completed the goal of "1.2 billion KWH of total installed capacity of wind power in 2030" proposed at the national climate ambition summit six years ahead of schedule. The growth rate of thermal power installed capacity slowed down significantly (up 3.2% YoY), coal-fired power's share of total installed capacity declining to 35.7% (down 4.2% Yo Y). Nevertheless, coal power still plays an important role in the grid as both baseload and peaking capacity. The annual coal power generation still accounted for 54.8% of the total electricity output, remaining the cornerstone of grid stability. In general, a new power system with new energy as its mainstay is being formed at an accelerating pace.

In the context of the accelerated restructuring of the global energy pattern and the continuous advancement of the "carbon peaking and carbon neutrality goals", building a new power system with new energy as the mainstay and deepening the reform of the power system have become a key task for China's energy development. In 2024, China's new energy storage maintained rapid growth, with an annual new energy storage installed capacity of 43.7 million KWH/109.8 million KWH. By the end of 2024, the cumulative installed capacity of new energy storage projects in China reached 73.76 million KWH/168 million KWH, about 20 times that at the end of the 13th Five-Year Plan, with an increase of more than 130% compared with the end of 2023. The cumulative installed capacity of new energy storage exceeded that of pumped storage for the first time. This indicates that the supporting development path of the coordinated development of energy storage and new energy has gradually transformed from the initial stage of policy promotion to market-oriented development needs. With the rapid development of the new energy and energy storage industry, a large number of new energy and energy storage projects need professional technical service support, and the integrated energy service industry has also ushered in development opportunities. Under the development trend of deep synergy of "source, network, load and storage", integrated energy service, as an emerging business model, can integrate various energy resources, provide customers with one-stop and integrated energy solutions, effectively meet customers' diversified needs for energy efficient use, low-carbon environmental protection and cost control, and show great development potential and broad market prospects.

II. Main business of the Company during the reporting period

The Company shall comply with the disclosure requirements for power supply industry in the Shenzhen Stock Exchange Listed Company Self-Regulatory Guidelines No. 3 - Industry Information Disclosure

The Company's primary business includes power and heat supply for production and operation, and technical consulting and technical services related to power plants (stations). At the end of the reporting period, the Company's Nanshan Power Plant had a total of 3 sets of 9E type gas-steam combined cycle generating units with a total installed capacity of 540,000 KW. The power plant is located in the power load center area of Qianhai Free Trade Zone, Shenzhen, and is the main peak shaving power supply plant in the region. It is currently in normal production and operation. Zhongshan Nanlang Power Plant received the Letter on Matters Regarding the Units Shutdown of Shenzhen Nanshan Power (Zhongshan) Power Co., Ltd. Nanlang Power Plant from Energy Bureau of Guangdong Province on November 6, 2023, in which Energy Bureau of Guangdong Province agreed to shut down two 180MW gas-fired cogeneration units of Zhongshan Nanlang Power Plant. At present, the two sets of 9E gas-steam combined cycle power generating units owned by Zhongshan Nanlang Power Plant have been shut down and withdrawn from dispatching operation, and the generating unit equipment and related assets have been successfully listed for transfer in March 2025.

During the reporting period, the Company's primary business of power faced challenges such as fierce competition in the power market and sustained high fuel price. In the face of the complex and ever-changing economic situation at home and abroad and the increasingly fierce market competition, the Company has strengthened its confidence in development, maintained its strategic focus, adhered to the core values of "professionalism and dedication, innovation and efficiency, courage and decisiveness, harmony and mutual benefit", took deepening reform as a key breakthrough point, actively responded to various problems and challenges, and made every effort to promote the orderly development of all work. Through a series of solid measures, the Company's new business layout has achieved breakthroughs, the main business has been further compacted, the management efficiency has been continuously improved, the market-oriented reform has been steadily advanced, and the profit level has reached a new level, laying a solid foundation for the sustainable development of the Company.

During the reporting period, the Company focused on the operation and development and market expansion of affiliates. Shenzhen Nanshan Power Engineering Company, relying on its years of technical experience in the construction of gas turbine power station projects and accumulated cooperation resources, focused on the relevant engineering service business in the gas turbine field. With professional and refined technical capabilities, it signed a number of contracts successively to provide professional technical services for customers; Shenzhen Nanshan Power Environmental Protection Company takes integrated energy service as the transformation development direction, comprehensively develops integrated energy service projects such as industrial and commercial energy storage, distributed photovoltaics and charging piles, and strives to build a new integrated energy service business model. It has initially formed an integrated service model of "investment, construction, operation, management and maintenance"; Xiefu Company actively expanded its business scope, focused on the property lease management service business of Energy Corporation, and significantly improved its market development ability, property management ability and profitability. At the same time, it efficiently revitalized inefficient resources and successfully completed the transfer of 40% equity of Huidong Xiefu.

Main production and operation information

Item	Reporting period	Same period last year
Total installed capacity (10,000 KW)	54	54 (excluding the installed capacity of two generating units of Zhongshan Nanlang Power Plant that were shut down and withdrawn from dispatching operation in November 2023)
Installed capacity of newly commissioned unit (10,000 KW)	0	0

Planned installed capacity of approved projects (10,000 KW)	0	0
Planned installed capacity of projects under construction (10,000 KW)	0	0
Power generation (100 million KWH)	5.12	6.57
On-grid energy or energy sold (100 million KWH)	5.10	6.54
Average power consumption rate of the power plant (%)	3.85%	3.90%
Utilization hours of the power plant (hours)	933	723

The Company's power sales

☒Applicable ☐Not applicable

Shenzhen Nanshan Power Environmental Protection Company, a subsidiary of the Company, was approved to carry out market-oriented power sales in Guangdong Province in January 2024. While carrying out power sales, Shenzhen Nanshan Power Environmental Protection Company actively expands power value-added services, including industrial and commercial energy storage, contract energy management, comprehensive energy saving and energy consulting services. In 2024, Shenzhen Nanshan Power Environmental Protection Company purchased 34.42 million KWH of electricity on behalf of its users, a remarkable breakthrough.

Reasons for significant changes in relevant data

☐ Applicable ☒Not applicable

III. Core competitiveness analysis

In recent years, the Company's primary business has been facing increasing difficulties and challenges due to the macroeconomic situation and common issues in the gas turbine power generation industry. However, the fundamental core competitiveness formed over more than thirty years of operation and development, along with strong support from the major shareholders, innovative management practices adopted by the Company's Board of Directors and management team, have laid a necessary foundation for the Company's ongoing operations and pursuit of transformative development. During the reporting period, the Company adhered to the concept of steady development, firmly believed in its strategy, flexibly adjusted its business strategy, carefully optimized its resource allocation, successfully overcame a series of development problems, and further consolidated and enhanced its core competitiveness.

1. Management culture of hard work and innovation. The Company has a group of management personnel with a sense of innovation and the spirit of hard work. By deepening human resource reform and building a performance-oriented appraisal and incentive mechanism, the Company advocates and creates a management culture of unity, hard work, innovation and progress. In addition, the Company attaches great importance to and vigorously promotes the construction of its institutional, management, and compliance systems. It adheres to a standardized management that is law-abiding, regulation-compliant scientific, rigorous, efficient and orderly. Through process-based, refined and standardized management guidance, the Company has established a solid foundation for deeply tapping into internal potential and actively seeking external opportunities.

2. Professional and enterprising technical talents. With more than 30 years of hard work and influence in the gas turbine power generation industry, the Company has attracted and trained a group of technical experts and professionals in the gas turbine industry, and has accumulated rich experience in the construction and operational management of gas turbine power plants. In

order to comply with the market trend of power market-oriented reform in the Guangdong Province, the Company has established a professional power marketing team to study power trading strategies, explore and build power marketing mathematical models. The accumulative rich experience in power marketing has laid a solid foundation for the Company to participate in the construction of new power market and integrate into the wave of power market reform. In addition, with its excellent technical strength, Shenzhen Nanshan Power Engineering Company has provided comprehensive professional services such as technical consulting, commissioning and operation guarantee for dozens of gas turbine power stations at home and abroad; The Company has successively undertaken the technical personnel training business of dozens of power plants at home and abroad. With high-quality training content and professional teaching team, it has become a well-known professional talent training base in the domestic gas turbine industry, and has established a good reputation and professional brand image in the industry.

3. A level of expertise that is up to date. In recent years, the Company has continued to increase its R&D efforts and promoted the implementation of innovation-driven development. The scientific research and innovation work has been unanimously recognized by the society. On December 26, 2024, it successfully passed the review again and obtained the national high-tech enterprise certificate. The Company has a number of independent invention patents, utility model patents and software copyrights, and jointly drafted and prepared 1 national standard. During the reporting period, the Company applied for 2 invention patents and 5 utility model patents to the China National Intellectual Property Administration, of which 1 utility model patent has been granted. The Company's total number of authorized patents has reached 45 (including 5 invention patents) and 8 software copyrights, which has greatly enhanced the Company's brand image and industrial competitiveness.

4. Rich experience in industrial exploration. The Company gives full play to its own advantages, makes every effort to develop the integrated energy service business field, and continuously accumulates experience in the construction and operation of new energy industries such as electrochemical energy storage, photovoltaics, and charging piles. Through the construction and operation of energy storage black start projects, photovoltaic projects, MTC industrial and commercial energy storage project, the construction of Zhongshan independent energy storage power station, and the development of integrated photovoltaic, storage and charging projects, the Company has accumulated rich experience in the construction, commissioning and operation & maintenance of new energy and energy storage projects, and has trained a group of professional and technical talents. In addition, the talent accumulation and technical advantages of the traditional power industry have prepared sufficient technical and talent resources for the Company to enter the field of integrated energy service and laid a solid foundation.

5. Leading environmental protection level. The Company's generator units are all gas-fired generator units that use natural gas as fuel. The CO₂ emissions in flue gas are approximately 42% of those of coal-fired power plants, providing strong support for the national "carbon peaking and carbon neutrality" construction. In accordance with the requirements of the Shenzhen Municipal People's Government 2018 'Shenzhen Blue' Sustainable Action Plan, the Company fully completed the "Shenzhen Blue" transformation of the #3, #10 and #1 gas turbines of Nanshan Power Plant. After the transformation, the nitrogen oxide emissions of each unit were reduced to less than 15mg/m³, reaching the world's most advanced level. Nanshan Power Plant was also selected as the Top Plant Award by Power Magazine, the most authoritative magazine in the global power industry founded in 1882.

IV. Main business analysis

1. Overview

In 2024, the Company officially entered the integrated energy service business field. The Company has always adhered to the core values of "professionalism and dedication, innovation and efficiency, courage and decisiveness, harmony and mutual benefit", took professionalism and dedication as the cornerstone, deeply cultivated the integrated energy service business field, and continuously improved its professional ability and service level; driven by innovation and efficiency, the Company actively explored system and mechanism reform, optimized processes, and improved operation efficiency; with courage and boldness, the Company dares to break through and take responsibility when facing market competition and uncertainties; with harmony and

mutual benefit as the goal, the Company works together with shareholders, customers, partners and employees to create value. The main work carried out by the Company during the reporting period is as follows:

(1) Optimize the industrial layout and make new breakthroughs in transformation and development. In the current context of accelerating restructuring of the global energy landscape and increasingly fierce market competition, the Company has further clarified its strategic direction of transformation to an integrated energy service provider based on industry trends, market demand and its own advantages. During the reporting period, the Company closely focused on the strategic transformation direction, made every effort to expand the integrated energy service projects, initially built the "investment, construction, operation, management and maintenance" platform, and was committed to providing customers with more professional services and enhancing the Company's core competitiveness. In the field of investment, the Company completed the first investment of RMB 50 million in the energy storage master fund, and invested in the establishment of an energy storage sub-fund with a total scale of RMB 400 million. It plans to set up an energy storage company with a scale of RMB 200 million under the energy storage sub-fund, which is responsible for the investment of power station projects. The investment direction mainly includes independent energy storage power stations, industrial and commercial energy storage power stations, and integrated light storage and charging stations. Shenzhen Nanshan Power Environmental Protection Company will coordinate with the resources within the Company's system to do a good job in the operation and maintenance management of energy storage companies, provide comprehensive and integrated services for the development, research and judgment, investment, construction, operation and maintenance of fund power station projects, and promote the strategic layout of the Company in new energy and energy storage and other fields with the help of the fund, and accelerate the exploration and construction of integrated energy service business models. In the field of project construction, Shenzhen Nanshan Power Environmental Protection Company has seized the opportunity of the development of energy storage industry, and focused on the transformation to new energy and energy storage fields, with new energy projects flourishing in many places. During the construction of the MTC Industrial and Commercial Energy Storage Project, Shenzhen Nanshan Power Environmental Protection Company strictly controlled the project quality, carefully optimized the project cost, improved the cost control system, and refined the project standardized management process to complete the project construction with high quality. After the project was officially put into operation, the energy storage system operated efficiently and well, and the revenue was higher than expected, laying a solid foundation for the Company to expand into the field of integrated energy service. In the field of project operation and maintenance, Shenzhen Nanshan Power Engineering Company, with its years of technical experience in gas turbine power station engineering construction and accumulated cooperation resources, has given full play to the advantages of technical personnel, obtained the license qualification for contracting and commissioning power facilities, and focused on the relevant engineering service business in the field of gas turbine and new energy, and has signed a number of technical service contracts successively. In the Qinghai Golmud 300 MW Gas Turbine Power Station Project, through providing professional technical services to customers, the Company successfully signed several contracts for project management, supervision, EPCM management, commissioning and operation and maintenance, demonstrating the Company's profound foundation in the field of project operation and maintenance. In the field of property lease management, Xiefu Company seized the opportunity in property lease management services. Facing the challenges of its shortfalls in professional capabilities, it took the initiative and quickly organized all its employees to participate in real estate business ability training, comprehensively improved market development ability, property management ability, and comprehensive service level. As a result, the overall occupancy rate has been steadily rising, and its profitability has been continuously improving.

(2) Focus on increasing the efficiency of existing resources, with comprehensive business capabilities reaching a new level. During the reporting period, the Company has always adhered to the enterprising attitude of hard work, focused on its main responsibilities and primary business, actively implemented the concept of lean management with innovative thinking and active awareness, and was committed to improving the profitability of assets in stock, revitalizing assets in stock, and maximizing the efficiency of assets. In terms of improving the operating capacity of assets in stock, the Company dynamically adjusted the power marketing and fuel procurement strategies, scientifically coordinated the gas-electric matching, and completed the on-grid energy

of 510 million KWH. At the same time, the Company deeply studied the capacity tariff policy and actively strived for the income of capacity tariff. In addition, Shenzhen Nanshan Power Environmental Protection Company has achieved a remarkable breakthrough in the power sales, with a cumulative sales of 34.42 million KWH, adding a new profit growth point for the Company. In terms of revitalization of assets in stock, the Company has made every effort to promote the land acquisition and storage of Shenzhen Nanshan Power Zhongshan Company, and on the one hand, further optimized and adjusted the transfer, recovery, land certificate cancellation and relocation compensation payment time of the land involved in the original Agreement on the Recovery of State-Owned Land Use Rights and the Relocation Compensation Agreement, signed a supplementary agreement, and realized the delivery of 190 mu of land in Plot A, and received a total of RMB 220 million of compensation for land acquisition and storage. On the other hand, it made full use of the line assets of Shenzhen Nanshan Power Zhongshan Company, on the basis of the traditional project operation concept, innovatively used the capital operation concept, and proposed an innovative solution for the reuse of existing facilities and the contribution of line assets, according to which, Shenzhen Nanshan Power Zhongshan Company and Zhongshan Nanlang Construction Development Co., Ltd. jointly established a Project Company to implement the construction of the 300 MW/600 MWh Independent Energy Storage Power Station (Phase I) in Cuiheng New District, Zhongshan City, and built an independent energy storage power station with a scale of 100 MW/200 MWh, which effectively revitalized the assets in stock and significantly expanded the Company's energy storage industry layout. At the same time, the Company actively promoted the listing and transfer of generating unit equipment and related assets of Shenzhen Nanshan Power Zhongshan Company, optimized the listing plan in a timely manner according to market conditions, actively expanded potential buyer resources, dynamically adjusted negotiation strategies, and promoted the transaction process in multiple dimensions, and finally successfully delisted the unit equipment and related assets in March 2025; in addition, Xiefu Company successfully completed the listing and transfer of 40% equity of Huidong Xiefu, and recovered RMB 57.89 million.

(3) Coordinate safety and development, and build a new pattern of safety management. The Company has firmly established the concept of safety development, continuously improved the work safety guarantee system, comprehensively implemented the main responsibility, consolidated the work safety foundation, actively carried out work safety supervision and management, made efforts to ensure a stable work safety situation, and continuously maintained the "five-no" safety goal, which has laid a solid safety foundation for the Company's steady progress. First, sign the list of safety responsibilities, improve the target management and control measures, and comprehensively clarify and carry out the safety management responsibilities. Implement the work safety responsibility system for all employees, strictly and meticulously implement work safety measures, and firmly build the bottom line of work safety. Second, carry out safety management work in a solid manner and make every effort to resolve safety risks. Deepen the "three-year special action for fundamental improvement of work safety", actively implement self-examination and self-correction of safety precautions and cross-checking, comprehensively find out and dynamically grasp the bottom line of major hidden dangers of work safety, and promote the implementation of statutory responsibilities of enterprise leaders and work safety responsibility system, and promote the pre-prevention work safety governance model. Third, go deep into the front line to carry out service coordination and make every effort to strengthen safety supervision. Continuously strengthen the safety supervision of the affiliated enterprises, in the form of "leading group to the grassroots" and "Four No's and Two Directs", form a strong safety culture atmosphere, lay a solid foundation for work safety, and promote the smooth development of various safety work.

(4) Highlight the improvement of efficiency, and take new steps in market-oriented reform. The Company focuses on market-oriented reform to stimulate the vitality of endogenous innovation and development. During the reporting period, the Company continued to improve the market-oriented salary incentive mechanism, strengthen the performance-oriented assessment standards, and fully stimulate the initiative of the team; further promoted the performance-oriented culture, continuously optimized the incentive and restraint assessment mechanism for senior executives, and innovatively implemented the "annual + term" dual-target contractual management for senior executives; Establish a scientific and reasonable differentiated performance indicator assessment system, further strengthen the business performance indicators of affiliates and the performance assessment of the Company's management personnel, and create an incentive and constraint system focusing on value contribution. Continue to

improve the management efficiency of all links of talent selection, cultivation and retention, and adhere to the training and selection of young management personnel as a strategic measure to lay a foundation for long-term benefits; strengthen campus recruitment and promote the transformation of talent introduction to recruit more professional and younger employees; strengthen talent training, focus on improving the comprehensive ability of management personnel and employees of the Company, and implement targeted policies to improve the quality and efficiency of comprehensive training. Optimize and improve the market-oriented management and control mode of affiliates, formulate a list of powers and responsibilities for each enterprise according to its specific situation, scientifically and reasonably delegate authority, realize the equivalence of rights, responsibilities and benefits, and effectively improve the operational efficiency and innovation ability of affiliates.

(5) Focus on scientific and efficient methods, and achieve new results in management system reform. Adhering to the principle of "building a firm foundation, whole-chain coordination, gradual deepening, and focusing on practical results", the Company has comprehensively reformed the management system and mechanism to build a solid foundation for the transformation and development of the Company. During the reporting period, the Company completed the re-election of the Board of Directors and the Board of Supervisors, further improved the Company's legal person governance structure, and vigorously promoted the standardization of the legal person governance process of its affiliates to improve the overall legal person governance level of the Company; continuously optimized its institutional system, actively carried out the construction of process standardization system, completed the construction of its process standardization management system framework, and effectively improved the its standardized management level; deepened the construction of compliance system, organized all affiliates to build a compliance audit mechanism for key processes and key decision-making matters, and strengthened compliance management; strengthened audit supervision, paid attention to risk prevention and control in key areas, paid close attention to the implementation of audit rectification by carrying out special audits such as economic benefit audit, economic responsibility audit and procurement audit, and promoted the improvement of the Company's risk prevention and control level; continuously consolidated the accounting system, strengthened the foundation of financial and tax management, promoted comprehensive budget management with high standards, improved the effectiveness and efficiency of financial services, further optimized the capital management mechanism, and continuously improved the capital structure of the Company.

(6) Strengthen organizational support and continuously strengthen the building of Party organizations. The Company adheres to the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, firmly grasps the general requirements of Party building in the new era, focuses on the key links of the Company's operation management and reform and development, promotes the deep integration of party building work and business, and provides a solid political guarantee for the Company's high-quality development. First, strengthen the political leadership of Party organizations. The Company has successfully completed the high-standard election of the Party Committee and Discipline Inspection Commission, while refining the leadership mechanism of "two-way entry and cross-appointment" to achieve organic unity between Party leadership and corporate governance. The Company has resolutely implemented the request-for-instructions and reporting system for major matters, ensuring the Party organization fully exercises its leadership role in setting direction, managing overall situations, and guaranteeing implementation. Second, strengthen the ideological leadership of the Party organization. The Company has thoroughly studied and implemented the spirit of the Third Plenary Session of the 20th CPC Central Committee, strictly implemented the "First Topic" system, and refined the Party Committee Theoretical Study Center Group learning mechanism. The leading group of the Party Committee has carried out in-depth special research on key topics, established and improved mechanisms for translating study outcomes into practice, and effectively improved the effectiveness of ideological guidance. Third, improve the Party organization's capacity to mobilize the masses. The Company has meticulously developed the "Party-building+" mechanism and carried out a series of "Party-building + Culture" activities. By focusing on diverse groups such as frontline employees and young staff, it enriched workers' spiritual and cultural lives through varied activities, effectively achieving ideological unity and cohesion of collective strength.

In 2024, the Company reported an operating revenue of RMB 442.972 million, and net profit attributable to shareholders of the listed company of RMB 21.9088 million, maintaining profitability after achieving a turnaround against market headwinds in 2023, with basic earnings per share standing at RMB 0.0363.

2. Revenue and costs

(1) Composition of operating revenue

Unit: RMB

	2024		2023		Year-on-year increase or decrease
	Amount	Proportion to operating revenue	Amount	Proportion to operating revenue	
Total operating revenue	442,971,955.85	100%	589,780,190.71	100%	-24.89%
By sector					
Power industry	437,329,918.38	98.73%	588,370,570.20	99.76%	-25.67%
Others	5,642,037.47	1.27%	1,409,620.51	0.24%	300.25%
Total	442,971,955.85	100.00%	589,780,190.71	100.00%	-24.89%
By product					
Power production and sale	419,930,286.71	94.80%	562,688,722.91	95.41%	-25.37%
Integrated energy service	39,382,694.07	8.89%	42,299,536.01	7.17%	-6.90%
Others	5,768,308.02	1.30%	1,468,149.52	0.25%	292.90%
Consolidation offset	-22,109,332.95	-4.99%	-16,676,217.73	-2.83%	-32.58%
Total	442,971,955.85	100.00%	589,780,190.71	100.00%	-24.89%
By region					
Domestic	442,971,955.85	100.00%	589,780,190.71	100.00%	-24.89%
Total	442,971,955.85	100.00%	589,780,190.71	100.00%	-24.89%
Sales mode					
Direct sales	442,971,955.85	100.00%	589,780,190.71	100.00%	-24.89%
Total	442,971,955.85	100.00%	589,780,190.71	100.00%	-24.89%

(2) Industries, products, regions, and sales models that account for more than 10% of the Company's operating revenue or operating profit

☒ Applicable ☐ Not applicable

The Company shall comply with the disclosure requirements for power supply industry in the Shenzhen Stock Exchange Listed Company Self-Regulatory Guidelines No. 3 - Industry Information Disclosure

Unit: RMB

	Operating revenue	Operating costs	Gross margin	Year-on-year increase or decrease in operating revenue	Year-on-year increase or decrease in operating costs	Year-on-year increase or decrease in gross margin
By sector						
Power industry	437,329,918.38	414,222,881.99	5.28%	-25.67%	-28.73%	4.06%

Others	5,642,037.47	1,223,850.40	78.31%	300.25%	367.65%	-3.13%
Total	442,971,955.85	415,446,732.39	6.21%	-24.89%	-28.55%	4.80%
By product						
Power production and sale	419,930,286.71	405,194,367.48	3.51%	-25.37%	-29.18%	5.18%
Integrated energy service	39,382,694.07	28,530,461.10	27.56%	-6.90%	13.78%	-13.16%
Others	5,768,308.02	1,223,850.40	78.78%	292.90%	367.65%	-3.39%
Consolidation offset	-22,109,332.95	-19,501,946.59		-32.58%	-21.80%	
Total	442,971,955.85	415,446,732.39	6.21%	-24.89%	-28.55%	4.80%
By region						
Domestic	442,971,955.85	415,446,732.39	6.21%	-24.89%	-28.55%	4.80%
Total	442,971,955.85	415,446,732.39	6.21%	-24.89%	-28.55%	4.80%
Sales mode						
Direct sales	442,971,955.85	415,446,732.39	6.21%	-24.89%	-28.55%	4.80%
Total	442,971,955.85	415,446,732.39	6.21%	-24.89%	-28.55%	4.80%

Reasons for major changes in relevant financial indicators

☐ Applicable ☒ Not applicable

(3) Whether the Company's physical sales revenue is greater than its labor service revenue

☒ Yes ☐ No

Industry	Item	Unit	2024	2023	Year-on-year increase or decrease
Power industry	Sales volume	100 million KWH	5.10	6.54	-22.02%
	Production	100 million KWH	5.12	6.57	-22.07%
	Inventory	100 million KWH	0.00	0.00	

Explanation for relevant data changed by more than 30% year-on-year

☐ Applicable ☒ Not applicable

(4) Performance of the major sales contracts and major procurement contracts signed by the Company as of the reporting period

☐ Applicable ☒ Not applicable

(5) Composition of operating costs

Industry classification

Unit: RMB

Industry	Item	2024		2023		Year-on-year increase or decrease
		Amount	Proportion to operating costs	Amount	Proportion to operating costs	
Power industry	Fuel	334,421,830.98	80.50%	470,823,746.78	80.98%	-28.97%

Power industry	Employee compensation	24,415,894.99	5.88%	39,310,209.34	6.75%	-37.89%
Power industry	Manufacturing cost	55,385,156.02	13.33%	71,046,886.25	12.22%	-22.04%
Other non-primary business	Others	1,223,850.40	0.29%	261,701.61	0.05%	367.65%

(6) Whether there are changes in the consolidation scope during the reporting period

☒Yes ☐No

In July 2024, Shenzhen Nanshan Power Zhongshan Company contributed RMB 51 million (accounting for 51%) in kind to jointly establish Shenzhen Nanshan Power Xiwan Energy (Zhongshan) Co., Ltd. with Zhongshan Nanlang Construction Development Co., Ltd. The project company was included in the scope of consolidated statements of the Company during the reporting period.

(7) Significant changes or adjustments to the Company's business, products or services during the reporting period

☐Applicable ☒Not applicable

(8) Major sales customers and major suppliers

The Company's main sales customers

Total sales amount of top five customers (RMB)	437,747,218.87
Ratio of the total sales amount of the top five customers to total annual sales	98.82%
Ratio of sales to related parties in the annual total sales of the top five customers	1.20%

Information on the Company's top 5 customers

No.	Customer name	Sales (RMB)	Ratio to total annual sales
1	Shenzhen Power Supply Bureau Co., Ltd.	419,942,071.51	94.80%
2	China Machinery Engineering Corporation	8,396,522.89	1.90%
3	Shenzhen Energy Corporation	4,155,080.27	0.94%
4	PetroChina Company Limited Qinghai Oilfield Company	4,096,132.08	0.92%
5	Shenzhen MTC Co., Ltd.	1,157,412.12	0.26%
Total	-	437,747,218.87	98.82%

Other information on major customers

☒Applicable ☐Not applicable

Shenzhen Energy Corporation and Shenzhen MTC Co., Ltd. are affiliated legal persons of the Company.

The Company's main suppliers

Total purchase amount of top five suppliers (RMB)	359,774,622.94
Ratio of the total purchase amount of the top five suppliers to the total annual purchase amount	83.54%
Ratio of purchase amount of related parties among the top five suppliers to the total annual purchase amount	0.00%

Information on the Company's top 5 suppliers

No.	Supplier name	Purchase amount (RMB)	Ratio to total annual purchase amount
1	Shenzhen Gas Group Co., Ltd.	314,701,539.09	73.07%
2	CNOOC Gas & Power Group Guangdong Company	19,720,291.89	4.58%
3	Shenzhen Power Supply Bureau Co., Ltd.	11,333,832.48	2.63%
4	Yotai Digital Energy Technology (Shenzhen) Co., Ltd.	7,864,648.45	1.83%
5	Shenzhen Zhongshenli Development Technology Co., Ltd.	6,154,311.03	1.43%
Total	-	359,774,622.94	83.54%

Other information on major suppliers

☐ Applicable ☒ Not applicable

3. Cost

Unit: RMB

	2024	2023	Year-on-year increase or decrease	Description of significant changes
Selling and distribution expenses	3,155,604.58	2,831,748.65	11.44%	
G&A expenses	95,507,099.03	58,330,596.87	63.73%	Mainly due to: first, the performance bonus was settled due to changes in operating conditions in the previous year, resulting in a decrease in employee compensation in the current year; second, according to the development needs of the Company's strategic transformation and new business, to strengthen the construction of the management system, the relevant expenses have increased this year.
Financial expenses	6,815,765.10	11,579,637.38	-41.14%	Mainly due to the Company's continuous optimization of asset and liability structure and reduction in financing scale, resulting in a year-on-year decrease in financial expenses.
R&D expenses	21,341,778.27	26,839,912.74	-20.48%	

4. R&D investment

☒ Applicable ☐ Not applicable

Name of main R&D project	Purpose	Progress	Goals to be achieved	Expected impact on the Company's future development
Research and Development of Power Access System for	Conduct research and development of the photovoltaic power	Completed	Achieve the diversified application of power supply access methods	Improve the safety and reliability of the production, operation

Intelligent Operation and Maintenance of Photovoltaic Power Gas Turbine Power Plant	access system, change the traditional single power supply mode and improve the access system performance; reduce operation and maintenance costs and ensure the stable operation of local power grids.		of gas turbine power plants, realize the safe use of the access method of "self-consumption and surplus power on the grid" for photovoltaic power generation in the traditional power system, and reduce energy consumption.	and maintenance of unit equipment, and enhance the scientific and technological content and core competitiveness of the Company's products and services.
Research and Development of Cooling Water Recycling System for Gas Turbine Power Plants	Through research and development, optimize the cooling water pipeline structure, improve the direction of the cooling water pipeline, realize recycling and reduce costs.	Completed	Complete the structural optimization of the gas turbine cooling water system, and adopt new technologies to improve economic benefits.	Improve the performance of the equipment, optimize the system structure of the equipment, reduce costs, and improve the scientific and technological content and core competitiveness of the Company's products and services.
Research and Development of Control Method for Central Cooling System of Gas Turbine Waste Heat Boiler	Through research and development, optimize the control method of boiler centralized cooling, improve the efficiency of equipment cooling, and improve the economy of equipment operation.	Completed	Complete the performance upgrade and update of the centralized cooling system of the waste heat boiler, innovatively use excellent technologies, and reduce energy consumption.	Optimize and improve the performance of the equipment, improve the operating efficiency of the equipment, and enhance the scientific and technological content and core competitiveness of the Company's products and services.
Research and Development of Intelligent Access System for NEV Charging Pile With Photovoltaic Power Generation	Through the research and development of the intelligent access system of the charging pile, optimize the system parameters to improve the automation of the access system and the reliability of the operation.	Completed	Optimize the intelligent access system of the vehicle charging pile, effectively use new data parameters to improve the comprehensive performance, and improve the reliability of the photovoltaic charging access system.	Improve equipment performance through research, optimize the reliability of photovoltaic system operation, and improve the scientific and technological content and core competitiveness of the Company's products and services.
Research and Development of Intelligent Control System for Turbine Power Supply	Through research and development, optimize the turbine power switching device in design and application, improve the AC power supply performance of the power grid and improve the safety of equipment operation.	Completed	Optimize the equipment in design and application, improve the performance of grid power supply, and improve the operation safety of equipment.	Actively develop new design technologies, improve the performance and safety of unit equipment, and enhance the scientific and technological content and core competitiveness of the Company's products and services.

Research and Development of 6 KV Auxiliary Power Rapid Switching System for Gas Turbine Power Plants	Conduct research and development on the 6 KV auxiliary power rapid switching system for the gas turbine to eliminate the hidden dangers and risks of the equipment and improve the operation reliability of the unit.	Completed	Complete the innovative upgrade of the 6 KV auxiliary power rapid switching system of the gas turbine to ensure the safe operation of the unit equipment.	Research the technological and innovative application in equipment, use new technologies to reduce hidden dangers in equipment operation, improve equipment performance, and enhance the scientific and technological content and core competitiveness of the Company's products and services.
Research and Development of Adjustable Negative Pressure System Device for 9E Gas Turbine Oil Tank	Through the research on the adjustable negative pressure system in the gas turbine oil tank, ensure the safe operation of the gas turbine oil tank, eliminate the risk of oil leakage and fire, and improve the safety of the unit equipment operation.	Completed	Complete the upgrading and reconstruction of the negative pressure adjustable system of the gas turbine oil tank to ensure the safe and stable operation of the unit.	Optimize the performance of the equipment, eliminate hidden dangers, improve the safety of the equipment, and improve the scientific and technological content and core competitiveness of the Company's products and services.

R&D staff

	2024	2023	Change ratio
Number of R&D staff	86	87	-1.15%
Proportion of number of R&D staff	29.45%	30.63%	-1.18%
Educational structure of R&D staff			
Undergraduate	52	47	10.64%
Postgraduate	2	1	100.00%
Age composition of R&D staff			
Under 30 years old	16	16	0.00%
30-40 years old	10	10	0.00%
Over 40 years old	60	61	-1.64%

R&D investment of the Company

	2024	2023	Change ratio
Amount of R&D investment (RMB)	21,341,778.27	26,839,912.74	-20.48%
Ratio of R&D investment in the operating revenue	4.82%	4.55%	0.27%
Amount of R&D investment (RMB)	0.00	0.00	0.00%
Ratio of capitalized R&D investment in R&D investment	0.00%	0.00%	0.00%

Reasons and impacts of major changes in the Company's R&D staff composition

☐ Applicable ☒ Not applicable

Reasons for the significant change in the proportion of total R&D investment in operating revenue compared with the previous year

☐ Applicable ☒ Not applicable

Reasons for substantial changes R&D investment capitalization rates and their rationale

☐ Applicable ☒ Not applicable

5. Cash flow

Unit: RMB

Item	2024	2023	Year-on-year increase or decrease
Sub-total of cash inflows from operating activities	552,472,905.42	739,641,073.57	-25.31%
Sub-total of cash outflows from operating activities	590,108,671.47	840,013,050.49	-29.75%
Net cash flows from operating activities	-37,635,766.05	-100,371,976.92	62.50%
Sub-total of cash inflows from investing activities	592,454,642.68	749,228,184.97	-20.92%
Sub-total of cash outflows from investing activities	292,298,619.89	456,538,387.59	-35.98%
Net cash flows from investing activities	300,156,022.79	292,689,797.38	2.55%
Sub-total of cash inflows from financing activities	484,026,209.56	421,093,926.90	14.94%
Sub-total of cash outflows from financing activities	586,252,718.34	950,780,554.86	-38.34%
Net cash flows from financing activities	-102,226,508.78	-529,686,627.96	80.70%
Net increase in cash equivalents	160,332,202.10	-337,286,752.50	147.54%

Explanation of the main factors affecting significant year-on-year changes in relevant data

☒ Applicable ☐ Not applicable

(1) During the reporting period, the cash outflow from operating activities decreased by 29.75% year-on-year, mainly because Shenzhen Nanshan Power Zhongshan Company no longer engaged in power production due to land acquisition and storage and the approved unit shutdown, which reduced the cash outflow due to the inverted cost price of gas-fired electricity; at the same time, due to the Company's strengthening of comprehensive budget control and vigorously implementing management measures to reduce costs and increase efficiency, the cost control level has increased through the implementation of intensive procurement and the reduction of variable costs.

(2) During the reporting period, the net cash flows from operating activities increased by 62.5% year-on-year, mainly due to the Company's strengthening of working capital management, the recovery of accounts receivable from the integrated energy service business in previous years by Shenzhen Nanshan Power Engineering Company, and the cessation of power production and sale business by Shenzhen Nanshan Power Zhongshan Company, resulting in a year-on-year decrease in cash outflows from operating activities.

(3) During the reporting period, the cash outflow from investing activities decreased by 35.98% year-on-year, mainly due to the year-on-year decrease in the structured deposits of the Company's stock funds in commercial banks and the year-on-year decrease in the cash outflow from investing activities.

(4) During the reporting period, the cash outflow from financing activities decreased by 38.34% year-on-year, mainly due to the optimization of the Company's asset and liability structure and the decrease in cash paid for debt repayment, resulting in the decrease in cash outflow from financing activities year-on-year.

(5) During the reporting period, the net cash flows from financing activities increased by 80.7% year-on-year, mainly due to the fact that the Company revitalized the line assets and resources of Shenzhen Nanshan Power Zhongshan Company after land acquisition and storage and unit shutdown, the newly established Shenzhen Nanshan Power Xiwan Company received the paid-in capital from external shareholders, and the cash paid for debt repayment decreased year-on-year, resulting in the increase in net cash flows from financing activities year-on-year.

(6) During the reporting period, the net increase in cash and cash equivalents increased by 147.54% year-on-year, mainly due to: first, the revitalization of the Company's assets in stock was remarkable, Shenzhen Nanshan Power Zhongshan Company received the progress payment for land acquisition and storage, and Xie fu Company completed the equity transfer of Huidong Xie fu; second, the Company strengthened working capital management, and Shenzhen Nanshan Power Engineering Company received accounts receivable from integrated energy service business in previous years; third, the Company revitalized the line assets and resources of Shenzhen Nanshan Power Zhongshan Company, and the newly established Shenzhen Nanshan Power Xiwan Company received the paid-up capital contribution from external shareholders; in addition, the cash paid by the Company to repay debts decreased year-on-year, and the comprehensive impact on the net increase in cash and cash equivalents increased year-on-year.

Explanation of the reasons for the significant difference between the net cash flow generated by the Company's operating activities during the reporting period and net profit for the year

☒ Applicable ☐ Not applicable

During the reporting period, the net cash flow from operating activities of the Company was -RMB 37.6358 million, which was significantly changed from the net profit of RMB 63.9274 million in the current year. It was mainly due to the comprehensive impact of non-cash expenses such as gains from disposal of assets, investment income, asset impairment loss, losses from credit impairment, amortization of deferred income, changes in operating receivables and payables, depreciation and amortization, and financial expenses. The main items are as follows:

(1) The gain from disposal of assets of RMB 163.53 million was included in the net profit of the current year but did not affect the net cash flow from operating activities;

(2) The investment income of RMB 84.4883 million was included in the net profit of the current year but did not affect the net cash flow from operating activities;

(3) The asset impairment loss of RMB 66.3895 million was included in the net profit of the current year but did not affect the net cash flow from operating activities;

(4) In the current year, the Company received accounts receivable of RMB 50.3205 million for integrated energy services in previous years, which increased the net cash flow from operating activities but did not affect the net profit of the current year;

(5) The interest cost of RMB 11.8295 million was included in the net profit of the current year but did not affect the net cash flow from operating activities.

V. Analysis of non-main business

☒ Applicable ☐ Not applicable

Unit: RMB

	Amount	Ratio in total profit	Explanation of causes	Sustainability
Investment income	84,488,299.90	114.77%	Mainly from the investment income obtained by the transfer of 40% equity of Huidong Xiefu by Xiefu Company, the investment income obtained by the structured deposits held by the Company, and the investment income recognized and accounted for under the equity method for the participated companies.	The investment income recognized and accounted for under the equity method for the participated companies is sustainable
Asset impairment	-66,389,539.68	-90.18%	Mainly due to the asset impairment losses recognized in accordance with the transaction status of the listed power generation unit equipment and related assets of Shenzhen Nanshan Power Zhongshan Company after the land acquisition and storage and the decommissioning of the generating units.	No
Gains from disposal of assets	163,529,971.97	222.14%	Mainly from the gains from disposal of assets of Plot A that has been derecognized. This is because Shenzhen Nanshan Power Zhongshan Company completed the cancellation of the land use rights and building structures within the scope of land acquisition and storage, as well as the confirmation of the transfer of the land of Plot A in this year.	No
Non-operating revenue	553,068.40	0.75%		No
Non-operating expenses	135,334.48	0.18%		No

VI. Analysis of assets and liabilities

1. Major changes in asset composition

Unit: RMB

	End of 2024		Beginning of 2024		Increase or decrease in proportion	Description of significant changes
	Amount	Ratio of total assets	Amount	Ratio of total assets		
Monetary funds	478,979,221.66	23.80%	316,188,782.49	15.43%	8.37%	First, the company actively promoted the revitalization of assets in stock. Shenzhen Nanshan Power Zhongshan Company completed the handover confirmation of Plot A and received the progress payment of land acquisition and storage; Xiefu Company completed the equity transfer of Huidong Xiefu and recovered the equity transfer payment; second, the Company strengthened working capital management, and Shenzhen Nanshan Power Engineering

						Company recovered the accounts receivable of the integrated energy service business in previous years; third, the Company revitalized the line assets of Shenzhen Nanshan Power Zhongshan Company, and the newly established Shenzhen Nanshan Power Xiwan Company received paid-in capital contribution from external shareholders, resulting in an increase in monetary funds.
Accounts receivable	67,817,025.91	3.37%	111,975,251.10	5.46%	-2.09%	Mainly due to the Company's strengthening of working capital management, and the recovery of accounts receivable of previous years' integrated energy service business in the current period, resulting in a decrease in accounts receivable.
Contract assets	95,580.68	0.00%	88,000.00	0.00%	0.00%	
Inventories	80,234,374.79	3.99%	86,158,251.16	4.20%	-0.21%	
Investment properties	1,498,009.84	0.07%	1,664,566.60	0.08%	-0.01%	
Long-term equity investments	90,587,521.44	4.50%	90,001,176.04	4.39%	0.11%	
Fixed assets	451,203,790.97	22.42%	571,482,734.35	27.89%	-5.47%	Mainly due to the fact that according to the land acquisition and storage agreement of Shenzhen Nanshan Power Zhongshan Company, the houses and buildings and other assets included in the scope of acquisition and storage in the current period were transferred to the assets held for sale, and the asset impairment loss of the generating unit equipment and related assets of Shenzhen Nanshan Power Zhongshan Company was accrued, resulting in a decrease in fixed assets.
Construction in progress	6,983,713.85	0.35%	3,448,855.10	0.17%	0.18%	
Right-of-use assets	6,160,020.43	0.31%	2,266,946.42	0.11%	0.20%	
Short-term borrowings	268,615,009.19	13.35%	341,237,886.72	16.65%	-3.30%	Mainly due to the optimization of the asset and liability structure and the repayment of short-term borrowings in the current period.
Contract liabilities	50,000.00	0.00%	0.00	0.00%	0.00%	
Long-term borrowings	0.00	0.00%	58,829,426.30	2.87%	-2.87%	Mainly due to the optimization of the asset and liability structure and the repayment of long-term borrowings in the current period.
Lease liabilities	2,125,910.18	0.11%	0.00	0.00%	0.11%	

Other current liabilities	107,922,984.82	5.36%	0.00	0.00%	5.36%	Mainly due to the compensation for Plot B received by Shenzhen Nanshan Power Zhongshan Company due to land acquisition and storage. Plot B has not been handed over, and the received compensation has been reclassified to other current liabilities.
Estimated liabilities	0.00	0.00%	15,000,000.00	0.73%	-0.73%	Mainly due to the transfer of 40% equity of Huidong Xiefu by Xiefu Company, the equity pledge was released, and the relevant estimated liabilities were reversed.
Financial assets held for trading	0.00	0.00%	226,000,000.00	11.03%	-11.03%	Mainly due to the redemption of structured deposits purchased with stock funds.
Other non-current liabilities	0.00	0.00%	104,045,112.54	5.08%	-5.08%	Mainly due to the fact that according to the latest progress of land acquisition and storage of Shenzhen Nanshan Power Zhongshan Company, the land compensation price received for Plot B of the land has been reclassified to other current liabilities.
Assets held for sale	24,582,784.59	1.22%	0.00	0.00%	1.22%	Mainly due to the fact that according to the land acquisition and storage agreement of Shenzhen Nanshan Power Zhongshan Company, in the current period, assets such as building structures and land use rights within the scope of land acquisition and storage were transferred to assets held for sale according to the transfer list, resulting in an increase in assets held for sale.
Other receivables	131,831,575.62	6.55%	19,233,117.52	0.94%	5.61%	Mainly due to the fact that according to the land acquisition and storage agreement of Shenzhen Nanshan Power Zhongshan Company, the income from the land acquisition and storage of Plot A was recognized in the current period, leading to an increase in the accounts receivable related to the land acquisition and storage.
Intangible assets	1,349,731.81	0.07%	19,285,629.03	0.94%	-0.87%	Mainly due to the fact that according to the land acquisition and storage agreement of Shenzhen Nanshan Power Zhongshan Company, in the current period, the land use rights within the scope of land acquisition and storage were transferred to assets held for sale according to the transfer list, resulting in a decrease in intangible assets.
Other investments in equity instruments	354,798,054.57	17.63%	300,615,000.00	14.67%	2.96%	Mainly due to the Company's new investment in Shenzhen New Energy Storage Industry Equity Fund, and the increase in

						investments in other equity instruments in the current period.
Employee compensation payable	16,052,879.47	0.80%	46,238,982.57	2.26%	-1.46%	Mainly due to the payment of employee resettlement compensation related to land acquisition and storage of Shenzhen Nanshan Power Zhongshan Company in the current period, resulting in a decrease in employee compensation payable

Overseas assets account for a high proportion

Applicable ☒ Not applicable

2. Assets and liabilities measured at fair value

☒ Applicable ☐ Not applicable

Unit: RMB

Item	Beginning balance	Profit or loss from changes in fair value of the current period	Cumulative changes in fair value included in equity	Provision for impairment of the current period	Purchase amount of the current period	Sales amount the current period	Other changes	Ending balance
Financial assets								
1. Financial assets held for trading (excluding derivative financial assets)	226,000,000.00					226,000,000.00		0.00
2. Derivative financial assets								
3. Other debt investments								
4. Investments in other equity instruments	300,615,000.00	4,183,054.57	1,683,054.57		50,000,000.00			354,798,054.57
5. Other non-current financial assets								
Subtotal of								

financial assets								
Investment properties								
Others								
Total	526,615,000.00	4,183,054.57	1,683,054.57		50,000,000.00	226,000,000.00		354,798,054.57
Financial liabilities	0.00							0.00

Whether there are significant changes in the measurement attributes of the Company's main assets during the reporting period

☐Yes ☒No

3. Restrictions of asset rights as of the end of the reporting period

Item	Ending balance (RMB)	Balance at the end of the previous year (RMB)
L/G deposit	7,912,100.00	5,453,862.93
Total	7,912,100.00	5,453,862.93

VII. Investment status analysis

1. Overall situation

☒Applicable ☐Not applicable

Investment amount during the reporting period (RMB)	Investment amount during the same period last year (RMB)	Range of change
101,000,000.00	0.00	100.00%

2. Major equity investments acquired during the reporting period

☒Applicable ☐Not applicable

Unit: RMB

Name of investee	Main businesses	Investment method	Investment amount	Shareholding ratio	Sources of funds	Partner	Investment period	Product type	Progress as of the balance sheet date	Expected earnings	Profit or loss of investment in the current period	Litigation involved or not	Date of disclosure (if any)	Disclosure index (if any)
Shenzhen New Energy	Engage in equity investment	Not available	100,000,000.00	1.54%	Self-owned funds	Shenzhen Capital	The investment period	Fund	Invested 50,000,000		0.00	No	October 18, 2023;	Announcement No.:

gy Stora ge Indus try Equit y Fund Partn ershi p (Limi ted Partn ershi p)	ments, invest ment manage ment, asset manage ment and other activiti es with private funds	to short establ ishm ent time				Holdi ngs Co., Ltd., Shen zhen Long hua Indus trial Capit al Inves tment Co., Ltd., etc.	d is ten years, and the exit perio d is five years. The exten sion of the opera tion perio d shall be revie wed by the gener al meet ing of partn ers.		.00				Febru ary 23, Marc h 19, 2024	2023- 039; 2024- 012,0 14
Shen zhen Nans han Powe r Xiwa n Ener gy (Zho ngsha n) Co., Ltd.	Energy storage technol ogy service s; solar power generat ion technic al service s; sales of photov oltaic equipm ent and compo nents, etc.	Not avail able due to short establ ishm ent time	51,00 0,000 .00	51.00 %	Contr ibutio n in kind	Zhon gshan Nanl ang Const ructio n Deve lopm ent Co., Ltd.	Long term	Limit ed liabili ty comp any	Prel iminar y const ructio n has starte d		0.00	No	July 19, 2024	Anno unce ment No.: 2024- 048
Shen zhen Yuan zhi Zhon gkai	Engage in equity invest ments, invest	Not avail able due to short	26,00 0,000 .00	6.50 %	Self- owne d funds	Shen zhen Yuan zhi Ener gy	The inves tment perio d is 5 years	Fund				No	Octo ber 25, 2024	Anno unce ment No.: 2024- 060

Ener gy Stora ge Tech nolog y Innov ation Priva te Fund Partn ershi p (Limi ted Partn ershi p)	ment manage ment, asset manage ment and other activiti es with private funds	establ ishm ent time				Stora ge Priva te Fund Mana geme nt Co., Ltd., Shen zhen New Ener gy Stora ge Indus try Equit y Fund Partn ershi p (Limi ted Partn ershi p), etc.	and the exit perio d is 3 years ; the exten sion of the opera tion perio d shall be revie wed by the gener al meeti ng of partn ers and can be exten ded for 2 years.							
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3. Major ongoing non- equity investments during the reporting period

☐Applicable ☒Not applicable

4. Financial assets investment

(1) Securities investment situation

☐Applicable ☒Not applicable

The Company had no securities investments during the reporting period.

(2) Derivatives investment situation

☐Applicable ☒Not applicable

The Company had no derivative investments during the reporting period.

5. Usage of raised funds

☐Applicable ☒Not applicable

The Company has not used the raised funds during the reporting period.

VIII. Major asset and equity sales

1. Sale of major assets

☒Applicable ☐Not applicable

Counterparty	Assets sold	Date of sale	Transaction prices (RMB 10,000)	Net profit contributed by the asset to the listed company from the beginning of the current period to the date of sale (RMB 10,000)	Impact of the sale on the Company (Note 3)	Ratio of net profit contributed by asset sales to the listed company in the total net profit	Pricing principles of asset sale	Whether it is related transactions	Relationship with the counterparty (applicable to related transactions)	Whether have all the property rights of the assets involved been transferred	Whether all the claims and debts involved have been transferred	Whether it is implemented as planned and as scheduled. If it is not implemented as planned, the reasons and the measures the Company has taken should be explained.	Disclosure date	Disclosure index
Cuiheng New District Management Committee, Zhongshan	Shenzhen Nanshan Power Zhongshan Company has three state-	December 12, 2023	58,445.35	13,058.77	It is conducive to revitalizing the Company's assets in stock, improving its operating cash flows, relieving	177.39%	Based on the asset appraisal results, it shall be determined after consultation by the Parties.	No	Non-related parties	No	No	Yes	November 8, December 15 and December 20, 2023; April 13,	Announcement No.: 2023-048, 052, 053; 2024-027, 062, 076.

City	owned land use right located in Hengmen Industrial Zone, Nanlang Street, Cuiheng New District, Zhongshan City				its operating pressure, supporting it to better focus on transformation and development, and is in line with the Company's strategic development plan.								November 6, December 28, 2024.	
Fujian Hengjing Investment Co., Ltd.	Generating units and auxiliary equipment of Shenzhen Nanshan Power Zhongshan Company	March 4, 2025	6,372.69	-5,118.63	It is conducive to ensuring the smooth completion of land acquisition and storage work of Shenzhen Nanshan Power Zhongshan Company, revitalizing assets in stock, and helping the Company's transformation and development.	-69.53%	The transfer shall be made through public listing on the Shenzhen United Property and Equity Exchange with the asset evaluation value as the base price for listing.	No	Non-related parties	No	No	Yes	December 7, 2024, March 6, 2025	Announcement No.: 2024-070, 2025-002.

2. Sale of major equity interests

☒Applicable ☐Not applicable

Counterparty	Equity sold	Date of sale	Transaction prices (RMB)	Net profit contributed	Impact of the sale on the Company	Proportion of net profit	Pricing principles for equity sale	Whether it is related	Relationship with the	Whether the equity	Whether it is implemented	Disclosure date	Disclosure index
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			10,000)	by the equity to the listed company from the beginning of the current period to the date of sale (RMB 10,000)		contributed by the equity sold to the total net profit of the listed company		d transactions	counterparty	involved has been transferred in full	mented as planned and as scheduled. If it is not implemented as planned, the reasons and the measures the Company has taken should be explained.		
Huizhou Port Investment Group Co., Ltd.	40% equity of Huidong Xiefu	October 25, 2024	5,788.77	2,867.05	It is conducive to Xiefu Company to revitalize existing resources, improve the efficiency of asset operation, reduce capital pressure, make full use of the recovered funds, improve business conditions, and contribute to the Company's transformation and development.	38.95%	The transfer shall be made through public listing on the Shenzhen United Property and Equity Exchange with the asset evaluation value as the base price for listing.	No	Non-related parties	Yes	Not applicable	September 12, October 30, December 3, 2024	Announcement No.: 2024-055, 061, 066;

IX. Analysis of major holding and joint-stock companies

☒Applicable ☐Not applicable

Information about major subsidiary and joint-stock companies that affect the Company's net profit by more than 10%

Unit: RMB 10,000

Company name	Company type	Main business	Registered capital	Total assets	Net assets	Operating revenue	Operating profit	Net profit
Shenzhen Nanshan Power (Zhongshan) Power Co., Ltd.	Subsidiary	Gas turbine power generation, waste heat power generation, power supply and heat supply (excluding heat supply pipe networks), wharves, oil depots (excluding refined oil, hazardous chemicals and flammable and explosive products) and lease of power equipment and facilities; Land use rights lease; Nonresidential real estate lease.	74,680	31,607.11	-41,612.01	1,111.38	6,677.92	6,687.63
Shenzhen Xiefu Energy Co., Ltd.	Subsidiary	Import and export business of goods and technology, domestic trade (excluding exclusive, controlled, and monopolized goods); lease business, etc.	5,330	14,365.84	13,328.90	536.41	6,574.86	5,660.82
Shenzhen New Power Industrial Co., Ltd.	Subsidiary	Technology development of waste heat utilization (excluding restricted items); waste heat utilization for power generation, gas turbine power generation.	11,385	26,438.73	25,320.40	9,730.61	-2,329.82	- 2,329.85
Shenzhen Nanshan Power Gas Turbine Engineering Technology (Shenzhen) Co., Ltd.	Subsidiary	Technical consulting services of construction engineering for gas-steam combined cycle power plant (stations), maintenance and overhaul of operating equipment for gas-steam combined cycle power plant (stations); Engineering management services, technical services of engineering, power generation, solar power generation, and energy storage, as well as repairs of electrical equipment and general	1,000	4,877.49	1,436.59	3,709.35	-2,062.07	- 2,116.81

		equipment, etc.						
Shenzhen Nanshan Power Environmental Protection (Shenzhen) Co., Ltd.	Subsidiary	Energy storage technology services; Energy saving management services; Contract energy management; Technical services of solar power generation technology; Centralized fast charging stations; Engage in investing activities with self-owned funds.	7,900	4,708.35	3,900.45	228.92	-395.92	-396.72
Jiangsu Liaoyuan Environmental Protection Technology Co., Ltd.	Joint stock company	Chemical raw materials, chemicals, and energy	4,075	105,598.54	82,629.80	69,972.00	11,094.03	9,706.63

Situation of acquiring and disposing subsidiary during the reporting period

☒Applicable ☐Not applicable

Company name	Methods of acquiring and disposing subsidiary during the reporting period	Impact on overall production operations and performance
Shenzhen Nanshan Power Xiwan Energy (Zhongshan) Co., Ltd.	Not available due to short establishment time	It is conducive to promoting the Company's exploration and practice in the field of large-scale energy storage and helping the Company to transform to integrated energy service; the project is still in the construction stage and has no significant impact on the Company's operating performance.

Notes to main holding and shareholding companies

Shenzhen Nanshan Power Zhongshan Company: in December 2024, Shenzhen Nanshan Power Zhongshan Company received the first payment of RMB 45 million of the remaining compensation for the Plot A. As of the end of the reporting period, the Company had cumulatively received the compensation payment of RMB 112,413,478 for Plot A, accounting for 50.03% of the total compensation payment for Plot A. In view of the fact that Plot A has met the conditions for derecognition, Shenzhen Nanshan Power Zhongshan Company realized a profit or loss on asset disposal of RMB 163.2347 million in 2024.

Xiefu Company: In September 2024, Xiefu Company publicly listed to transfer 40% of the equity of Huidong Xiefu. At the end of October, Xiefu Company and Huizhou Port Investment Group Co., Ltd. signed the Property Transaction Contract on the transfer of 40% of the equity of Huidong Xiefu. The total transfer price was RMB 57,887,725.65. During the reporting period, Xiefu Company received the transfer price of RMB 57,887,725.65 for 40% of the equity of Huidong Xiefu, and completed the industrial and commercial registration procedures for the change of shareholders.

X. Structured entities controlled by the company

☐Applicable ☒Not applicable

XI. Prospects for the Company's future development

1. Analysis of the Company's operating situation in 2025

In 2025, the Company's primary business will still face an extremely severe operating situation. First, natural gas price will remain high. With the steady recovery of the domestic economy and the gradual increase in demand, it is unlikely that the natural gas price will experience a significant decline. Even though both the long-term contract price in 2025 and the expected spot nodal electricity price are relatively low, there is still a possibility that the cost of power generation production could exceed the revenue. Second, the Company still faces a challenging responsibility to ensure the continuity of power supply. According to the Analysis and Forecast Report on the National Electricity Supply and Demand for 2024-2025 released by China Electricity Council, it is expected that the total electricity consumption of the whole society in China will increase by about 6% YoY in 2025. According to relevant forecasts, for Guangdong Province, taking into account the continuous economic development and the continuous increase in the installed capacity of new energy sources, it is expected that the maximum unified dispatching load demand during the summer period will reach 165 million kilowatts, representing a YoY growth of 5.1%. While the demand for power load continues to rise, according to the planning arrangement of the Shenzhen Municipal Government, the Nanshan Power Plant has been reduced from dual gas sources to single gas sources, the difficulty of fuel supply guarantee has further increased, and the pressure of the Company to guarantee power supply has further increased. Third, competition in the spot power market has become increasingly fierce. At this stage, spot power market in Guangdong Province has established a power market system of "medium and long-term plus spot and ancillary services", which has clarified the goals of developing a clean, low-carbon, safe and efficient market. As a large number of new unit with higher energy efficiency and larger capacity come into operation, the Company's existing 9E unit will be subject to an increasingly unfavorable situation in spot power market.

Although the Company still faces difficulties and challenges, since 2024, a series of policies and safeguard measures have been issued intensively at the national level, which have played a strong role in leading and promoting the construction of a new energy system and further promoted the grid connection and dispatching of new energy storage. The 2025 National Energy Work Conference clearly stated that it is necessary to adhere to the green and low-carbon transformation, continue to promote the optimization and adjustment of energy structure, and coordinate the energy work tasks of promoting the construction of new power system. In this context, the Company's clear strategic development direction is highly consistent with the requirements of the country to accelerate the planning and construction of a new energy system, further promote the energy revolution, and achieve the "dual carbon" goals. With its long-term practice in the field of power system, the Company has built a mature and perfect power system operation mechanism, trained a large number of professional and technical talents in the fields of gas turbine power generation, power trading, energy storage project "construction, operation, management and maintenance", and has certain advantages in integrated energy service and energy storage project construction, operation, management and maintenance, laying a good foundation for the Company to carry out integrated energy service and energy storage business and build a "investment, construction, operation and maintenance" platform. At present, the Company is implementing independent energy storage, industrial and commercial energy storage, photovoltaic and other new energy industry upgrading projects, which are in line with the latest policy guidance of the state, provinces and cities. The Company will seize the major historical opportunity of leapfrog development of new energy, continue to explore external opportunities for transformation and development by continuously developing the market, continue to deepen reform and innovation to stimulate internal potential and vitality, and continue to strengthen capacity building to improve the overall quality of personnel, and spare no effort to promote the Company's high-quality development.

2. Summary of the Company's business plan in 2025

The year 2025 is a year for formulating the Company's 15th Five-Year Plan and also a crucial year for breaking the deadlock in the Company's transformation and development. The Company will continue to be guided by Xi Jinping's thought of socialism with Chinese characteristics in the new era, uphold the core values of "professionalism, innovation, efficiency, courage, and win-win", take "creating a green future with competent people" as its mission, carry forward the enterprise spirit of "being responsible, seeking new, succeeding in doing, and winning in doing", seize the major historical opportunity of leapfrog development of the new energy industry, take "stabilizing the stock, increasing the increment, and deepening the reform" as the core task, fully combine its own resources and ability endowment, and strive to build an integrated platform of "investment, construction, operation, management, and maintenance", actively create a diversified and intelligent integrated energy service system, continuously improve its core competitiveness, and firmly move forward around the vision of "becoming a domestic advanced integrated energy service provider".

(1) Strengthen the direction and optimize the layout, and fully promote the transformation and development of the Company. First, focus on the strategic direction of building an integrated energy service provider, focus on key areas, fully expand projects, and continue to promote the Company's transformation and development. Second, promote the formal operation of the energy storage sub-fund, strengthen the linkage between the energy storage parent fund and the sub-fund, vigorously expand integrated energy service projects by leveraging the fund tool, and deepen the Company's layout in the field of comprehensive energy service business. Third, take operation and maintenance as the starting point, improve the model of integrated energy service provider, and forge the ability of the whole industry chain. Give full play to the Company's advantages in the field of electric power, through the undertaking of diversified operation and maintenance projects, continuously accumulate site resources, enrich project experience, build a professional team, gradually establish an industry-leading professional operation and maintenance platform, and on this basis, build a full-chain service system integrating "investment, construction, operation and maintenance", continuously enhance the Company's core competitiveness in the field of integrated energy services, and gradually build a perfect business model of integrated energy service provider. Fourth, fully promote the transformation and upgrading of affiliated enterprises around the strategic direction of the Company. Shenzhen Nanshan Power Environmental Protection Company has made every effort to promote the development of integrated energy management projects, form a diversified integrated energy service portfolio, create photovoltaic, energy storage, and charging pile benchmark demonstration projects, while optimize and improve the project management process standardization system, forming a replicable and promotable operation mechanism and profit model, and comprehensively improving the standardization and efficiency of project full-cycle management. Shenzhen Nanshan Power Engineering Company actively explores new projects at home and abroad, speeds up the pace of market-oriented reform, and uses project experience to form a replicable market-oriented project expansion operation and maintenance model. At the same time, relying on the advantages of gas turbine service field, it actively explores the feasibility of expanding to the new energy field. Xiefu Company continues to promote the property lease management service business of Energy Corporation, strengthens the comprehensive service level, strives to improve the property rental rate, and improves the operating efficiency.

(2) Make every effort to revitalize assets in stock and realize optimal allocation and value-added of resources. First, comprehensively coordinate key businesses such as power production operation, fuel supply, and cost control, build an efficient operation mechanism, optimize gas-electricity matching, and actively participate in various power market transactions on the basis of fully controlling transaction risks. Simultaneously, continuously deepen the work of reducing costs and increasing efficiency, and enhance the level of equipment management. While earnestly fulfilling the social responsibilities of ensuring power supply, steadily enhance the profitability of the power business to achieve a win-win situation between economic benefits and social benefits. Secondly, further strengthen market awareness, fully expand and maintain power sales channels, and improve the Company's market competitiveness and bargaining power. At the same time, focus on strengthening the construction of employees' professional capabilities, conduct in-depth research on relevant policies, actively explore the policy orientation and market mechanisms for new energy assets to participate in electricity market transactions, and improve the return on investment of assets. Third, continuously and deeply promote the follow-up work of the land acquisition and storage and the asset disposal work

of Shenzhen Nanshan Power Zhongshan Company. Make every effort to ensure the successful completion of key tasks such as the dismantling of unit equipment, soil assessment, and plot handover, and simultaneously properly dispose of the relevant assets.

(3) Resolutely build a solid safety defense line to ensure the work safety and stable operation of the Company. Focus on strengthening the overall planning and overall deployment of work safety, improve the safety management system through systematic risk assessment and precise control, strengthen the investigation and governance of hidden dangers, improve the emergency response capacity, and ensure the steady progress of the Company's various businesses. First, continuously promote the construction of the safety management system for new businesses and new business form, comprehensively improve the work safety responsibility system, actively learn from and draw on the advanced management methods within the industry, optimize safety standards and specifications, etc., and take multiple measures simultaneously to continuously enhance the safety management level. Second, strengthen the safety management of construction in progress, focus on key areas, keep an eye on key links, check weak parts, continuously improve the safety risk prevention and control capabilities, and make every effort to ensure the safe and orderly progress of construction in progress. Third, comprehensively optimize the safety management assessment and evaluation system, strengthen the construction of safety culture, and actively build a new pattern of work safety of the Company.

(4) Continue to improve the modern enterprise system and comprehensively enhance the ability to create value. First, continuously improve the Company's governance level. In accordance with the requirements of the latest regulatory policies, optimize the institutional system of corporate governance to ensure a reasonable corporate governance structure and standardized decision-making procedures. At the same time, continue to improve the quality of investor relations management and enhance investor confidence. Second, continuously improve the level of standardized management, comprehensively complete the construction of the Company's process standardized management system, streamline business processes, optimize chain collaboration, and achieve comprehensive coverage and effective connection of business in all fields. Third, continuously improve the level of financial services, use financial information systems to improve the quality of financial information, continuously optimize comprehensive budget, financial analysis and capital management, explore more efficient financial management and control models, and promote the organic integration of finance and business. Fourth, continuously improve the level of risk prevention, strengthen internal supervision and risk control compliance management, deepen compliance management construction, strengthen risk identification and control in new business areas, and ensure the stable operation of the Company.

(5) Deeply promote the reform of incentive mechanism to enhance internal vitality and motivation. First, comprehensively build a differentiated performance appraisal system, continuously improve the salary incentive mechanism, establish an incremental salary incentive mechanism, fully stimulate the enthusiasm and creativity of employees, and improve the overall operation efficiency of the enterprise. Second, promote the establishment of a reserve talent pool, establish a young talent cultivation system, and cultivate a reserve cadre team that meets the development needs of the Company's new business and new business forms in a systematic and scientific manner. Third, actively build an internal personnel flow mechanism, implement the model of personnel secondment and exchange, realize the efficient and flexible allocation of the Company's existing human resources, and improve organizational efficiency. Fourth, vigorously promote the leadership responsibility system. The Company's leaders personally shall take the lead to go deep into the front-line management of the key businesses of subordinate enterprises, coordinate internal and external resources according to the actual needs and existing problems of subordinate enterprises, provide accurate support, promote the rapid development of subordinate enterprises, and promote the coordinated improvement of the overall business.

(6) Adhere to the leading direction of party building and comprehensively consolidate the foundation of high-quality development. First, unremittingly grasp the theoretical armament, insist on enriching the mind with the party's theory, guide practice and promote work. Second, continue to build a "1+2+3+N" working system, deepen the "Party building +" model, give full play to the vanguard and exemplary role of Party members, and promote business development to make new breakthroughs under the leadership of Party building. Third, adhere to the comprehensive governance of the Party, carry out regular study and education of Party discipline, deeply rectify formalism and bureaucracy to reduce the burden on the grassroots, actively solve the problems

existing in the development and form a long-term mechanism, and continue to empower and increase efficiency for corporate governance and transformation development. Fourth, strengthen the construction of the Party's work style, integrity, and anti-corruption efforts, enhance the supervisory responsibilities, enforce discipline and accountability, explore the application mode of the fault-tolerance mechanism, and create a clean and upright environment for business and undertakings. Fifth, continue to enhance the "soft power" of corporate culture, promote the deep integration of corporate culture and production and operation through party building, and pool the strength for development.

The business plan and related situation analysis described in this annual report do not constitute the Company's commitment to investors. The Company reminds investors to maintain due risk awareness, understand the differences between the business plan and actual operating conditions, and make prudent decisions of investment.

3. Potential major risks and countermeasures

(1) Primary business: in 2025, due to multiple factors, the Company's power plants will face great pressure from the continuous high fuel price and the backward energy efficiency of the unit. The 9E unit will have difficulty in making profits under the pressure of competition with more efficient and lower cost unit, and the operation situation of the Company's main business will be even more severe. The Company will persist in enhancing the operation and management of assets in stocks, proactively adapting to the demands and dynamics of the power market, and striving to optimize the profitability of its primary business and overall operational efficiency. At the same time, the Company will focus on integrated energy service, actively explore diversified business models, seize the opportunity to transform from a traditional power generation company to an integrated energy service provider, and create better conditions for the Company's continued operation and healthy development.

(2) In terms of safety management: with the diversified development of the Company's business, safety risks are intertwined and superimposed. Therefore, the Company has further strengthened the overall planning and overall deployment of safety management. According to the risk characteristics and work requirements of each business segment, for prominent problems and difficulties, it has deeply analyzed the root causes, organized consultation and judgment, formulated practical solutions, and carried out systematic deployment to ensure that the safety management meets the needs of business development and effectively prevents various safety risks. With the advancement of power market-oriented reform, power plants will face more flexible dispatching methods and stricter assessment policies, which puts forward higher requirements for the operation and maintenance of the existing aging power generation equipment. The Company will continuously improve the maintenance and management level of equipment by formulating scientific and reasonable maintenance and technical transformation plans, investing corresponding funds and technical forces, implementing primary responsibility for work safety, and ensuring the safe and stable operation of production facilities; Simultaneously, the Company will enhance training and emergency preparedness, ensuring the implementation of work safety responsibilities across five key areas: responsibility of work safety, management, investment, training, and emergency response. Doing so aims to prevent any human-induced work safety accidents within the Company's system while maintaining the supporting role of the main peak-shaving power supply point.

(3) Fuel procurement: In 2025, the Company's natural gas purchase price will mainly depend on changes in the international fuel market and the sales prices set by the Company's existing suppliers. Under the background of slow global economic recovery and the premise that there is no fierce geopolitical conflict for the time being, the international energy price level is expected to maintain the current level or even continue to decline in 2025. Affected by this, the Company's natural gas procurement cost is expected to continue to decrease slightly in 2025 compared with 2024, but the overall price level is still high. In addition, the Company has transform from dual gas sources to a single gas source pattern, which has a negative impact on the stability of gas supply, the flexibility of gas volume coordination and the economy of gas price. At the same time, with the continuous implementation of electricity spot trading rules and capacity price policies, as well as the successive commissioning of power supply points around Shenzhen, higher requirements have been put forward for the stability and flexibility of natural gas supply.

The Company will continue to optimize upstream cooperation relationships, coordinate gas supply work under a single gas source, and do its best to minimize natural gas procurement costs while ensuring gas demand for power production.

(4) Land of Nanshan Power Plant: at the end of 2024, the Company again accessed the Notice of Shenzhen Municipal Bureau of Planning and Natural Resources on Issuing the Shenzhen Land Consolidation Plan for 2024 on the official website of Shenzhen Municipal Bureau of Planning and Natural Resources. According to its attached table, Shenzhen Land Consolidation Plan for 2024 still included the land acquisition and storage of Nanshan Power Plant and related content, with no substantial change from the content of the land consolidation plans disclosed in recent years. The Company will maintain close communication with relevant departments of Shenzhen, actively follow up on the implementation progress of relevant government plans, and work with legal advisors to carefully study Land of Nanshan Power Plant, study and formulate response strategies and work plans, and make every effort to protect the listed company and all the legitimate rights and interests of shareholders.

The Company advises investors to take note of the aforementioned major risks as well as other potential risks that may affect the Company, and to make prudent and informed investment decisions accordingly.

XII. Reception of visitors intended for research, communication, interviews and other activities during the reporting period

☒Applicable ☐Not applicable

Reception date	Reception location	Means of reception	Visitor type	Visitor	Main content discussed and information provided	Basic information index of the survey
April 29, 2024	Value online platform	Online communication on the network platform	Individuals, institutions	15	Inquire about the Company's performance, market performance, future development direction, progress of the Company's investment matters and land-related matters, etc.	The Company offers prompt response in writing.
January - December 2024	Headquarters office area of the Company	Field research	Individuals	17	Participate in General Meetings, receive visits from individual investors, etc.	The Company welcomes visitors in accordance with laws and regulations
January - December 2024	irm.cninfo network	Written Inquiry	Individuals	74	Inquire about the Company's future development direction, the updates of the Company's investment matters and land-related matters, etc.	The Company offers prompt response in writing.
January - December 2024	Telephone communication	Telephone communication	Individuals	70	Inquire about the Company's performance, market	The Company responded in accordance with the law

					performance, land-related matters, and the update of the Company's investment matters, etc.	
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XIII. Formulation and implementation of market value management system and valuation improvement plan

Whether the Company has formulated a market value management system.

☐Yes ☒No

Whether the Company has disclosed plans for valuation enhancement.

☐Yes ☒No

XIV. Implementation of the action plan of "Double Improvement of Quality Return"

Whether the company has disclosed the announcement of the action plan of "Double Improvement of Quality and Return".

☐Yes ☒No

Section IV Corporate governance

I. Basic situation of corporate governance

During the reporting period, the Company continued to enhance its corporate governance structure and improve the modern corporate governance structure in accordance with the relevant laws, regulations, normative documents such as the Company Law, Securities Law, Code of Governance of Listed Companies, Stock Listing Rules, and the Company's Articles of Association. The Company improved the level of standardized governance and refined management, and effectively protected the legitimate rights and interests of listed companies, investors and employees.

1. General Meeting: The Company convened General Meetings in strict accordance with legal procedures to ensure that shareholders exercise their rights in accordance with the law. During the reporting period, the Company held a regular and five extraordinary general meetings to carefully study and review on major matters requiring decision-making by the shareholders' meeting. The convening and calling procedures of the Company's General Meetings, the attendees and the subject qualifications of the convener, voting procedures and voting results were all in compliance with the Company Law, Securities Law, Rules for General Meetings of Listed Companies and other laws, regulations, normative documents and relevant provisions of the Company's Articles of Association. The Company had neither major shareholder nor related parties involved in the appropriation or transfer of the Company's funds, assets and other resources in any form.

2. Board of Directors: The Board of Directors of the Company adheres to standardized operation and management, implementing various measures to enhance its own development, and elevate the standardization and scientific decision-making capabilities of the Board. During the reporting period, Board of Directors of the Company held 3 regular and 9 extraordinary meetings to meticulously deliberate and review major matters within its scope of authority. The four special committees under the Board of Directors, namely the Strategy and Investment Management Committee, the Audit Committee, the Nomination Committee, and the Remuneration and Appraisal Committee, meticulously deliberate and review relevant matters according to their respective responsibilities. They provided opinions and suggestions to fully leverage the role of each committee in addressing major issues. These committees actively contributed to investment decision-making, key personnel adjustments, standardized management, internal auditing, and risk control, ensuring the scientific nature of the company's decision-making processes and management standardization.

3. Board of Supervisors: The Company's Board of Supervisors conscientiously performs its supervisory duties in accordance with relevant laws and regulations, demonstrating a responsible attitude toward the Company and shareholders. During the reporting period, the Company's Board of Supervisors held 3 regular meetings and 7 extraordinary meetings to supervise and inspect important matters such as the Company's financial position, major decision-making matters, internal control, and standardized management, and expressed opinions. At the same time, the Board of Supervisors also performed its supervisory duties by attending General Meetings and the meetings of Board of Directors and organizing on-site inspections of the Company's subsidiaries to gain an in-depth understanding of the Company's operations and management.

4. Managers: During the reporting period, the Company's managers strictly followed relevant laws and regulations and the requirements of the Company's Articles of Association, conscientiously implemented the decisions of the General Meeting and Board of Directors, actively organized and carried out the Company's production, operation and management activities. They consistently refined the office meeting system and internal control system, consistently optimized work processes and decision-making procedures, followed the working principles of reasonable division of labor, enhanced cooperation and the purpose of collective decision-making on major matters, continuously improved the Company's management level, striving to achieve annual operating goals.

5. Information disclosure and investor relations management: Board of Directors of the Company strictly complies with the requirements of the Measures for the Administration of Information Disclosure of Listed Companies, the Stock Listing Rules and other regulations and normative documents, and conscientiously performs its information disclosure obligations. During the reporting period, the Company completed the preparation and disclosure of regular reports and interim reports in accordance with laws and regulations, and disclosed a total of 110 announcement documents throughout the year, striving to allow investors to fully understand the Company's production and operation management and major events. The Company rigorously adheres to stipulations outlined in normative documents such as the Guidelines for the Management of Investor Relations of Listed Companies and the Shenzhen Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 1 - Standardized Operations of Main Board Listed Companies to effectively manage investor relations. The Company has facilitated investor engagement through on-site visits, email correspondence, investor hotlines, the Shenzhen Stock Exchange's interactive platform, and other communication channels, so as to enhance investors' understanding of the Company.

6. Insider information management: The Company strictly follows the requirements of regulations and normative documents such as the Information Disclosure Management Measures for Listed Companies and the Guidelines for the Supervision of Listed Companies No. 5 - Registration and Management System for Insiders of Listed Companies' Insider Information, standardizes the Company's insider information management, and conscientiously submits memoranda on updates of major event and insider information files in accordance with relevant regulations. During the reporting period, the Company did not have any inside information leakage.

7. Internal control and standardized management: During the reporting period, the Company attaches great importance to the construction of internal control, solidly carries out internal control self-evaluation and internal audit work, comprehensively evaluates the effectiveness of internal control and accurately identifies potential risk points through scientific and rigorous processes, so as to ensure the continuous optimization and improvement of the internal control system. At the same time, the Company vigorously carries out the construction of compliance system, effectively improves the overall standardised management level of the Company, and builds a solid line of defence for the prevention of operation and management risks.

Whether the Company's actual situation of corporate governance is significantly different from the laws, administrative regulations and the provisions on listed company governance issued by CSRC

☐Yes ☒No

There is no significant difference between the actual situation of the Company's corporate governance and the laws, administrative regulations and regulations on the governance of listed companies issued by the CSRC.

II. The Company's independent possession of assets, personnel, finance, organization, and business, etc. from its controlling shareholders and actual controllers.

The Company has no controlling shareholder. The Company is completely independent of its major shareholders in terms of personnel, assets, finance, business, and institutions, and has the ability to make independent decisions and operate effectively.

1. Personnel independence: The Company has an independent human resources management system, salary and welfare system; All senior officers of the Company are full-time managers of the Company and do not hold other administrative positions other than directors and supervisors in shareholder entities; The Company recruits and fires employees on its own within the scope approved by Board of Directors and based on operational and management needs. The Company has established a comprehensive human resources management system and has independent management rights.

2. Asset independence: The Company has independent production facilities and auxiliary systems, land use right and housing property rights, office facilities and equipment. Within the scope of authorization by the General Meeting and Board of Directors, it has the power to independently purchase and dispose of assets.
3. Financial independence: the Company has an independent Financial Management Department and accounting system, has equipped with independent financial management and accounting personnel, has established a more complete financial management system, and has independent bank accounts and tax accounts. The Company has independent financial decision-making power within the scope authorized by the General Meeting and the Board of Directors, and there is no situation in which major shareholders interfere with financial management or misappropriation of funds, etc.
4. Business independence: the Company independently carries out production and operating activities, and has established independent and complete production, procurement and sales channels and management system. Within the scope authorized by the General Meeting and the Board of Directors, the Company operates independently, manages itself and is responsible for its own profit or loss.
5. Institutional independence: based on the needs of production, operation, and management, the Company has established a more perfect organizational structure and management structure in accordance with modern enterprise management standards. There is no situation in which shareholders interfere with the establishment and operation of the Company's institutions, and there is no situation in which they share the organizational structure with shareholders.

III. Horizontal competition

☐Applicable ☒Not applicable

IV. Relevant information on the Annual General Meeting and Extraordinary General Meeting held during the reporting period

1. Information on the General Meeting during the reporting period

Session	Type	Investor participation ratio	Convening date	Disclosure date	Resolution
The 1st Extraordinary General Meeting in 2024	Extraordinary General Meeting	38.31%	January 9, 2024	January 9, 2024	Reviewed and approved the Proposal on Amending the Articles of Association of Shenzhen Nanshan Power Co., Ltd., the Proposal on Amending the Rules of Procedure of the Board of Directors of Shenzhen Nanshan Power Co., Ltd., and the Proposal on Amending the Working System for Independent Directors of Shenzhen Nanshan Power Co., Ltd.
The 2nd Extraordinary General Meeting in 2024	Extraordinary General Meeting	38.32%	February 26, 2024	February 26, 2024	Reviewed and approved the Proposal on Listing and Transfer of the Assets Related to the Generating Units and Heavy Oil Processing Line of Shenzhen Nanshan Power (Zhongshan) Power Co., Ltd., a Held Subsidiary of the Company
2023 Annual General Meeting	Annual General Meeting	38.34%	May 8, 2024	May 8, 2024	Reviewed and approved seven proposals, including the 2023 Report on the Work of the Board of Directors and the 2023 Report on the Work of the Board of Supervisors
The 3rd	Extraordinary	38.33%	June 20, 2024	June 20, 2024	Reviewed and approved the Proposal on the

Extraordinary General Meeting in 2024	y General Meeting				Renewal of the Board of Directors and the Election of Non-independent Directors of the Tenth Board of Directors, the Proposal on the Renewal of the Board of Directors and the Election of Independent Directors of the Tenth Board of Directors, the Proposal on the Renewal of the Board of Supervisors and the Election of Non-employee Representative Supervisor of the Tenth Board of Supervisors, and the Proposal on Re-listing and Transferring the Generating Unit and Heavy Oil Treatment Line Related Assets of the Company's Held Subsidiary Shenzhen Nanshan Power (Zhongshan) Power Co., Ltd.
The 4th Extraordinary General Meeting in 2024	Extraordinary General Meeting	38.62%	December 12, 2024	December 12, 2024	Reviewed and approved the Proposal on Formulating the Management System for the Selection of Accounting Firm and the Proposal on the Engagement of the Auditor in 2024 and Determination of Remuneration
The 5th Extraordinary General Meeting in 2024	Extraordinary General Meeting	38.75%	December 23, 2024	December 23, 2024	Reviewed and approved the Proposal on Re-listing and Transfer of the Relevant Assets of the Generating Units of Shenzhen Nanshan Power (Zhongshan) Power Co., Ltd., a Held Subsidiary of the Company

2. Preferred shareholders whose voting rights have been restored request the convening of an Extraordinary General Meeting of Shareholders

☐ Applicable ☒ Not applicable

V. Directors, supervisors and senior officers

I. Basic information

Name	Gender	Age	Position	Incumbency status	Commencement of term	Expiration of term	Number of shares held at the beginning of the period (shares)	Number of shares increased in the current period (shares)	Number of shares reduced in the current period (shares)	Other increases/decreases (shares)	Number of shares held at the end of the period (shares)	Reasons for increase or decrease in shares
Kong Guoliang	Male	41	Chairman	Incumbent	September 13, 2022	June 19, 2027	0	0	0	0	0	
Hu Ming	Male	54	Vice Chairman	Incumbent	September 13, 2021	June 19, 2027	0	0	0	0	0	
Huang Qing	Male	53	Director	Incumbent	June 3, 2019	June 19, 2027	0	0	0	0	0	

						2027						
Chen Yuhui	Male	59	Director	Incumbent	August 28, 2017	June 19, 2027	0	0	0	0	0	
			General Manager	Incumbent	August 11, 2017	June 19, 2027						
Chen Yedong	Male	51	Director	Incumbent	June 20, 2024	June 19, 2027	0	0	0	0	0	
Wu Guowen	Male	59	Director	Incumbent	April 25, 2016	June 19, 2027	0	0	0	0	0	
			Executive Deputy General Manager	Incumbent	April 1, 2016	June 19, 2027						
Huang Xiqin	Female	53	Independent director	Incumbent	August 2, 2022	June 19, 2027	0	0	0	0	0	
Du Wei	Male	69	Independent director	Incumbent	November 11, 2019	June 19, 2027	0	0	0	0	0	
Ning Jie	Male	41	Independent director	Incumbent	June 20, 2024	June 19, 2027	0	0	0	0	0	
Zhai Baojun	Male	53	Chairman of the Board of Supervisors	Incumbent	March 23, 2023	June 19, 2027	0	0	0	0	0	
Zhang Ming	Male	36	Supervisor	Incumbent	June 20, 2024	June 19, 2027	0	0	0	0	0	
Yu Haiyong	Male	42	Supervisor	Incumbent	June 20, 2024	June 19, 2027	0	0	0	0	0	
Qian Wenhui	Male	56	Employee representative supervisor	Incumbent	April 26, 2021	June 19, 2027	0	0	0	0	0	
Lu Yindi	Female	42	Employee representative	Incumbent	April 26, 2021	June 19, 2027	0	0	0	0	0	

			superv isor									
Li Chao	Male	53	Deput y Genera l Manag er	Incum bent	Septe mber 18, 2023	June 19, 2027	0	0	0	0	0	
Tao Lin	Male	57	Deput y Genera l Manag er	Incum bent	Septe mber 18, 2023	June 19, 2027	0	0	0	0	0	
Zhang Xiaoyi n	Male	37	Chief Financ ial Officer	Incum bent	June 13, 2022	June 19, 2027	0	0	0	0	0	
Zou Yi	Male	51	Secret ary of the Board of Direct ors	Incum bent	April 26, 2021	June 19, 2027	0	0	0	0	0	
Sun Huirong	Male	41	Direct or	Resign ed	April 26, 2021	June 20, 2024	0	0	0	0	0	
Chen Zetong	Male	54	Indepe ndent directo r	Resign ed	Nove mber 17, 2017	June 20, 2024	0	0	0	0	0	
Li Caijun	Male	46	Superv isor	Resign ed	April 26, 2021	June 20, 2024	0	0	0	0	0	
Liao Junkai	Male	36	Superv isor	Resign ed	June 3, 2019	June 20, 2024	0	0	0	0	0	

Whether there was any departure of directors and supervisors and dismissal of senior officers during their term of office during the reporting period

☐Yes ☒No

Changes in directors, supervisors and senior officers of the Company

☒Applicable ☐Not applicable

Name	Position held	Type	Date	Reason
Chen Yedong	Director	Elected	June 20, 2024	
Ning Jie	Independent director	Elected	June 20, 2024	
Zhang Ming	Supervisor	Elected	June 20, 2024	
Yu Haiyong	Supervisor	Elected	June 20, 2024	
Sun Huirong	Director	Resignation upon expiration of term	June 20, 2024	
Chen Zetong	Independent director	Resignation upon expiration of term	June 20, 2024	
Li Caijun	Supervisor	Resignation upon expiration of term	June 20, 2024	

Liao Junkai	Supervisor	Resignation upon expiration of term	June 20, 2024	
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2. Position

The professional background and main work experience of the Company's incumbent directors, supervisors and senior officers, as well as their main responsibilities currently

(1) Members of the Board of Directors

Mr. Kong Guoliang: Born in 1983, he is a member of the CPC, with a master's degree in Finance from Central University of Finance and Economics. He is a Certified Public Accountant and Economist. He has successively served as Warrant Services Manager and Securities Representative of Shenzhen Zhenye (Group) Co., Ltd., Senior Manager and Deputy Minister of the Investment Department of Shenzhen Yuanzhi Investment Co., Ltd., Minister of Capital Operations Department, Minister of Investment and Development II, Minister (Director) of the Department of Strategic Studies (Office of the Board of Directors) and Secretary of the Board of Directors of Shenzhen Capital Holdings Co., Ltd., a director of Shenzhen Zhenye (Group) Co., Ltd., a director of China International Marine Containers (Group) Co., Ltd., General Manager of Shenzhen Pingwen Development Investment Co., Ltd., and Chairman of Shenzhen Yuanzhi Culture Holding Co., Ltd. Currently, he is the Chairman of Shenzhen Energy Corporation, the director of Shenzhen Energy (Hong Kong) International Limited, and the director of HONG KONG NAM HOI (INTERNATIONAL) LTD. From September 2022 to the present, he has served as the Chairman of the Company, and from November 2022 to the present, he has served as the Secretary of the Party Committee of the Company.

Mr. Hu Ming: Born in 1970, he is a member of China Democratic National Construction Association, with a master's degree. He is a Senior Engineer. From March 2003 to December 2019, he served in government-related agencies such as Nanshan District Housing and Construction Bureau, Audit Bureau, etc.; From January 2020 to August 2021, he served as the Director and General Manager of Shenzhen Dashahe Construction Investment Co., Ltd. and the Director and General Manager of Shenzhen Nanshan Anju Construction Development Co., Ltd.; from August 2021 to present, he has served as the Director and General Manager of Shenzhen Guangju Energy Co., Ltd., and from September 2021 to present, he has served as the Vice Chairman of the Company.

Mr. Huang Qing: Born in 1971, he is a member of the CPC. He is an Economist with a master's degree in economics, and graduated from Wuhan University majoring in National Economic Planning and Management. He has successively served as Deputy Director and Director of the General Office of Shenzhen Municipal Government, Secretary of the General Offices of Hunan Provincial Government and Shanxi Provincial Government, Deputy Director of the Guangzhou Office of Shanxi Provincial Government and member of the Party Leading Group, etc. He is currently the Deputy General Manager of Shenzhen Capital Holdings Co., Ltd., and concurrently serves as the Chairman of Shenzhen Yixin Investment Co., Ltd., the Chairman of Shenzhen Yuanzhi Ruixin Equity Management Co., Ltd., the Chairman of Shenzhen Huijin Intelligent Industry Co., Ltd., the Director of Shenzhen Energy Corporation, the Director of Shenzhen Water and Environment Investment Group Co., Ltd., the Director of Shenzhen High-tech Investment Group Co., Ltd., the Director of Shenzhen Institute of Building Research Co., Ltd., the Director of China Resources SZITIC Investment Co., Ltd., the Director of Shenzhen Enterprise Service Group Co., Ltd., the Director of Shenzhen Capital International Co., Ltd., and the Director of Shenzhen Capital (Hong Kong) Container Investment Co., Ltd.; From June 2019 to present, he has served as a director of the Company.

Mr. Chen Yuhui: Born in 1965, he is a member of the CPC. He is a Senior Engineer, graduated from Shanghai Jiaotong University, and has obtained a bachelor's degree in ship power and a master's degree in vibration, impact and noise. In 1989, he worked in the Maintenance Department of Shenyang Liming Gas Turbine Co., Ltd.; From December 1989 to June 2006, he worked at the Yueliangwan Power Plant of Shenzhen Energy Corporation, where he served as the Duty Officer of the Operation Department, a Specialist in the Chief Engineer's Office, Deputy Director of the Maintenance Department, Deputy Plant Director, Plant Director, etc; From June 2006 to July 2014, he worked at the Eastern Power Plant of Shenzhen Energy Corporation, where

he served as Deputy General Manager and Operations Director; From July 2014 to August 2017, he served as Chairman, General Manager and Party Branch Secretary of Zuhai Shenzhen Energy Hongwan Power Co., Ltd.; From August 2017 to present, he has served as the director and General Manager of the Company, and from May 2019 to present, he has served as Deputy Secretary of the Party Committee of the Company.

Mr. Chen Yedong: Born in 1973, he is a member of the CPC and has a master's degree. He holds a bachelor's degree in economics from Dongbei University of Finance and Economics and a master's degree in business administration from Zhongnan University of Economics and Law. He has served as Senior Manager and Deputy Director of the Strategy Research Department, Director of the Asset Management Department and Director of the Risk Control Department of Shenzhen Capital Holdings Co., Ltd., Chairman of the Board of Supervisors and Secretary of the Party Committee of Shenzhen Clou Electronics Co., Ltd. Since June 2023, he has served as the Deputy Secretary of the Party Committee of the Company, and since November 2023, he has served as the Director of Shenzhen Nanshan Power Gas Turbine Engineering Technology (Shenzhen) Co., Ltd. From June 2024 to present, he has served as a Director of the Company.

Mr. Wu Guowen: Born in 1965, he holds a bachelor's degree. From January 1994 to December 2007, he worked in Shenzhen Guangju Energy Co., Ltd. From January 2008 to November 2010, he worked in Shenzhen Yisheng Liquid Warehousing Co., Ltd. as Deputy General Manager; From December 2010 to March 2016, he worked in Shenzhen Guangju Real Estate Co., Ltd., and served successively as Executive Deputy General Manager, legal representative, executive director, and General Manager; From August 2013 to March 2018, he served as employee supervisor of Shenzhen Guangju Energy Co., Ltd.; From March 2018 to September 2021, he also served as the Chairman of Shenzhen Xiefu Energy Co., Ltd.; Since January 2022, he has also served as a director of Jiangsu Liaoyuan Environmental Protection Technology Co., Ltd.; From April 2016 to present, he has served as a director and Executive Deputy General Manager of the Company.

Ms. Huang Xiqin: Born in 1971, she holds a bachelor's degree in law, a master's degree in economics from the Party School of the Central Committee of the CPC, and a master's degree in Business Administration (EMBA) from the Guanghua School of Management at Peking University. She started working in September 1992. From September 1992 to May 1998, she served as Appraiser, Manager, etc. of Shenzhen International Real Estate Consulting Co., Ltd.; From November 2001 to January 2025, he served as the Chairman of Guozhonglian Assets Evaluation Lands&Real Estate Evaluation Consulting Co.,Ltd. Since January 2025, he has served as the director of Guangdong Guozhonglian Assets Evaluation Lands&Real Estate Evaluation Consulting Co.,Ltd.; From May 1998 to date, she has served as executive director of Guozhonglian Asset Appraisal Land and Real Estate Valuation Co., Ltd.; From December 2000 to date, he has served as Chairman of Guozhonglian Construction Engineering Management Consulting Co., Ltd.; From February 2015 to date, she has served as a director of Beijing Guozhonglian Auction Co., Ltd.; Since January 2021, he has served as the supervisor of Guangdong Guozhonglian Construction Engineering Co., Ltd.; From January 2022 to present, she has also served as an External director of Guangdong Construction Engineering Group Co., Ltd. She has served as an independent director of the Company since August 2022.

Mr. Du Wei: Born in 1955, he is a member of the CPC, Senior Engineer, with a doctorate degree, graduated from the Institute of Plasma Physics Chinese Academy of Sciences, majoring in Nuclear Fusion and Plasma Physics. He has served as a Cadre of the National Energy Commission, Assistant Engineer and Chief Clerk of Yangtze River Basin Planning Office, Engineer and Deputy Department Manager of China Nanshan Development Co., Ltd., Deputy General Manager and General Manager of Shenzhen Changjiang Computer Industry Co., Ltd., Deputy Minister (Deputy Division Director) and Minister (Division Director) of the Evaluation and Recommendation Center for Senior Managers of the Organization Department of Shenzhen Municipal Party Committee, Deputy General Manager of Shenzhen Expressway Development Co., Ltd., Chairman of Shenzhen International Western Logistics Co., Ltd., General Manager of Shenzhen International Qianhai Industrial (Shenzhen) Co., Ltd., He serves as Senior Consultant of Shenzhen International Commercial Property Management Co., Ltd.; Executive Director and General

Manager of Shenzhen Tianyu Freight Forwarder Co., Ltd. Currently, he is the executive director and General Manager of Shenzhen Borun Investment Co., Ltd. He has served as an independent director of the Company from November 2019 to present.

Mr. Ning Jie: Born in 1983, he is a member of the CPC, holding a Bachelor of Laws and a Bachelor of Management from the Law School of Southwest University of Political Science and Law. From September 2005 to July 2008, he served in Shenzhen Intermediate People's Court; from July 2008 to December 2008, he worked in Beijing Zhonglun (Shenzhen) Law Firm; from December 2008 to February 2012, he served as the Manager of the legal department of Shenzhen Merchants Property Consultants Co., Ltd.; from February 2012 to February 2015, he worked at Shanghai Jintiancheng (Shenzhen) Law Firm; from September 2020 to February 2024, he served as the Executive Director of Peterson International Limited; from January 2022 to August 2023, he served as an independent director of Min Fu International Holding Co., Ltd.; since February 2015, he has served as a senior partner of Guangdong Ganglian Law Firm. Served as an independent director of the Company since June 2024.

(2) Members of the Board of Supervisors

Mr. Zhai Baojun: Born in August 1971, he is a member of the CPC with a bachelor's degree. From May 1993 to August 2001, he served as the Manager of Sales Department of Zhaobao Real Estate Company in Baoan District, Shenzhen; From August 2001 to November 2013, he worked at Shenzhen Guangju Energy Co., Ltd., where he served successively as Secretary of the Youth League Committee, Armed Officer, Office Director, Director of the Party Office, and Vice Chairman of the Trade Union of the Company; From December 2013 to April 2015, he served as Deputy General Manager of Shenzhen Guangju Yida Hazardous Chemicals Storage Co., Ltd.; From May 2015 to April 2020, he served as Deputy General Manager of Shenzhen Xie fu Energy Co., Ltd.; From May 2020 to March 2023, he served as the acting General Manager of Shenzhen Xie fu Energy Co., Ltd. Since March 2023, he has served as the Chairman of the Board of Supervisors of the Company, and since March 2024, he has served as the Secretary of the Disciplinary Committee of the Company.

Mr. Zhang Ming: Born in 1988, he is a member of the CPC, graduated from Harbin Engineering University with a major in Management Science and Engineering, holding a master's degree in management. He used to be a transfer student of the Organization Department of the Heilongjiang Provincial Party Committee, the head of the Factor Market Research Center of Shenzhen Huajing Management Consulting Co., Ltd., and the Manager of the Strategic Research Department, the Manager of the Capital Operation Department, and the Senior Manager of the Asset Management Department of Shenzhen Capital Holdings Co., Ltd. He is currently the Deputy Director of the Asset Management Department of Shenzhen Capital Holdings Co., Ltd., a director of Artron Art (Group) Co., Ltd., a director of Shenzhen Institute of Building Research Co., Ltd., a director of Shenzhen Clou Electronics Co., Ltd., a supervisor of Shenzhen Water and Environment Investment Group Co., Ltd., and General Manager of Shenzhen Energy Corporation He has served as the supervisor of the Company from June 2024 to present.

Mr. Yu Haiyong: Born in 1982, he is a member of the CPC, graduated from the Law Department of Zhongnan University of Economics and Law, with a master's degree in Laws. He once served as a procurator of Nanshan District Procuratorate, the Deputy Director of the Anti-Malfeasance and Infringement Bureau and Grade IV procurator of Nanshan District Procuratorate, Grade IV chief staff member of the Supervision Commission of Nanshan District Discipline Inspection Commission, Deputy Director of the Sixth Discipline Inspection and Supervision Office, Deputy Director of the Third Discipline Inspection and Supervision Office, Grade I chief staff member, etc. Currently, he is the Deputy Director of the Discipline Inspection and Supervision Office (Board of Supervisors Office) of Shenzhen Capital Holdings Co., Ltd., and the supervisor of Shenzhen Yuanzhi Energy Storage Private Fund Management Co., Ltd. He has served as the supervisor of the Company from June 2024 to present.

Mr. Qian Wenhui: Born in 1968, he is an Accountant, with a bachelor's degree. He graduated from Changsha Normal University of Water Resources and Electric Engineering in 1990, majoring in Financial Accounting. From July to October 1990, he worked at Yangluo Power Plant in Wuhan. From October 1990 to August 2003, he worked in the Finance Department the Company; From August 2003 to October 2011, he served as Chief Financial Officer of Zhongshan Zhongfa Electric Power Co., Ltd.; From March

2014 to December 2016, he served as a supervisor of Zhongshan Shenzhong Real Estate Development Co., Ltd. and Zhongshan Shenzhong Real Estate Investment and Property Co., Ltd.; From November 2010 to July 2024, he served as the director of the Audit and Risk Control Department of the Company; from May 2014 to October 2024, he served as the supervisor of Shenzhen Xiefu Energy Co., Ltd. Since July 2024, he has served as the Director and Deputy General Manager of Shenzhen Guoneng Property Management Co., Ltd.; From April 2021 to present, he has served as employee representative supervisor of the Company.

Ms. Lu Yindi: Born in 1982, she is a member of the CPC, graduated from the School of Management, Huazhong University of Science & Technology with a major in management science and engineering, with a master's degree in management. In July 2008, she joined the Global Supply Chain Management Division of Foxconn Technology Group's iDSBG Business Group, where he served successively as Deputy Section Chief, Section Chief and Specialist of the Supply Chain Management Division. She joined the Company in August 2018, and has successively served as Supervisor of Contracts and Bidding Management of the Safety and Technology Department, Deputy Director of the Supply Department and Director of the Supply Department of Nanshan Power Plant (a subsidiary of the Company), and Deputy Director of the Company's Fuel Management Department; From June 2021 to present, she has served as the Director and Deputy Director of the Office of the Board of Directors of the Company. From April 2021 to present, he has served as employee representative supervisor of the Company.

(3) Senior Officers

For information about Chen Yuhui, the General Manager, and Wu Guowen, the Executive Deputy General Manager, please refer to the aforementioned directors' resumes.

Mr. Li Chao: Born in 1971, graduated from the Department of Finance of Shanxi University of Finance and Economics, he has obtained a master's degree in Business Administration of Macau University of Science and Technology, and he is a Senior Accountant. He started working in July 1994 and has once served as Project Manager of the Audit Department of Shenzhen Dahua Certified Public Accountants, Finance Manager of Compaq Computer Technology (China) Co., Ltd., and Chief Financial Officer of China Electricity Finance (Hong Kong) Limited; He joined Shenzhen Nanshan Power Co., Ltd. in February 2001, and he served successively as Assistant Minister, Minister, Deputy Chief Economist, Manager, and Assistant to the General Manager of the Corporate Development Department of the Company. He has served as the Deputy General Manager of the Company since September 2023, and is currently the Chairman of the Board of Directors of Shenzhen Nanshan Power (Zhongshan) Power Co., Ltd. and Shenzhen Xiefu Energy Co., Ltd.

Mr. Tao Lin: Born in 1967, he is an economist, graduated from Shanghai Jiao Tong University with a major in Power System and Automation. He holds a master's degree in Business Administration from the School of Economics and Management of Tsinghua University. He started working in July 1989, and has once served as Production Officer of the Youth League Committee of Dalian Electric Power Bureau and the On-site Secretary of the Office of Shenzhen Huaneng Economic Development Company. In January 1992, he joined Shenzhen Nanshan Power Co., Ltd., and served successively as Office Secretary, Director, Secretary of the Board of Directors, General Manager of Shenzhen Xiefu Oil Supply Co., Ltd., General Manager of Zhongshan Power Co., Ltd. and Zhongshan Zhongfa Power Co., Ltd., and Deputy Chief Economist of the Company, and Assistant to the General Manager. He has served as the Deputy General Manager of the Company since September 2023. He is currently the Vice Chairman of Shenzhen Nanshan Power (Zhongshan) Power Co., Ltd. and the Executive Director of Shenzhen New Power Industrial Co., Ltd.

Mr. Zhang Xiaoyin: Born in 1987, he is a member of the CPC. He is a senior accountant, with a bachelor's degree in economics from Xiamen University, and a master's degree in business administration from Wuhan University. He also holds professional qualifications such as Certified Public Accountant of China, Australian certified public accountant, Certified Tax Agent, Asset Appraiser, and Financial Risk Manager (FRM). He started working in October 2008, and has served as an Auditor of the Financial Services Group of Shenzhen Branch of Ernst & Young Huaming Certified Public Accountants, a Financial Accountant of the Planning and Finance Department of Wanlian Securities Co., Ltd., a Senior Manager of the Financial Management Department of

China Resources SZITIC Trust Co., Ltd. and Head of Accounting and supervisor of China Resources Energy Services Company Limited, and an Investment Director (Deputy Minister) of Yuanzhi Venture Capital (Investment Development Department II) of Shenzhen Capital Holdings Co., Ltd. From June 2022 to present, he has served as Chief Financial Officer of the Company.

Mr. Zou Yi: Born in 1973, he is a member of the CPC, economist, with a master's degree in Economics from Zhongnan University of Economics and Law. From July 1994 to September 2007, he worked at the Headquarters of Shenzhen Energy Corporation, and served as Business Manager of the Finance Department, Deputy Director of the Business of the Capital Office, and Business Director of the Secretariat of the Board of Directors; From September 2007 to December 2017, he served as the Minister of Fund Department of Shenzhen Energy Finance Co., Ltd.; From December 2017 to July 2019, he served as Deputy General Manager of Shenzhen Energy Finance Co., Ltd.; From August 2017 to November 2018, he also served as a director of Huizhou SEC Fengda Electric Power Co., Ltd.; From August 2019 to April 2021, he served as the Director of the Office of the Board of Directors of the Company, and from July 2020 to April 2021, he also served as the Director of the Administration Department of the Company. From April 2021 to the present, he has served as Secretary of the Board of Directors of the Company, and from December 2023 to the present, he has also served as the Director of the Office of the Board of Directors.

Incumbency status in the shareholder entity

☒Applicable ☐Not applicable

Name of incumbent	Entity name	Positions held in the shareholder entity	Commencement of term	Expiration of term	Whether to receive remuneration allowance in the shareholder entity
Kong Guoliang	Shenzhen Energy Corporation	Chairman	November 4, 2022		No
Huang Qing	Shenzhen Energy Corporation	Director	April 8, 2019		No
Kong Guoliang	HONG KONG NAM HOI (INTERNATIONAL) LTD	Director	September 9, 2022		No
Zhang Ming	Shenzhen Energy Corporation	General Manager	August 26, 2024		No

Incumbency status in other entities

☒Applicable ☐Not applicable

Name of incumbent	Other entity name	Positions held in other entities	Commencement of term	Expiration of term	Whether to receive remuneration allowance in other entities
Kong Guoliang	Shenzhen Energy (Hong Kong) International Limited	Director	April 24, 2023		No
Hu Ming	Shenzhen Guangju Energy Co., Ltd.	Director	August 20, 2021		Yes
		General Manager	August 4, 2021		
Huang Qing	Shenzhen Capital Holdings Co., Ltd.	Deputy General Manager	September 1, 2016		Yes
	Shenzhen Water and Environment Investment Group Co., Ltd.	Director	December 4, 2020		No

	Shenzhen High-tech Investment Group Co., Ltd.	Director	March 9, 2018		No
	Xiong'an Green Research Think Tank Co., Ltd.	Director	November 9, 2017	December 9, 2024	No
	Shenzhen Institute of Building Research Co., Ltd.	Director	January 31, 2018		No
	Shenzhen Yixin Investment Co., Ltd.	Chairman	October 10, 2022		No
	Resources SZITIC Investment Co., Ltd.	Director	April 23, 2021		No
	Shenzhen Enterprise Service Group Co., Ltd.	Director	April 28, 2021		No
	Shenzhen Capital International Co., Ltd.	Director	June 22, 2017		No
Wu Guowen	Jiangsu Liaoyuan Environmental Protection Technology Co., Ltd.	Director	January 28, 2022		No
Huang Xiqin	Guozhonglian Asset Appraisal Land and Real Estate Valuation Co., Ltd.	Executive Director	May 26, 1998		Yes
	Guozhonglian Construction Engineering Management Consulting Co., Ltd.	Chairman	December 13, 2000		Yes
	Guozhonglian Assets Evaluation Lands&Real Estate Evaluation Consulting Co.,Ltd.	Chairman	November 26, 2001	January 27, 2025	Yes
		Director	January 27, 2025		Yes
	Beijing Guozhonglian Auction Co., Ltd.	Director	February 28, 2015		No
	Guangdong Construction Engineering Group Co., Ltd.	External director	January 1, 2022		Yes
Du Wei	Shenzhen Borun Investment Co., Ltd.	Director, General Manager	February 1, 2020		No
Ning Jie	Guangdong Ganglian Law Firm	Senior Partner	February 2, 2015		Yes
Zhang Ming	Shenzhen Capital Holdings Co., Ltd.	Deputy Director of the Asset Management Department	June 25, 2023		Yes
	Shenzhen Water and Environment Investment Group Co., Ltd.	Supervisor	September 22, 2022		No
	Shenzhen Clou Electronics Co., Ltd.	Director	June 26, 2023		No
	Artron Art (Group)	Director	October 30, 2024		No

	Co., Ltd.				
Yu Haiyong	Shenzhen Capital Holdings Co., Ltd.	Deputy Director of Discipline Inspection and Supervision Office (Office of Board of Supervisors)	January 2024		Yes
	Shenzhen Yuanzhi Energy Storage Private Fund Management Co., Ltd.	Supervisor	April 29, 2024		No
Qian Wenhui	Shenzhen Guoneng Property Management Co., Ltd.	Director, Deputy General Manager	July 26, 2024		No

Punishments by Securities Regulatory Authorities in the past three years on the Company's directors, supervisors and senior officers who are currently in office and leave office during the reporting period

☐Applicable ☒Not applicable

3. Remuneration of directors, supervisors and senior officers

Decision-making procedures, basis for determination and actual payment of remuneration of directors, supervisors and senior officers

(1) Decision-making procedures: according to the relevant provisions of the Company's Articles of Association, the remuneration of directors and supervisors shall be determined by the General Meeting, and the remuneration of senior officers shall be determined by the Board of Directors.

(2) Basis for determination: at present, the Company has not yet implemented a remuneration system for non-independent directors and supervisors, and directors and employee supervisors who serve in the Company only receive remuneration for the administrative positions they hold in the Company. The Company has established the Administrative Measures for the Remuneration and Assessment of Senior Officers, which determines the annual remuneration standards for the Company's senior officers. The senior officers of the Company are subject to an annual salary system. The annual remuneration consists of two parts: the basic annual salary and the performance annual salary, accounting for 40% and 60% respectively. The Board of Directors shall determine the actual remuneration to be paid based on the assessment results and audit of the annual operating performance indicators of the Senior Officers. If a senior officer changes his position, promotion, position value or other special reasons, his salary plan shall be re-verified according to the principle of "salary change with position change", and the salary shall be calculated according to the position standard and the actual time in the position.

(3) Actual payment: the Company pays remuneration in strict accordance with the decision-making procedures and the basis for determining the remuneration of directors, supervisors and senior officers, and the expenses related to transportation, accommodation, research, inspection and attendance at meetings, etc. incurred by directors and supervisors due to the performance of their duties shall be borne by the Company.

Remuneration of directors, supervisors and senior officers of the Company during the reporting period:

Unit: RMB 10,000

Name	Gender	Age	Position	Incumbency status	Total pre-tax remuneration received from the Company	Whether to receive remuneration from related
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						parties of the Company
Kong Guoliang	Male	41	Chairman	Incumbent	80.35	No
Hu Ming	Male	54	Vice Chairman	Incumbent	0.00	Yes
Huang Qing	Male	53	Director	Incumbent	0.00	Yes
Chen Yuhui	Male	59	Director, General Manager	Incumbent	76.55	No
Chen Yedong	Male	51	Director	Incumbent	68.95	No
Wu Guowen	Male	59	Director, Executive Deputy General Manager	Incumbent	68.95	No
Huang Xiqin	Female	53	Independent director	Incumbent	11.90	Yes
Du Wei	Male	69	Independent director	Incumbent	13.33	No
Ning Jie	Male	41	Independent director	Incumbent	6.67	Yes
Zhai Baojun	Male	53	Chairman of the Board of Supervisors	Incumbent	68.95	No
Zhang Ming	Male	36	Supervisor	Incumbent	0.00	Yes
Yu Haiyong	Male	42	Supervisor	Incumbent	0.00	Yes
Qian Wenhui	Male	56	Employee representative supervisor	Incumbent	47.00	No
Lu Yindi	Female	42	Employee representative supervisor	Incumbent	33.72	No
Li Chao	Male	53	Deputy General Manager	Incumbent	73.84	No
Tao Lin	Male	57	Deputy General Manager	Incumbent	73.84	No
Zhang Xiaoyin	Male	37	Chief Financial Officer	Incumbent	0.00	Yes
Zou Yi	Male	51	Secretary of the Board of Directors	Incumbent	64.39	No
Sun Huirong	Male	41	Director	Resigned	0.00	Yes
Chen Zetong	Male	54	Independent director	Resigned	6.67	Yes
Li Caijun	Male	46	Supervisor	Resigned	0.00	Yes
Liao Junkai	Male	36	Supervisor	Resigned	0.00	Yes
Total	-	-	-	-	695.11	-

Other information

☐Applicable ☒Not applicable

VI. Directors' performance of duties during the reporting period

1. Information of the Board of Directors during the reporting period

Session	Convening date	Disclosure date	Resolution
The 22nd Extraordinary Meeting of the Ninth Board of Directors	January 23, 2024	January 25, 2024	Reviewed and approved the Proposal on the Property Lease Management Services Provided by Shenzhen Xiefu Energy Co., Ltd., a Held Subsidiary of the Company, to Shenzhen Energy Corporation and the Related Transactions
The 23rd Extraordinary Meeting of the Ninth Board of Directors	February 6, 2024	February 7, 2024	Reviewed and approved the Proposal on Listing and Transfer of the Assets Related to the Generating Units and Heavy Oil Processing Line of Shenzhen Nanshan Power (Zhongshan) Power Co.,

			Ltd., a Held Subsidiary of the Company and the Proposal on Convening the Second Extraordinary General Meeting of Shareholders in 2024.
The 7th Meeting of the Ninth Board of Directors	April 10, 2024	April 12, 2024	Reviewed and approved 21 proposals, including the 2023 Report on the Work of the Board of Directors and the 2023 Report on the Work of the General Manager
The 24th Extraordinary Meeting of the Ninth Board of Directors	April 24, 2024	April 26, 2024	Reviewed and approved the 2024 First Quarter Report
The 25th Extraordinary Meeting of the Ninth Board of Directors	May 31, 2024	June 1, 2024	Reviewed and approved five proposals, including the Proposal on the Re-election of the Board of Directors and the Election of Non-independent Directors for the Tenth Board of Directors and the Proposal on the Re-election of the Board of Directors and the Election of Independent Directors for the Tenth Board of Directors.
The First Meeting of the Tenth Board of Directors	June 20, 2024	June 21, 2024	Reviewed and approved eight proposals, including Proposal on the Election of the Chairman of the Tenth Board of Directors of the Company and Proposal on the Election of the Vice Chairman of the Tenth Board of Directors of the Company.
The First Extraordinary Meeting of the Tenth Board of Directors	July 18, 2024	July 19, 2024	Reviewed and approved the Proposal on Investing in the Project of the 300MW/600MWh Independent Energy Storage Power Station in Cuiheng New Area, Zhongshan City (Phase I).
The Second Meeting of the Tenth Board of Directors	August 21, 2024	August 23, 2024	Reviewed and approved the full text and summary of the 2024 Semi-Annual Report
The Second Extraordinary Meeting of the Tenth Board of Directors	September 11, 2024	September 12, 2024	Reviewed and approved the Proposal on the Public Listing and Transfer of 40% of the Equity of Huidong Xie fu Port Comprehensive Development Co., Ltd. by Xie fu Company, a Held Subsidiary of the Company.
The Third Extraordinary Meeting of the Tenth Board of Directors	October 23, 2024	October 25, 2024	Reviewed and approved the Third Quarter Report of 2024 and the Proposal on the Investment by Shenzhen Nanshan Power Environmental Protection (Shenzhen) Co., Ltd., a Wholly-owned Subsidiary of the Company, in Shenzhen Yuanzhi Zhongkai Energy Storage Technology Innovation Private Fund Partnership (Limited Partnership) and the Related Transactions.
The Fourth Extraordinary Meeting of the Tenth Board of Directors	November 25, 2024	November 26, 2024	Reviewed and approved Proposal on the Formulation of the Management System for Appointing Accounting Firms, Proposal on Appointing the Audit Institution for 2024 and Determining Its Remuneration, Proposal on Applying for a Line of Credit from a Financial Institution by Pledging Patent Rights, and Proposal on Convening the Fourth Extraordinary General Meeting in 2024.
The Fifth Extraordinary Meeting of the Tenth Board of Directors	December 5, 2024	December 7, 2024	Reviewed and approved the Proposal on Re-listing and Transferring the Relevant Assets of the Generating Unit of the Company's Held Subsidiary Shenzhen Nanshan Power (Zhongshan) Power Co., Ltd., the Proposal on Scrapping the Assets of the Held Subsidiary Shenzhen Nanshan Power (Zhongshan) Power Co., Ltd., and the Proposal on Convening the Fifth Extraordinary General

Meeting in 2024

2. Attendance of directors at the Board of Directors and the General Meeting

Attendance of directors at the Board of Directors and the General Meeting of Shareholders							
Name of Director	Number of times of attendance at the Board of Directors during the reporting period	Number of times of on-site attendance at the Board of Directors	Number of times of attendance at the Board of Directors by correspondence	Number of times of attendance at the Board of Directors by proxy	Number of times of absences from the Board of Directors	Have you failed to attend the meetings of Board of Directors in person for two consecutive times	Number of times of attendance at the General Meeting
Kong Guoliang	12	3	9	0	0	No	6
Hu Ming	12	3	9	0	0	No	2
Huang Qing	12	2	9	1	0	No	6
Chen Yuhui	12	3	9	0	0	No	5
Chen Yedong	7	2	5	0	0	No	2
Wu Guowen	12	3	9	0	0	No	6
Huang Xiqin	12	1	10	1	0	No	6
Du Wei	12	3	9	0	0	No	6
Ning Jie	7	2	5	0	0	No	2
Sun Huirong	5	0	4	1	0	No	4
Chen Zetong	5	0	4	1	0	No	4

Note on failure to attend the Board of Directors in person for two consecutive times

During the reporting period, there is no failure to attend the Board of Directors in person for two consecutive times.

3. Directors' objections to matters relating to the Company

Whether the directors have raised any objections to matters relating to the Company

☐Yes ☒No

During the reporting period, the directors did not raise any objection to matters relating to the Company.

4. Other notes on directors' performance of duties

Whether the directors' recommendations to the Company have been adopted

☒Yes ☐No

The statement that the directors' proposals relating to the Company have or have not been adopted

During the reporting period, all directors of the company have been diligent and conscientious in carrying out their work in strict accordance with the relevant regulations of CSRC and Shenzhen Stock Exchange, as well as the Company's Articles of Association, Rules of Procedure of the Board of Directors and other systems, paid close attention to the Company's standardized operation and business situation, and carefully studied the various proposals submitted to the Board of Directors for review based on the Company's actual situation, so as to ensure scientific decision-making and safeguard the legitimate rights and interests of the Company and all shareholders.

VII. Information of Special Committees under the Board of Directors during the reporting period

Name of the Committee	Members	Number of meetings held	Convening date	Content of the meeting	Important comments and suggestions put forward	Other performance of duties	Details of the objections (if any)
Strategy and Investment Management Committee	Kong Guoliang, Hu Ming, Huang Qing, Chen Yuhui, Wu Guowen	8	February 6, 2024	Reviewed the Proposal on Listing and Transfer of the Assets Related to the Generating Units and Heavy Oil Processing Line of Shenzhen Nanshan Power (Zhongshan) Power Co., Ltd., a Held Subsidiary of the Company	All the members present agreed to the proposal without objection		
			April 10, 2024	1. Reviewed the 2023 Annual Performance Report of the Strategy and Investment Management Committee of the Board of Directors 2. Reviewed the Proposal on the Application for Comprehensive Credit and Provision of Guarantees by the Company and Held Subsidiaries in 2024 3. Reviewing the Proposal on Using Temporarily Idle Self-owned Funds of the Company for the Deposit of Structured Deposits in 2024	All members present at the meeting had no objection and agreed to all proposals of the meeting		
			May 31, 2024	Reviewed the Proposal on Re-listing and Transfer of the Assets Related to the Generating Units and Heavy Oil Processing Line of Shenzhen Nanshan Power (Zhongshan) Power Co., Ltd., a Held Subsidiary of the Company	All the members present agreed to the proposal without objection		
			July 18, 2024	Reviewed the Proposal on Investing in the Project of the 300MW/600MWh Independent Energy Storage Power Station in Cuiheng New Area, Zhongshan City (Phase I).	All the members present agreed to the proposal without objection		
			September 11, 2024	Reviewed the Proposal on the Public Listing and Transfer of 40% of the Equity of Huidong Xie fu Port Comprehensive Development Co., Ltd. by Xie fu Company, a Held Subsidiary of the Company.	All the members present agreed to the proposal without objection		
			October 23, 2024	Reviewed the Proposal on the Investment by Shenzhen Nanshan Power Environmental Protection (Shenzhen) Co., Ltd., a Wholly-owned Subsidiary of the	All the members present agreed to the proposal		

				Company, in Shenzhen Yuanzhi Zhongkai Energy Storage Technology Innovation Private Fund Partnership (Limited Partnership) and the Related Transactions.	without objection		
			November 25, 2024	Reviewed the Proposal on Applying for Credit Lines from Financial Institutions by Pledge of Patents	All the members present agreed to the proposal without objection		
			December 5, 2024	Reviewed the Proposal on Re-listing and Transferring the Relevant Assets of the Generating Units of the Held Subsidiary Shenzhen Nanshan Power (Zhongshan) Power Co., Ltd.	All the members present agreed to the proposal without objection		
Nomination Committee	Chen Zetong, Hu Ming, Du Wei	2	April 8, 2024	Reviewed the 2023 Annual Performance Report of the Nomination Committee of the Board of Directors	All the members present agreed to the proposal without objection		
			May 31, 2024	1. Reviewed the Proposal on the Re-election of the Board of Directors and the Election of Non-independent Directors of the Tenth Board of Directors 2. Reviewed the Proposal on the Re-election of the Board of Directors and the Election of Independent Directors of the Tenth Board of Directors	All members present at the meeting had no objection and agreed to all proposals of the meeting		
	Du Wei, Hu Ming, Ning Jie	1	June 20, 2024	1. Reviewed the Proposal on the Appointment of the Company's General Manager 2. Reviewed the Proposal on the Appointment of the Company's Deputy General Manager 3. Reviewed the Proposal on the Appointment of the Company's Chief Financial Officer 4. Reviewed the Proposal on the Appointment of the Company's Secretary of the Board of Directors	All members present at the meeting had no objection and agreed to all proposals of the meeting		
Remuneration and Assessment Committee	Huang Xiqin, Wu Guowen, Du Wei	1	April 8, 2024	1. Reviewed the 2023 Annual Performance Report of the Remuneration and Appraisal Committee of the Board of Directors 2. Reviewed the Management Measures for the Remuneration	All members present at the meeting had no objection and agreed		

				and Performance Appraisal of Senior Officers 3. Reviewed the Proposal on the 2024 Annual Remuneration Plan	to all proposals of the meeting		
	Huang Xiqin, Huang Qing, Du Wei	1	June 20, 2024	Reviewed the Proposal on the Consideration of the 2024 Annual and Tenure Business Performance Responsibility Letters of the Company's Management	All the members present agreed to the proposal without objection		
Audit Committee	Huang Xiqin, Sun Huirong, Chen Zetong	3	January 23, 2024	Listening to and discussing the Communication Letter between Certified Public Accountants and Those Charged with Governance submitted by Lixinzhonglian CPAS	All the members present at the meeting have no objection		
			April 8, 2024	1. Reviewed the 2023 Annual Performance Report of the Audit Committee of the Board of Directors 2. Reviewed the full text and summary of the 2023 Annual Report 3. Reviewed the Proposal on the 2023 Final Financial Accounts Report 4. Reviewed the Proposal on the Provision and Reversal of Assets Impairment in 2023 5. Reviewed the Proposal on the Financial Write-off of Long-outstanding Receivables and Payables in 2023 6. Reviewed the Proposal on the 2023 Annual Profit Distribution Plan 7. Reviewed the Proposal on the Adjustment of the Residual Value Rate of Fixed Assets and the Change in Accounting Estimates. 8. Reviewed the 2023 Evaluation Report on Internal Control 9. Reviewed the 2023 Work Summary of the Internal Audit Institution and the 2024 Audit Plan 10. Reviewed the 2023 Annual Evaluation Report on the Performance of the Accounting Firm 11. Reviewed the Report on the Performance of the Supervision Duties by the Audit Committee of the Board of Directors over the Accounting Firm in 2023	All members present at the meeting had no objection and agreed to all proposals of the meeting		
			April 24,	1. Reviewed the 2024 First	All		

			2024	Quarter Report 2. Listened to the 2024 First Quarter Report 3. Listened to the 2024 First Quarter Work Report of the Audit and Risk Control Department	members present at the meeting had no objection and agreed to all proposals of the meeting		
	Huang Xiqin, Huang Qing, Ning Jie	6	June 20, 2024	Reviewed the Proposal on the Appointment of the Company's Chief Financial Officer	All the members present agreed to the proposal without objection		
			August 20, 2024	1. Reviewed the full text and summary of the 2024 Semi-annual Report 2. Listened to the 2024 Semi-annual Final Financial Account Report 3. Listened to the 2024 Second Quarter Work Report of the Audit and Risk Control Department	All members present at the meeting had no objection and agreed to all proposals of the meeting		
			October 22, 2024	1. Reviewed the 2024 Third Quarter Report 2. Listened to the 2024 Third Quarter Financial Account Report 3. Listened to the 2024 Semi-annual Audit Work Report 4. Listened to the 2024 Third Quarter Work Report of the Audit and Risk Control Department	All members present at the meeting had no objection and agreed to all proposals of the meeting		
			November 22, 2024	1. Reviewed the Proposal on Formulating the Management System for the Appointment of the Accounting Firm 2. Reviewed the Proposal on Appointing the Audit Institutions and Determining Their Remuneration in 2024	All members present at the meeting had no objection and agreed to all proposals of the meeting		
			December 4, 2024	Reviewed the Proposal on the Scrapping of Assets of Shenzhen Nanshan Power (Zhongshan) Power Co., Ltd., a Held Subsidiary	All the members present agreed to the proposal without objection		
			December 30, 2024	Listened to the 2024 Audit Plan of Shenzhen Nanshan Power Co., Ltd. submitted by Lixinzhonglian CPAS	All the members present at the meeting		

					have no objection		
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8. Work of the Board of Supervisors

Whether the Board of Supervisors has identified any risks to the Company in its supervisory activities during the reporting period

☐Yes ☒No

The Board of Supervisors has no objection to the supervision matters during the reporting period.

9. Employees

1. Number of employees, professional composition and education background

Number of active employees of parent company at the end of the reporting period	234
Number of active employees of major subsidiaries at the end of the reporting period	58
Total number of active employees at the end of the reporting period	292
Total number of employees receiving remuneration in the current period	289
Number of retired employees whose the parent company and major subsidiaries have to bear the expenses	0
Professional composition	
Category	Number
Production staff	64
Salesperson	8
Technical staff	57
Financial staff	12
Administrative staff	151
Total	292
Education background	
Category	Number
Junior college and technical secondary school education	123
Bachelor's degree	140
Master's degree or above	29
Total	292

2. Remuneration policy

The Board of Directors implements the principle of fixed basic salary + floating performance salary for the Company's annual salary accrual. The remuneration of the Chairman shall be submitted to the General Meeting for approval and determination after being reviewed and approved by the Board of Directors; The remuneration of senior officers at the level of General Manager and Deputy General Manager shall be formulated by the Remuneration and Assessment Committee of the Board of Directors and submitted to the Board of Directors for approval and determination. The remuneration of other personnel is authorized to be managed by the Company's management team based on the principles of "fixing salary based on position", "getting paid according to work" and "performance-oriented". Within the annual remuneration quota approved by the Board of Directors, the Company strictly controls the remuneration costs, establishes a remuneration incentive mechanism linked to the performance of the

employees, formulates the remuneration standards, distribution plans, assessment and rewards and punishment methods for the personnel at all levels, and is responsible for organizing and implementing them, so as to give full play to the role of the incentive role of the remuneration.

3. Training plan

The Company attaches great importance to employee training and has established a more complete training system. By strengthening employee training, it improves the job skills and comprehensive quality of the employees, better meets the needs of the Company's operation and management for talent, and at the same time cultivates reserve talents for the Company's sustainable development. During the reporting period, in terms of safety training, the Company has organized safety education and training, emergency rescue drills, emergency response capability training, etc. at all levels of the Company in accordance with the Work Safety Law and other laws and regulations in respect of safety training, so as to improve the safety awareness, accident prevention capabilities and business level of cadres and employees at all levels. In terms of on-the-job training, the Company has adopted a combination of expatriate learning and internal training, carried out certified on-the-job training for key business and technical positions to improve the capabilities of employees to perform their duties, and also relied on the gas turbine simulation training base to improve the practical operation and adaptability of power plant operators. In terms of training and learning of Party members, the Party organizations at all levels of the Company strictly implement the relevant work requirements of superiors, solidly carry out "three meetings and one lesson", integrate online and offline resources, and build a normal and diversified education and training system for Party members. At the same time, through various forms such as red base research, special training, visit and exchange, and "Secretary's Party class", enrich the learning and education carriers, lead the majority of Party members to give full play to the vanguard and exemplary role, and build a strong and powerful battle fortress of grassroots party organizations.

4. Outsourcing of labor

☐Applicable ☒Not applicable

X. Profit distribution and capitalization of capital reserve of the Company

The formulation, implementation or adjustment of profit distribution policies, especially cash dividend policies, during the reporting period

☒Applicable ☐Not applicable

Profit distribution policy of the Company

(I) The Company implements a continuous and stable profit distribution policy, taking into account the reasonable return on investment of investors and the long-term development of the Company. The profit distribution of the Company shall not exceed the scope of the accumulated profits available for distribution, and shall not damage the going-concern ability of the Company, and shall adhere to the principle of distribution in the statutory order and non-distribution in the principle of non-distribution of outstanding losses.

(II) The Company's profit distribution may be made in cash, in shares, in a combination of cash and shares, or in other ways permitted by laws and regulations.

(III) Conditions for cash dividends

1. With a positive annual or semi-annual distributable profit and abundant cash flow, the implementation of cash dividends will not affect the Company's subsequent going concern;

2. The audit institution issues a standard auditor's report with unqualified opinion on the Company's annual or semi-annual financial report; or the auditor issues a non-standard unqualified auditor's report on the Company's annual or semi-annual financial report, but it does not affect the financial position, operating results and cash flows of the year;

3. There are no major investment plans or major cash disbursements (except for projects with raised funds).

Major investment plans or major cash expenditures refer to the cumulative expenditures of the Company's proposed foreign investment, asset acquisition or equipment purchase in the next twelve months that reach or exceed 30% of the Company's latest audited total assets.

(IV) Under the condition of ensuring the full cash dividend distribution, the Company may, according to the accumulated profits available for distribution, the provident fund and the cash flow, adopt the stock dividend method for profit distribution in order to maintain the expansion of share capital in line with the growth of performance, on the premise of ensuring the minimum cash dividend ratio and the reasonable scale of the Company's share capital.

(V) On the premise of complying with the Company's profit distribution principles, meeting the conditions for cash dividends, and ensuring the Company's normal operation and long-term development, the Company will actively distribute dividends in cash. In principle, cash dividends will be distributed once a year, and the amount of cash dividends shall not be less than 10% of the distributable profit realized in that year. Within any three consecutive accounting years, the cumulative amount of profits distributed in cash by the Company shall not be less than 30% of the average annual distributable profit realized in these three years.

(VI) The Board of Directors may propose interim cash dividends based on the Company's profitability and capital needs.

(VII) After the Company's general meeting makes a resolution on the profit distribution plan, the Board of Directors shall complete the distribution of dividend (or shares) within 2 months after the general meeting is held.

Special instructions for cash dividend policy	
Whether it complies with the Articles of Association or the resolutions of the General Meeting:	Yes
Whether the dividend standards and proportions are explicit and clear:	Yes
Whether relevant decision-making procedures and mechanisms are complete:	Yes
Whether the Independent Directors have fulfilled their duties and played their due role:	Yes
If the Company does not make cash dividends, it shall disclose the specific reasons and the next measures to be taken to enhance the return level of investors:	Yes
Whether minority shareholders have the opportunity to fully express their opinions and demands, and whether their legitimate rights and interests are fully protected:	Yes
Whether the conditions and procedures are compliant and transparent if the cash dividend policy is adjusted or changed:	Yes

During the reporting period, the Company are profitable and the parent company's profits available for distribution to shareholders are positive, but no cash dividend distribution plan has been put forward

☒Applicable ☐Not applicable

Reasons for not proposing a cash dividend distribution plan when the Company has made a profit during the reporting period and the distributable profit available to shareholders in the parent company is positive	Use and use plan of the Company's undistributed profits
The Company is still under great operating pressure and is in a critical period of simultaneous progress in assets in stock operation and transformation and development, which makes it difficult to meet the relevant provisions of the Articles of Association on profit distribution conditions. Therefore, the Company does not intend to distribute cash dividends in 2024.	To replenish the operating cash flow and make adequate reserve of funds for subsequent transformation and development.

Profit distribution and capitalization of capital reserve during the reporting period

☒Applicable ☐Not applicable

Number of bonus shares issued per 10 shares (shares)	0
Amount of dividend per 10 shares (RMB) (including tax)	0
Number of shares converted for every 10 shares (shares)	0
Share capital base of distribution plan (shares)	602,762,596
Amount of cash dividends (RMB) (tax included)	0.00
Amount of cash dividends paid by other means (such as repurchase of shares) (RMB)	0.00
Total cash dividends (including other methods) (RMB)	0
Distributable profit (RMB)	185,255,604.81
Proportion of total cash dividends (including other methods) in total profit distribution	0
Cash dividends this time	
Others	
Details of profit distribution and conversion of capital reserves into share capital	
None	

XI. Implementation of the Company's equity incentive plan, employee stock ownership plan or other employee incentive measures

☐Applicable ☒Not applicable

The Company has no equity incentive plan, employee stock ownership plan or other employee incentive measures and their implementation during the reporting period.

XII. Construction and implementation of the internal control system during the reporting period

1. Construction and implementation of internal control

In accordance with the provisions of the Basic Standard for Enterprise Internal Control and its supporting guidelines, the Company has established an organizational system for comprehensive risk management and internal control, with the Board of Directors responsible, the Board of Supervisors supervising, the Compliance and Risk Management Committee coordinating and leading, the Audit and Risk Control Department organizing implementation and evaluation, and all departments and affiliated enterprises fully performing their duties, to supervise and evaluate the Company's internal control management. The Company effectively prevents risks in operation and management and promotes the realization of internal control objectives through the operation, analysis and evaluation of the internal control system.

2. Details of major defects in internal control identified during the reporting period

☐Yes ☒No

XIII. Management and control of subsidiaries by the Company during the reporting period

The Company has formulated management systems such as the Property Rights Management Measures, the Post-investment Management Measures, and the List of Rights and Responsibilities of the Company and Nanshan Power Plant and its Subordinate Holding Enterprises, which can achieve the effects of clarifying authority, specifying responsibilities, improving efficiency, optimizing resource allocation, and standardizing enterprise management, and can meet the needs of the Company's overall development strategy.

XIV. Evaluation Report on Internal Control or Audit Report on Internal Control

1. Evaluation Report on Internal Control

Date of disclosure of full text of Evaluation Report on Internal Control	April 23, 2025	
Full-text disclosure index of Evaluation Report on Internal Control	2024 Evaluation Report on Internal Control, cninfo.com.cn http://www.cninfo.com.cn	
Ratio of the total assets of the unit included in the evaluation scope to the total assets of the Company's consolidated financial statements	84.19%	
Ratio of operating revenue of the unit included in the evaluation scope to operating revenue of the Company's consolidated financial statements	99.96%	
Defect identification standards		
Category	Financial report	Non-financial report
Qualitative standards	Major defects: under major business activities, many consolidated statements companies have serious defects; Or a few consolidated statements companies have serious defects, but the companies with serious defects are the main participant in the major business activities; Great defects: under major business activities, a few consolidated statements companies have serious defects, and the companies with serious defects are not the main participants in the major business activities; Or multiple consolidated statements companies have moderate defects; Or a few consolidated statements companies have moderate defects, but the companies with moderate defects are the main participants in the major business activities; General defect: in major business activities, a few companies sharing consolidated statements have moderate defect, and these companies with moderate defect are not the main	Major defects: under major business activities, many consolidated statements companies have serious defects; Or a few consolidated statements companies have serious defects, but the companies with serious defects are the main participant in the major business activities; Great defects: under major business activities, a few consolidated statements companies have serious defects, and the companies with serious defects are not the main participants in the major business activities; Or multiple consolidated statements companies have moderate defects; Or a few consolidated statements companies have moderate defects, but the companies with moderate defects are the main participants in the major business activities; General defect: in major business activities, a few companies sharing consolidated statements have moderate defect, and these companies with moderate defect are not the main

	participants in the major business activities; Or companies share consolidated statements only have common defects; Or there are no defects in internal control in major business activities, with only defects in internal control in non-major business activities.	participants in the major business activities; Or companies share consolidated statements only have common defects; Or there are no defects in internal control in major business activities, with only defects in internal control in non-major business activities.
Quantitative standards	Major defects: misstated amount is $\geq 0.5\%$ of total assets in the consolidated statements; Great defect: 0.2% of total assets in the consolidated statements \leq misstated amount $< 0.5\%$ of total assets in the consolidated statements; General defect: misstated amount $< 0.2\%$ of total assets in the consolidated statements.	Major defect: amount of direct loss $\geq 0.5\%$ of total assets in the consolidated statements; Great defect: 0.2% of total assets in the consolidated statements \leq amount of direct loss $< 0.5\%$ of total assets in the consolidated statements; General defect: amount of direct losses $< 0.2\%$ of total assets in the consolidated statements.
Number of major defects in financial reports		0
Number of major defects in non-financial reports		0
Number of great defects in financial reports		0
Number of great defects in non-financial reports		0

2. Audit Report on Internal Control

☒Applicable ☐Not applicable

Considerations in Audit Report on Internal Control	
The accounting firm believes that Shenzhen Nanshan Power Co., Ltd. has maintained effective financial report on internal control in all material aspects in accordance with the Basic Standards for Enterprise Internal Control and relevant regulations.	
Disclosure of the auditor's report on internal control	Disclosed
Full-text disclosure date of the Audit Report on Internal Control	April 23, 2025
Full-text disclosure index of the Audit Report on Internal Control	2024 Audit Report on Internal Control, http://www.cninfo.com.cn
Opinion type of the internal auditor's report	Standard unqualified opinion
Whether there are major defects in the non-financial report	No

Whether the accounting firm issues an Audit Report on Internal Control with non-standard opinions

☐Yes ☒No

Whether the Audit Report on Internal Control issued by the accounting firm is consistent with the self-evaluation report of Board of Directors

☒Yes ☐No

XV. Rectification of issues found in the self-examination of the special action on corporate governance of the listed company

The self-examination and rectification of the special action on corporate governance of the listed company has been completed in 2021. During the reporting period, the Company strictly followed the relevant laws and regulations, closely focused on the Company's development strategy, diligently performed its obligations and exercised its powers, conscientiously implemented various resolutions of the General Meeting, actively and effectively carried out various tasks of Board of Directors, and effectively safeguarded the legitimate rights and interests of the Company and all its shareholders.

Section V Environmental and social responsibilities

I. Major environmental protection issues

Whether the listed company and its subsidiaries are key pollutant-discharging units announced by the environmental protection department

☒Yes ☐No

1. Policies and industry standards related to environmental protection

The Company belongs to the thermal power generation industry under the national economic classification 4411, and is currently implementing the Emission Standards of Air Pollutants for Thermal Power Plants GB-13223-2011. At the same time, its affiliated Nanshan Power Plant strictly controls nitrogen oxide emissions in accordance with the 2018 "Shenzhen Blue" Sustainable Action Plan.

2. Administrative licenses for environmental protection

Nanshan Power Plant, the Company's subsidiary, has obtained a pollutant discharge license issued by the Nanshan Administration Bureau of Shenzhen Ecological Environment Bureau, with license No. of 91440300764983799T001P.

3. Industry emission standards and specific information on the pollutant emissions involved in production and operating activities

Name of the Company or subsidiary	Types of main pollutants and specific pollutants	Names of main pollutants and specific pollutants	Emission mode	Number of discharge outlets	Distribution of discharge outlets	Emission concentration/intensity	Pollutant emission standards	Total emissions	Total approved emissions	Excessive emission
Shenzhen Nanshan Power Co., Ltd.	Nitrogen oxides	Nitrogen oxides	Concentrated emission of boiler and chimney	3	Inside the Nanshan Power Plant	<15 mg/m ³	"Shenzhen Blue" emission standard <15mg/m ³	52.27 tons	686.25 tons	None

4. Treatment of pollutants

Shenzhen Nanshan Power Co., Ltd. owns three sets of 9E units, all of which adopt the DLN1.0+ low-nitrogen combustion system of General Electric Company. During the reporting period, the Company strictly abided by the national environmental protection laws and regulations, and the pollutants discharged met the national discharge standards. There were no environmental pollution accidents, nor were there any penalties imposed by relevant departments due to major environmental protection problems.

5. Emergency plan for environmental emergencies

The emergency plan for sudden environmental incidents has been filed with the Guangdong Provincial Environmental Protection Department and the corresponding municipal environmental protection bureau.

6. Environmental self-monitoring plan

An environmental self-monitoring plan has been prepared and reviewed by the environmental protection department; The monitoring data was disclosed timely on the environmental protection department's website.

7. Information on investment in environmental governance and protection and payment of environmental protection tax

The Company attaches great importance to environmental protection and strengthens on-site management by carrying out special tasks such as the investigation of potential environmental risks and standardized management of hazardous waste; In addition, the Company continues to increase investment on the maintenance of environmental protection facilities and improves environmental protection infrastructure. All these initiatives have greatly improved the level of pollution prevention and control. The Company pays environmental protection tax in strict accordance with the Presidential Order No. 61 of the Environmental Protection Tax Law of the People's Republic of China and other relevant laws and regulations.

8. Measures taken to reduce carbon emissions during the reporting period and the results

☒Applicable ☐Not applicable

During the reporting period, the power plants subordinate to the Company continuously improved the unit efficiency and reduced carbon emissions by taking measures such as the technical renovation of the boiler's online flue gas system.

9. Administrative penalties for environmental issues during the reporting period

None

10. Other environmental information that shall be disclosed

None

11. Other environmental protection related information

None

The Company shall comply with the disclosure requirements for power supply industry in the Shenzhen Stock Exchange Listed Company Self-Regulatory Guidelines No. 3 - Industry Information Disclosure

12. Information on environmental accidents occurring in the listed company

None

II. Social responsibilities

In 2024, although the Company faced many challenges in production, operation and management, the Company had the courage to assume social responsibilities, actively ensured power supply when the cost and price of power generation were seriously inverted, and conscientiously performed its social responsibilities to the best of its ability. In terms of work safety, the Company has been adhering to the principle of work safety, making every effort to ensure the safety and stability of power production, actively exploring the work safety management model under new business and new formats, optimizing and improving the internal work safety management system and mechanism of the Company, and carrying out work safety, technical supervision, and innovation management in an orderly manner, thus achieving the goal of "five-noes" in work safety. In terms of environmental protection, the Company strictly complied with national and local environmental protection regulations, and always adhered to the concept of clean power generation and circular economy development. All environmental protection work was effectively implemented, with environmental protection emission meeting the requirement and no environmental pollution accidents. In terms of love assistance, the Company thoroughly implemented the strategic decision-making and deployment of the central government for rural

revitalization, implemented the task of fixed-point assistance for rural revitalization in towns and villages, and dispatched a town-based assistance personnel to actively play a unique role in consumption assistance. The Company has also achieved a cumulative amount of consumption assistance of about RMB 150,000 per year by purchasing agricultural products from the work sites in the town, helping the sales of agricultural products inside and outside the province, and helping the in-depth implementation of the "High-quality Development Project for Hundreds of Counties, Thousands of Towns and Tens of Thousands of Villages" with solid actions and good results.

III. Consolidation and enhancing of the results of poverty eradication and rural revitalization

In 2024, the Company thoroughly implemented the strategic decision-making and deployment of the central government for rural revitalization, implemented the task of fixed-point assistance for rural revitalization in towns and villages, and dispatched a town-based assistance personnel to actively play a unique role in consumption assistance. The Company has also achieved a cumulative amount of consumption assistance of about RMB 150,000 per year by purchasing agricultural products from the work sites in the town, helping the sales of agricultural products inside and outside the province, and helping the in-depth implementation of the "High-quality Development Project for Hundreds of Counties, Thousands of Towns and Tens of Thousands of Villages" with solid actions and good results.

Section VI Important matters

I. Fulfillment of commitments

1. Commitments made by the Company's actual controller, shareholders, related parties, acquirers and the Company that have been fulfilled during the reporting period and have not yet been fulfilled by the end of the reporting period

☐Applicable ☒Not applicable

During the reporting period, there were no commitments made by the Company's actual controller, shareholders, related parties, acquirers and the Company that were fulfilled during the reporting period and had not yet been fulfilled by the end of the reporting period.

2. If there is a profit forecast for the Company's assets or projects and the reporting period is still in the profit forecast period, the company shall explain that the assets or projects have met the original profit forecast and the reasons for that.

☐Applicable ☒Not applicable

II. Non-operating capital occupation of the listed company by controlling shareholders and other related parties

☐Applicable ☒Not applicable

There was no non-operational occupation of funds by the controlling shareholder or other related parties of the listed company during the reporting period.

III. Illegal external guarantees

☐Applicable ☒Not applicable

The Company had no illegal external guarantees during the reporting period.

IV. Statement of the Board of Directors on the latest "Non-standard Audit Report"

☐Applicable ☒Not applicable

V. Explanation of the "Non-standard Audit Report" issued by the accounting firm for the reporting period by the Board of Directors, Board of Supervisors and independent directors (if any)

☐Applicable ☒Not applicable

VI. Description of changes in accounting policies, accounting estimates or correction of major accounting errors compared with the previous year's financial report

☒Applicable ☐Not applicable

1. Significant changes in accounting policies

Content and reasons for changes in accounting policies	Names of report items significantly affected	Affected amount
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In October 2023, the Ministry of Finance issued the Interpretation No. 17 of the Accounting Standards for Business Enterprises (CK [2023] No. 21), which stipulates the relevant contents of "the division of current liabilities and non-current liabilities", "the disclosure of financing arrangements of the supplier" and "the accounting treatment of after-sales leaseback transactions". The interpretation shall come into force as of January 1, 2024 and be implemented by the Company as of January 1, 2024.	No impact	0.00
In March 2024 and December 2024, the Ministry of Finance compiled and issued the Compilation of Application Guidelines for Accounting Standards for Business Enterprises 2024 and issued the Accounting Standards for Business Enterprises Interpretation No. 18 (CK [2024] No. 24), stipulating that the estimated liabilities arising from the quality assurance that does not belong to the individual performance obligation shall be included in the "primary business costs" and "other business costs" according to the determined amount, and shall no longer be included in the "selling and distribution expenses". The Interpretation shall come into force as of the date of issuance, and the Company shall implement the Interpretation No. 18 of the Accounting Standards for Business Enterprises as of January 1, 2024.	No impact	0.00

2. Changes in significant accounting estimates

Content and reasons for changes in accounting estimates	Approval procedure	Changes in accounting estimates Effective time point	Remark
In order to further strengthen the management of fixed assets, by sorting out the fixed assets card information of the Company and its held subsidiary, and combining with the actual use of the Company's fixed assets, the Company, in accordance with the principle of prudence, adjusted the net residual value rate of the fixed assets of house decoration, machinery equipment (except for gas turbine and generator unit), means of transport, electronic equipment and other equipment, from the original 10% to 0-5%.	It has been reviewed and approved by the Board of Directors and the Board of Supervisors	Effective from January 1, 2024	

Notes to changes in accounting estimates: for details of the changes in accounting estimates of the Company, please refer to the Announcement No. 2024-022 Announcement of Shenzhen Nanshan Power Co., Ltd. on Adjustment of Residual Value Rate of Fixed Assets and Changes in Accounting Estimates.

VII. Explanation of changes in the scope of consolidated statements compared with the previous year's financial report

☒Applicable ☐Not applicable

In July 2024, the Company's held subsidiary, Shenzhen Nanshan Power (Zhongshan) Power Co., Ltd., contributed RMB 51 million (accounting for 51%) in kind to establish Shenzhen Nanshan Power Xiwan Energy (Zhongshan) Co., Ltd. with Zhongshan Nanlang Construction Development Co., Ltd. The project was included in the scope of consolidated statements of the Company during the reporting period.

VIII. Appointment and dismissal of the accounting firm

Current accounting firm

Name of the domestic accounting firm	Lixinzhonglian CPAS (Special General Partnership)
Remuneration of the domestic accounting firm (RMB 10,000)	65
Length of audit services provided by the domestic accounting firm	6
Name of certified public accountant of domestic accounting firm	Cao Wei, Li Mincong
Length of audit services provided by certified public accountant of the domestic accounting firm	5,1

Whether to hire a new accounting firm during the current period

☐Yes ☒No

Recruitment of accounting firm, financial consultants or sponsors for internal control audit

☒Applicable ☐Not applicable

During the reporting period, the Company appointed Lixinzhonglian CPAS (Special General Partnership) as the accounting firm for the internal control audit of the Company for the year 2024, and paid RMB 210,000 for the internal control audit fee.

IX. Possible delisting after the disclosure of the annual report

☐Applicable ☒Not applicable

X. Matters related to bankruptcy and reorganization

☐Applicable ☒Not applicable

The Company had no bankruptcy or reorganization related matters during the reporting period.

XI. Major litigation and arbitration matters

☐Applicable ☒Not applicable

The Company had no major litigation or arbitration matters during the reporting period.

XII. Punishment and rectification

☐Applicable ☒Not applicable

The Company had no penalties or rectifications during the reporting period.

XIII. Integrity of the Company, its controlling shareholders and actual controllers

☒Applicable ☐Not applicable

During the reporting period, the Company and the its largest shareholder did not fail to fulfill the effective court judgments, or had large amounts of debts that were not repaid at maturity, and were in good standing in terms of integrity. The company had no controlling shareholder or actual controller during the reporting period.

XIV. Major related transactions

1. Related transactions related to daily operations

☒Applicable ☐Not applicable

Related party	Relationship	Type of related transactions	Details of related transactions	Pricing principles of related transactions	Price of related transactions	Amount of related transactions (RMB 10,000)	Proportion in the amount of similar transactions	Approved trading quota (RMB 10,000)	Whether the approved limit is exceeded	Settlement method of related transactions	Available market price of similar transactions	Disclosure date	Disclosure index
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				ctions		0)	ctions		ded		ctions		
Shenzhen MTC Co., Ltd.	Related legal person	Provision of energy management services to related persons	Energy management services	Fair value	Market price	122.69	0.28%	120	Yes	Monthly settlement	Not applicable	April 12, 2024	Announcement No.: 2024-025
Artron Art (Group) Co., Ltd. and its subsidiaries	Related legal person	Purchase of goods from related parties	Purchase of goods	Fair value	Market price	2.89	0.01%	20	No	Single settlement	Not applicable	April 12, 2024	Announcement No.: 2024-025
China Science and Technology Development Co., Ltd.	Related legal person	Provision of technical services to related persons	Technical transformation service	Fair value	Market price	5.88	0.01%		Not applicable	Single settlement	Not applicable	Not applicable	Not applicable
Shenzhen Energy Corporation	Related legal person	Rendring of services to related parties	Property custody service	Fair value	Market price	440.44	0.99%		No	Annual settlement	Not applicable	January 25, 2024	Announcement No.: 2024-005
Shenzhen Clou Electronics Co., Ltd. and its subsidiary	Related legal person	Provision of technical services to related persons	Engineering installation services	Fair value	Market price	25.27	0.06%		Not applicable	Single settlement	Not applicable	Not applicable	Not applicable
Total				-	-	597.17	-	140	-	-	-	-	-
Details of large-amount sales returns				None									
The actual performance during the reporting period (if any) if the total				It is expected that related transactions with Artron Art (Group) Co., Ltd. and its subsidiaries will amount to RMB 200,000 in 2024. The total amount of daily related transactions that									

amount estimated by category of the daily related transactions expected to occur in the current period	occurred during the reporting period is within the approved scope; It is expected that the amount of daily related transactions with Shenzhen MTC Co., Ltd. will be RMB 1.2 million. However, the actual transaction amount is RMB 1,226,900. This is due to the fact that Shenzhen Nanshan Power Environmental Protection Company, a wholly-owned subsidiary of the Company, provided energy management services to Shenzhen MTC Co., Ltd. According to the actual operation of the project, the actual transaction amount is slightly higher than the expected amount. Since the excess amount is negligible, it does not meet the criteria for special disclosure. The wholly-owned subsidiaries, Shenzhen Nanshan Power Gas Turbine Engineering Technology (Shenzhen) Co., Ltd. and Shenzhen Nanshan Power Environmental Protection (Shenzhen) Co., Ltd., respectively provided engineering installation services and technical transformation services to Sichuan Ruinan Electric Power Construction Engineering Co., Ltd. and China Science and Technology Development Co., Ltd., which are not expected in early 2024, and the transaction amount is relatively small.
Reasons for large differences between transaction prices and market reference prices (if applicable)	Not applicable

2. Related transactions involving acquisition or sale of assets or equity

☐Applicable ☒Not applicable

The Company had no related transactions involving acquisition or sale of assets or equity during the reporting period.

3. Related transactions involving joint external investment

☒Applicable ☐Not applicable

Co-investors	Relationship	Name of the investee	Primary business of the investees	Registered capital of the investee (RMB 10,000)	Total assets of the investee (RMB 10,000)	Net assets of the investee (RMB 10,000)	Net profit of the investee (RMB 10,000)
Shenzhen Capital Holdings Co., Ltd., Shenzhen Yuanzhi Energy Storage Private Fund Management Co., Ltd., etc.	Related legal person	Shenzhen New Energy Storage Industry Equity Fund Partnership (Limited Partnership)	Engage in equity investments, investment management, asset management and other activities with private funds.	651,000	325,572.40	325,572.40	345.24
Shenzhen Yuanzhi Energy Storage Private Fund Management Co., Ltd., Shenzhen Zhongke Incubation Equity Investments Fund Management Co., Ltd., Shenzhen New Energy Storage Industry Equity Fund Partnership (Limited Partnership)	Related legal person	Shenzhen Yuanzhi Zhongkai Energy Storage Technology Innovation Private Fund Partnership (Limited Partnership)	Engage in equity investments, investment management, asset management and other activities with private funds.	40,000	-	-	-

Partnership), China Science and Technology Development Co., Ltd., etc.							
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4. Related credit and debt accounts

☐Applicable ☒Not applicable

The Company had no related credit and debt accounts during the reporting period.

5. Transactions with financial companies that have relationship with the Company

☐Applicable ☒Not applicable

There were no deposits, loans, credit or other financial business between the Company and financial companies with relationship and related parties.

6. The transactions between financial companies controlled by the Company and related parties

☐Applicable ☒Not applicable

There were no deposits, loans, credit or other financial business between financial companies controlled by the Company and related parties.

7. Other major related transactions

☒Applicable ☐Not applicable

After review and approval at the 22nd extraordinary meeting of the Ninth Board of Directors of the Company, Xiefu Company, the Company and the Energy Corporation signed the Property Entrustment Management Contract, in which the Company acts as the supervisory and guiding unit, and Xiefu Company provides property lease management services to the Energy Corporation.

Related queries on the website of interim report disclosure of major related transactions

Name of the interim announcement	Disclosure date of interim announcement	Website name of the interim announcement disclosure
Announcement on the Property Lease Management Service and Related Transactions of Shenzhen Energy Corporation by Shenzhen Xiefu Energy Co., Ltd., a Held Subsidiary of the Company	January 25, 2024	cninfo.com.cn, Securities Times

XV. Major contracts and their performance

1. Custody, contracting and lease matters

(1) Custody

☐Applicable ☒Not applicable

The Company had no custody during the reporting period.

(2) Contracting

☐Applicable ☒Not applicable

The Company had no contracting during the reporting period.

(3) Lease

☐Applicable ☒Not applicable

The Company had no lease during the reporting period.

2. Material guarantee

☐Applicable ☒Not applicable

The Company had no material guarantee during the reporting period.

3. Entrusting others to asset management**(1) Entrusted wealth management**

☐Applicable ☒Not applicable

The Company had no entrusted wealth management during the reporting period.

(2) Entrusted loans

☐Applicable ☒Not applicable

The Company had no entrusted loans during the reporting period.

4. Other major contracts

☐Applicable ☒Not applicable

The Company had no other significant contracts during the reporting period.

XVI. Description of other major matters

☒Applicable ☐Not applicable

1. New energy storage industry equity fund matters: in February 2024, the Company jointly signed the Shenzhen New Energy Storage Industry Equity Fund Partnership (Limited Partnership) Partnership Agreement, with 11 parties including Shenzhen Capital Holdings Co., Ltd., Shenzhen Yuanzhi Energy Storage Private Fund Management Co., Ltd., and SHENZHEN ENERGY Corporation. In March 2024, the Company completed the first installment of the capital contribution (i.e. 50% of the subscribed capital contribution) of the Energy Storage Fund, and has completed the registration procedures for the industrial and commercial changes of the Energy Storage Fund on February 29, 2024, and has completed the procedures for the change of information related to the private investment funds on March 14, 2024 in the Asset Management Association of China. (For details, please refer to the relevant announcements disclosed by the Company in the Securities Times and cninfo.com.cn, Announcement No.: 2024-012, 014)

2. Matters related to the land of Nanshan Power Plant: in 2024, the Company accessed the Notice of Shenzhen Municipal Bureau of Planning and Natural Resources on Issuing the Shenzhen Land Consolidation Plan for 2024 again from the official website of Shenzhen Municipal Bureau of Planning and Natural Resources. Shenzhen Land Consolidation Plan for 2024 still includes the land acquisition and storage of Nanshan Power Plant and related contents, which is no substantial change from the

contents of the land preparation plan disclosed in recent years. For details, please refer to the relevant announcements disclosed by the Company in the Securities Times and cninfo.com.cn (Announcement No.: 2024-067)

Except for the above matters, the refunds due to the Company's "Project Technical Transformation Benefit Fund" had no progress or change during the reporting period.

XVII. Major events of the Company's subsidiaries

☐Applicable ☒Not applicable

The Listing and Transfer of Generating Units of Shenzhen Nanshan Power Zhongshan Company: On February 6 and February 26, 2024, the Company convened the 23rd Extraordinary Meeting of the Ninth Board of Directors, the 12th Extraordinary Meeting of the Ninth Board of Supervisors, and the Second Extraordinary General Meeting of 2024, respectively. During these meetings, the Proposal on Listing and Transfer of the Assets Related to the Generating Units and Heavy Oil Processing Line of Shenzhen Nanshan Power (Zhongshan) Power Co., Ltd., a Held Subsidiary of the Company was reviewed and approved, granting authorization for the listing and transfer of two sets of generating units along with their auxiliary equipment, as well as the heavy oil processing line equipment and spare parts of Shenzhen Nanshan Power Zhongshan Company, through the Shenzhen United Property and Equity Exchange; On May 31 and June 20, 2024, the 25th extraordinary meeting of the Ninth Board of Directors, the 14th extraordinary meeting of the Ninth Board of Supervisors and the third extraordinary general meeting in 2024 of the Company reviewed and approved the Proposal on the Re-listing and Transfer of the Assets Related to the Generating Units and Heavy Oil Processing Line of Shenzhen Nanshan Power (Zhongshan) Power Co., Ltd., a Held Subsidiary of the Company, and agreed to re-list and transfer the two sets of generating units and auxiliary equipment, heavy oil treatment line equipment and spare parts of Shenzhen Nanshan Power Zhongshan Company on the Shenzhen United Property and Equity Exchange. As of the disclosure date of this annual report, Shenzhen Nanshan Power Zhongshan Company has signed the Physical Asset Transaction Contract with Fujian Hengjing Investment Co., Ltd., and the transfer of generating unit equipment and related assets has been successful. (For details, please refer to the relevant announcements disclosed by the Company on the Securities Times and cninfo.com.cn, with Announcement No.: 2024-008, 009, 010, 013, 032, 033, 035, 043, 068, 069, 070, 075, 2025-002)

Section VII Changes in shares and shareholders

I. Changes in shares

1. Changes in shares

Unit: Share

	Before the change		Increase or decrease in the change (+, -)					After the change	
	Quantity	Scale	Issuance of new shares	Bonus shares	Conversion of provident fund into shares	Others	Subtotal	Quantity	Scale
I. Shares subject to selling restrictions	12,994	0.0022%				-12,994	-12,994	0	0.00%
1. State shareholding									
2. State-owned legal person shareholding									
3. Other domestic shareholdings	12,994	0.0022%				-12,994	-12,994	0	0.00%
Including: domestic legal person shareholding									
Domestic natural person shareholding	12,994	0.0022%				-12,994	-12,994	0	0.00%
4. Foreign shareholding									
Including:									

foreign legal person shareholding									
Foreign natural person shareholding									
II. Shares without selling restrictions	602,749,602	99.9978%				12,994	12,994	602,762,596	100.00%
1. RMB ordinary shares	338,895,156	56.2236%				12,994	12,994	338,908,150	56.2258%
2. Domestic-listed foreign shares	263,854,446	43.7742%						263,854,446	43.7742%
3. Overseas-listed foreign shares									
4. Others									
III. Total number of shares	602,762,596	100.00%				0	0	602,762,596	100.00%

Reasons for changes in shares

☒Applicable ☐Not applicable

At the end of the reporting period, Ms. Zhang Jie left her post for 6 months and her original term of office expired for 6 months, and her 17,325 A shares of the Company were all unlocked in accordance with relevant regulations.

Approval status of changes in shares

☐Applicable ☒Not applicable

Transfer status of changes in shares

☐Applicable ☒Not applicable

The impact of changes in shares on basic earnings per share and diluted earnings per share, net assets per share attributable to the Company's ordinary shareholders, and other financial indicators in the most recent year and the most recent period

☐Applicable ☒Not applicable

Other information that the Company deems necessary or that securities regulators require to be disclosed

☐Applicable ☒Not applicable

2. Changes in shares with selling restrictions

☒Applicable ☐Not applicable

Unit: Share

Name	Beginning number of restricted shares	Increase in restricted shares in the current period	Number of restricted shares lifted in the current period	Ending number of restricted shares	Reasons for sales restriction	Date of lifting sales restrictions
Zhang Jie	12,994	0	12,994	0	Ms. Zhang Jie used to be the Deputy General Manager of the Company, and her original term of office was until April 26, 2024. According to relevant regulations, part of the Company's shares held by her was restricted.	October 26, 2024
Total	12,994	0	12,994	0	--	--

II. Issuance and listing of securities

1. Securities issuance (excluding preferred shares) during the reporting period

☐Applicable ☒Not applicable

2. Explanation of changes in the Company's total number of shares and shareholder structure, and changes in the Company's asset and liability structure

☐Applicable ☒Not applicable

3. Existing internal employee shares

☐Applicable ☒Not applicable

III. Shareholders and actual controllers

1. Number of the Company's shareholders and shareholding status

Unit: Share

Total number of	39,609	Total number of	40,424	Total number of	0	Total number of preferred shareholders whose voting	0
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ordinary shareholder s at the end of the reporting period		ordinary shareholder s at the end of the previous month before the annual report disclosure date		preferred shareholder s whose voting right were restored at the end of the reporting period (if any) (see Note 8)		right were restored at the end of the previous month before the annual report disclosure date (if any) (see Note 8)		
Shareholding status of shareholders holding more than 5% of the shares or the top 10 shareholders (excluding shares lent through refinancing)								
Name	Nature of shareholder	Sharehold ing ratio	Number of shares held at the end of the reporting period	Increases and decreases during the reporting period	Number of shares held with selling restrictions	Number of shares with selling restrictions	Pledge, marking or freezing	
							Share status	Quantity
HONG KONG NAM HOI (INTERNA TIONAL) LTD	Overseas legal person	15.28%	92,123,248	0	0	92,123,248	Not applicable	0
Shenzhen Guangju Industrial Co., Ltd.	State- owned legal person	12.22%	73,666,824	0	0	73,666,824	Not applicable	0
Shenzhen Energy Corporatio n	State- owned legal person	10.80%	65,106,130	0	0	65,106,130	Not applicable	0
Zeng Ying	Domestic natural person	1.19%	7,159,600	0	0	7,159,600	Not applicable	0
GUOTAI JUNAN SECURITI ES (HONG KONG) LIMITED	Overseas legal person	1.09%	6,592,879	4,436,997	0	6,592,879	Not applicable	0
Li Baoqin	Domestic natural person	0.97%	5,835,773	2,787,623	0	5,835,773	Not applicable	0
China Merchants Securities (Hong Kong) Co., Ltd.	Overseas legal person	0.90%	5,438,154	107,300	0	5,438,154	Not applicable	0
BOCI SECURITI ES	Overseas legal person	0.73%	4,423,066	-7,098,982	0	4,423,066	Not applicable	0

LIMITED								
LISHERY NZHANMI NG	Overseas natural person	0.69%	4,149,400	143,441	0	4,149,400	Not applicable	0
Haitong Internation al Securities Company Limited- Account Client	Overseas legal person	0.65%	3,908,357	0	0	3,908,357	Not applicable	0
Strategic investors or general legal persons becoming the top 10 shareholders due to allotment of new shares (if any) (see Note 3)				None				
Explanation of the above-mentioned shareholders' relationship or concerted actions				1. Shenzhen Energy Corporation holds 100% equity in HONG KONG NAM HOI (INTERNATIONAL) LTD 2. The Company is unaware of whether the above-mentioned other public shareholders have any relationship or are persons acting in concert.				
Explanation of the circumstances in which the above-mentioned shareholders involve entrusted voting right and abstention from voting right				None				
Special note on the existence of a special repurchase account among the top 10 shareholders (if any) (see Note 10)				None				
The shareholding situation of the top 10 shareholders with unrestricted tradable shares (excluding shares lent out through refinancing and senior executive/locked shares)								
Name			Number of shares without selling restrictions held at the end of the reporting period	Type of shares				
				Type of shares			Quantity	
HONG KONG NAM HOI (INTERNATIONAL) LTD			92,123,248	Domestic listed foreign shares			92,123,248	
Shenzhen Guangju Industrial Co., Ltd.			73,666,824	RMB ordinary shares			73,666,824	
Shenzhen Energy Corporation			65,106,130	RMB ordinary shares			65,106,130	
Zeng Ying			7,159,600	Domestic listed foreign shares			7,159,600	
GUOTAI JUNAN SECURITIES (HONG KONG) LIMITED			6,592,879	Domestic listed foreign shares			6,592,879	
Li Baoqin			5,835,773	RMB ordinary shares			2,790,000	
				Domestic listed foreign shares			3,045,773	
China Merchants Securities (Hong Kong) Co., Ltd.			5,438,154	Domestic listed foreign shares			5,438,154	
BOCI SECURITIES LIMITED			4,423,066	Domestic listed foreign shares			4,423,066	
LISHERYNZHANMING			4,149,400	Domestic listed foreign shares			4,149,400	
Haitong International Securities Company Limited-Account Client			3,908,357	Domestic listed foreign shares			3,908,357	
Explanation of relationship or concerted action among the top 10 shareholders of tradable shares without selling restrictions, and between the top 10 shareholders of tradable shares without selling restrictions and the top 10			1. Shenzhen Energy Corporation holds 100% equity in HONG KONG NAM HOI (INTERNATIONAL) LTD 2. The Company is unaware of whether the above-mentioned other public shareholders have any relationship or are persons acting in concert.					

shareholders	
Description of the top 10 ordinary shareholders' participation in margin trading and securities lending business (if any) (see Note 4)	None

Participation of shareholders holding more than 5% of the shares, the top 10 shareholders and the top 10 shareholders of unrestricted tradable shares in refinancing business and lending shares

☐Applicable ☒Not applicable

Changes of the top 10 shareholders and the top 10 shareholders of unrestricted tradable shares compared with the previous period due to refinancing lending/repayment

☐Applicable ☒Not applicable

Whether the Company's top 10 ordinary shareholders and the top 10 ordinary shareholders without selling restrictions conducted agreed repurchase transactions during the reporting period

☐Yes ☒No

The the Company's top 10 ordinary shareholders and the top 10 ordinary shareholders without selling restrictions did not engage in any agreed repurchase transactions during the reporting period.

2. Information on the Company's controlling shareholder

Nature of controlling shareholder: none

Type of controlling shareholders: none

Explanation that the Company has no controlling shareholder

Currently, the Company has no controlling shareholder as defined in the Company Law and Stock Listing Rules.

Changes in controlling shareholders during the reporting period

☐Applicable ☒Not applicable

The Company's controlling shareholder did not change during the reporting period.

3. The Company's actual controller and its persons acting in concert

Nature of actual controller: no actual controller

Type of actual controller: do not exist

Explanation of the fact that the Company has no actual controller

At present, the Company does not meet the criteria for identifying actual controller of a listed company as stipulated in the Company Law, the Measures for the Administration of Acquisition of Listed Companies and the Stock Listing Rules.

Whether there are shareholders with a shareholding ratio of more than 10% at the Company's ultimate controlling level

☐Yes ☒No

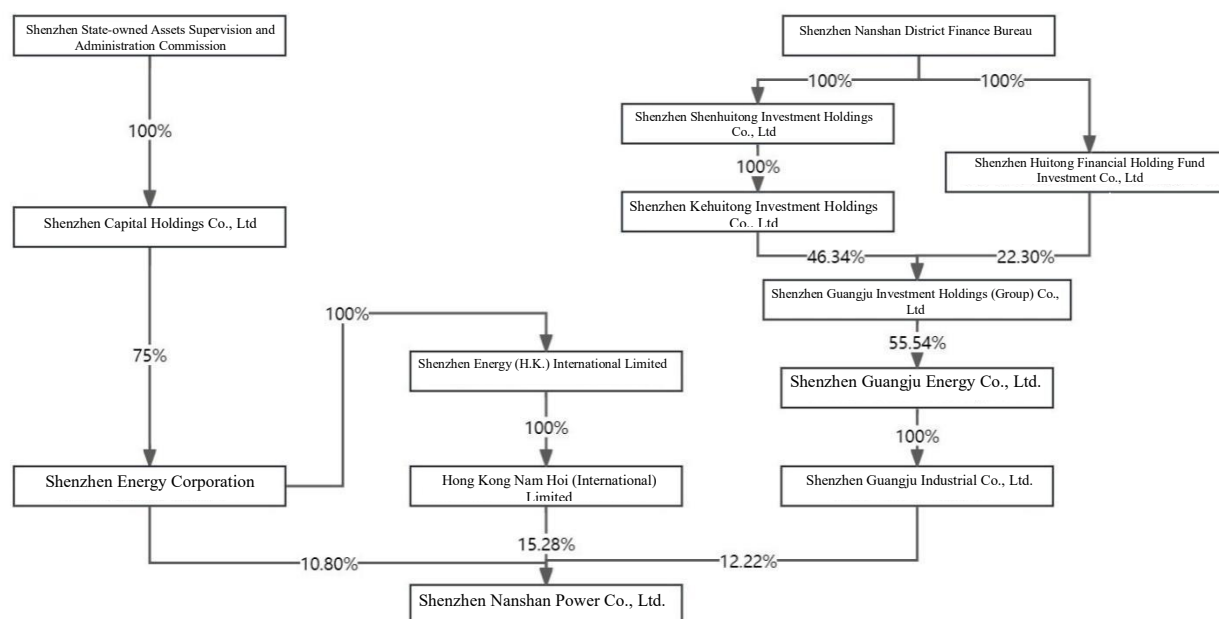
☐Shareholders holding more than 5% of the Company's ultimate controlling level ☐Shareholders holding less than 5% of total controlling level of the Company

Changes in actual controller during the reporting period

☐Applicable ☒Not applicable

The Company's actual controller did not change during the reporting period.

Block diagram of property rights and control relationship between the Company and the actual controller



Actual controller controls the Company through trust or other asset management methods

☐Applicable ☒Not applicable

4. Cumulative number of pledged shares by the Company's controlling shareholder or largest shareholder and persons acting in concert accounts for 80% of the Company's shares held by them.

☐Applicable ☒Not applicable

5. Other legal person shareholders holding more than 10% of the shares

☒Applicable ☐Not applicable

Name of legal person shareholder	Legal representative/company principal	Date of establishment	Registered capital	Main business or management activities
HONG KONG NAM HOI (INTERNATIONAL) LTD	Kong Guoliang	May 14, 1985	HKD 15.33 million	Investment holdings
Shenzhen Guangju Industrial Co., Ltd.	Deng Zhenwu	May 31, 1989	RMB 111.11 million	Establishing industries and investing in power (specific projects will be declared separately), etc.
Shenzhen Energy Corporation	Kong Guoliang	July 15, 1985	RMB 230,971,224	Development, production, purchase and sale of various conventional energy sources (including electricity, heat, coal, oil and gas) and new energy sources

6. Shareholding restrictions and reductions of controlling shareholders, actual controllers, reorganizers and other commitment entities

☐Applicable ☒Not applicable

IV. Specific implementation of share repurchases during the reporting period

Progress of implementation in share repurchase

☐Applicable ☒Not applicable

Implementation progress of reducing repurchased shares in centralized bidding transaction method

☐Applicable ☒Not applicable

Section VIII Preferred shares

☐Applicable ☒Not applicable

There were no preferred shares in the Company during the reporting period.

Section IX Bonds

☐Applicable ☒Not applicable

Section X Financial report

Type of audit opinion	Unqualified opinion
Signing date of auditor's report	April 21, 2025
Name of audit agency	Lixinzhonglian CPAS (Special General Partnership)
Auditor's Report No.	LXZLSZ [2025] No. D-0857
Name of certified public accountant	Cao Wei, Li Mincong

Auditor's Report

LXZLSZ [2025] No. D-0857

To shareholders of Shenzhen Nanshan Power Co., Ltd.,

I. Audit opinions

We have audited the accompanying financial statements of Shenzhen Nanshan Power Co., Ltd. (hereinafter referred to as "Shenzhen Nanshan Power"), which comprise the consolidated and parent company's balance sheet as at December 31, 2024, the consolidated and parent company's income statement, the consolidated and parent company's statement of cash flows, the consolidated and parent company's statement of changes in shareholders' equity for the year then ended, and the notes to the financial statements.

In our opinion, the financial statements attached are prepared, in all material respects, in accordance with the Accounting Standards for Business Enterprises, and present fairly the consolidated and parent company's financial positions of Shenzhen Nanshan Power as at December 31, 2024 and the consolidated and parent company's operating results and cash flows for the year then ended.

II. Basis for Opinion

We conducted our audit in accordance with Auditing Standards for Certified Public Accountants in China. Our responsibilities under those standards are further described in the "Auditors' Responsibilities for the Audit of the Financial Statements" of this auditor's report. According to the Code of Ethics for Certified Public Accountants of China, we are independent of Shenzhen Nanshan Power, and we have fulfilled other responsibilities in the aspect of code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

III. Key audit matters

Key audit matters are those matters that, in our professional judgment, are of most significance in our audit of the financial statements for the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How these matters were addressed in the audit
(I) Revenue recognition	
<p>For details accounting policies for revenue recognition and analysis of revenue, please consolidated financial statements to accounting policies described in Note (XXVIII) of "III. Significant accounting policies and accounting estimates" of the Notes to the Consolidated Financial Statements and Note (XXXIX) of "V. Notes to consolidated financial statements".</p> <p>In 2024, Shenzhen Nanshan Power's consolidated operating revenue of RMB 442,971,955.85, with a decrease of 24.89% from the previous period.</p> <p>As operating revenue is one of the Company's key performance indicators and there is an inherent risk that the time point of revenue recognition may be manipulated to meet specific goals or expectations, we identified recognition of operating revenue as a key audit matter.</p>	<p>The audit procedures related to the recognition of operating revenue include the following procedures:</p> <ol style="list-style-type: none"> 1. Evaluating the design and operating effectiveness of key internal control related to revenue recognition; 2. For power production and sales revenue, we obtained and checked the electricity sales contract and settlement statements, and confirmed the balance of accounts receivable at the end of the period and the current operating revenue, and confirmed the authenticity of the electricity sales revenue in combination with the post-period accounts receivable; 3. For revenue from integrated energy services, we obtained and reviewed the Company's accounting policies, understood and evaluated the management's method of determining the completion progress, evaluated the rationality of time point of revenue recognition, and determined the rationality of the project completion progress by checking external evidence such as project contracts, project delivery, acceptance settlement, etc., and confirmed the authenticity and completeness of revenue from integrated energy services in combination with the confirmation reply and post-period collection; 4. Performing substantive analysis procedures on operating revenue and gross margin to determine the rationality

	<p>y of changes in operating revenue and gross margin during the current period;</p> <p>5. Performing a cut-off testing on operating revenue to evaluate whether operating revenue has been included in the appropriate accounting period.</p> <p>6. Checking whether information related to operating revenue has been properly reported in the financial statements</p>
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(II) Asset impairment

<p>Please refer to accounting policies described in Notes (XI), (XII) and (XXII) of "III. Significant accounting policies and accounting estimates " in the notes to the financial statements.</p> <p>As of December 31, 2024, the total book value of inventories, investments in other equity instruments, fixed assets and construction in progress in the consolidated financial statements of the Company is RMB 893,219,934.18, accounting for 44.38% of the total consolidated assets, which is an important part of the assets of the Company.</p> <p>The Shenzhen Nanshan Power's management conducts an impairment test on inventories and evaluates whether there are any indications of impairment in the above-mentioned other assets. If indications of impairment are identified, the management calculates recoverable amount of the individual asset or the asset group to which it belongs, and conducts impairment test on it by comparing</p>	<p>Our audit procedures regarding asset impairment include:</p> <p>1. Evaluating and testing the design and implementation effectiveness of internal control related to asset impairment;</p> <p>2. Obtaining accounting policies for asset impairment, check whether the provision method of asset impairment complies with regulations, and obtain and review the details of provision for asset impairment made by the management;</p> <p>3. Supervising the inventories, checking the quantity and status of the inventories, obtaining the latest financial statements and other information of the investees, understanding the operating conditions of the investees, selecting samples to implement the supervision procedure of long-term assets to understand whether the assets have problems such as backward technology, long-term idleness, and low load rate;</p>
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<p>recoverable amount with book value.</p> <p>Since Shenzhen Nanshan Power's management needs to use significant accounting estimates and judgments when determining the estimated recoverable amount of assets, which have significant affected amount, we determine the asset impairment loss as a key audit matter.</p>	<p>3. Using the work of external appraiser experts to conduct a comprehensive evaluation of the external appraiser's qualifications, competencies, assessment methods and various parameters used in the assessment.</p>
<p>(III) Recognition of income from relocation compensation</p>	
<p>For the state-owned land use rights of three parcels located in Hengmen Industrial Zone, Nanlang Sub-district, Cuiheng New District, Zhongshan City, belonging to Shenzhen Nanshan Power (Zhongshan) Power Co., Ltd., a subsidiary of Shenzhen Nanshan Power, Plot A was acquired and reserved with the transfer procedures with Cuiheng New District Management Committee, Zhongshan City. Shenzhen Nanshan Power recognized the land acquisition and reservation compensation price of RMB 224.7116 million for Plot A in 2024. The final recognized cost expenditure for Plot A was RMB 61.6930 million, and the net income from the land acquisition was RMB 163.0186 million.</p> <p>Due to the significant amount of relocation compensation, which has a significant impact on the operating results of Shennan Power in 2024, we have identified the recognition of relocation compensation income as a key audit matter.</p>	<p>We have mainly performed the following audit procedures for the recognition of income from relocation compensation:</p> <ol style="list-style-type: none"> 1. By comparing the Accounting Standards for Business Enterprises No. 42 - Non-current Assets Held for Sale, Disposal Groups and Discontinued Operations and other accounting standards and application guidelines, as well as the CSRC's Guidelines for the Application of Regulatory Rules - Accounting No. 3, analyze whether the relocation compensation income recognition policy adopted by Shenzhen Nanshan Power is appropriate. 2. Obtaining and checking the land acquisition and storage contract, analyzing and check the contract terms, and reviewing the agreement on the rights and obligations of the parties to the contract, so as to check the accuracy of the time point of loss of control of the disposed assets. 3. Inquiring and communicating with the Shenzhen Nanshan Power's management (hereinafter referred to as the "management") to understand the relocation process and the performance of Shenzhen Nanshan Power's obligation.

	<p>ions; analyzing and evaluating the reasonableness of the relevant accounting estimates and judgments of the management to confirm the relocation compensation.</p> <p>4. Obtaining the acceptance and handover data of the relocated land plot, checking the land handover confirmation letter, and verify the handed-over land plot and the handover date.</p> <p>5. Reviewing the relocation expenses incurred during the relocation period and the amount of disposal and scrapping losses of related assets, and confirming whether the amount of profit or loss carried forward is correct.</p> <p>6. Checking the relocation plot on site, checking the relocation progress, and confirming whether the land is in a clear land state.</p> <p>7. Reviewing the adequacy and appropriateness of the presentation and disclosure of relocation compensation income in the financial statements.</p>
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IV. Other information

Shenzhen Nanshan Power's management (hereinafter referred to as the "management") is responsible for other information. Other information includes information included in the relevant documents constituting the 2024 Annual Report, but excludes the financial statements and our auditor's report.

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

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

If we determine, based on the work we have performed, that other information is materially misstated, we should report that fact. We have nothing to report in this regard.

V. Responsibilities of the Management and Those Charged with Governance for the Financial Statements

The management is responsible for preparing the financial statements in accordance with the requirements of the Accounting Standards for Business Enterprises to achieve a fair presentation, and for designing, implementing and maintaining internal control that is necessary to ensure that the financial statements are free from material misstatements, whether due to frauds or errors.

In preparing the financial statements, the Management is responsible for assessing the Shenzhen Nanshan Power's going-concern ability, disclosing the matters related to going concern and using the going-concern assumption unless the management either intends to liquidate Shenzhen Nanshan Power or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Shenzhen Nanshan Power's financial reporting process.

VI. Auditors' Responsibilities for the Audit of the Financial Statements

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

In the process of performing audit work in accordance with the auditing standards, we use professional judgment and maintain professional skepticism. Meanwhile, we also:

- (1) identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (2) understanding internal control related to the audit in order to design audit procedures that are appropriate in the circumstances.
- (3) evaluating the appropriateness of accounting policies used by and the reasonableness of accounting estimates and related disclosures made by the management.
- (4) drawing conclusions on the appropriateness of the management's use of going concern basis. Meanwhile, according to the audit evidence acquired, the management comes to conclusion on matters which may cause significant misgiving against the going-concern ability of Shenzhen Nanshan Power or whether the said situation exists material uncertainty or not. If we conclude that a material uncertainty exists, auditing standards require us to draw the attention of users of the financial statements to the related disclosures in financial statements in our auditor's report; If such disclosures are inadequate, we should modify our opinion. Our conclusions are based on the information available as of the date of our auditor's report. However, future events or conditions

may cause Shenzhen Nanshan Power to cease to continue as a going concern.

(5) evaluating the overall presentation, structure and content of financial statements, and evaluate whether financial statements fairly reflect relevant transactions and events.

(6) obtaining sufficient appropriate audit evidence regarding the financial information of the entities or business activities within Shenzhen Nanshan Power to express an opinion on the financial statements. We are responsible for directing, supervising and performing group audits and take full responsibility for our audit opinions.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that are of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report, unless these matters are forbidden by laws and regulations to be disclosed or in extremely rare circumstances, when the negative impact arising from the reasonable and expected communication about a certain matter in a audit report exceeds the public interest benefits arising therefrom, we determine that such matter should not be communicated in the auditors' report.

Lixinzhonglian CPAS (Special General Partnership)

Certified Public Accountant of China: Cao Wei

(Engagement Partner)

Certified Public Accountant of China: Li Mincong

Tianjin, China

April 21, 2025

Financial Statements

1. Consolidated balance sheet

Prepared by: Shenzhen Nanshan Power Co., Ltd.

Unit: RMB

Item	December 31, 2024	January 1, 2024
Current assets:		
Monetary funds	478,979,221.66	316,188,782.49
Balances with clearing companies		
Loans to banks and other financial institutions		
Financial assets held for trading		226,000,000.00
Derivative financial assets		
Notes receivable		
Accounts receivable	67,817,025.91	111,975,251.10
Receivables financing		
Advances to suppliers	19,062,352.04	26,869,175.59
Premiums receivable		
Reinsurance accounts receivable		
Receivable reinsurance contract reserve		
Other receivables	131,831,575.62	19,233,117.52
Including: interest receivable		
Dividends receivable		
Financial assets purchased under resale agreements		
Inventories	80,234,374.79	86,158,251.16
Contract assets	95,580.68	88,000.00
Assets held for sale	24,582,784.59	
Non-current assets due within one year		
Other current assets	285,528,539.22	232,865,968.63
Total current assets	1,088,131,454.51	1,019,378,546.49
Non-current assets:		
Issuance of loans and advances		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investments	90,587,521.44	90,001,176.04
Other investments in equity instruments	354,798,054.57	300,615,000.00
Other non-current financial assets		
Investment properties	1,498,009.84	1,664,566.60
Fixed assets	451,203,790.97	571,482,734.35

Construction in progress	6,983,713.85	3,448,855.10
Productive biological assets		
Oil and gas assets		
Right-of-use assets	6,160,020.43	2,266,946.42
Intangible assets	1,349,731.81	19,285,629.03
Development expenses		
Goodwill		
Long-term deferred expenses	5,802,861.77	3,891,832.93
Deferred tax assets	625,000.00	1,172,366.49
Other non-current assets	5,596,476.40	36,157,735.24
Total non-current assets	924,605,181.08	1,029,986,842.20
Total assets	2,012,736,635.59	2,049,365,388.69
Current liabilities:		
Short-term borrowings	268,615,009.19	341,237,886.72
Loans from the Central Bank		
Loans from banks and other financial institutions		
Financial liabilities held for trading		
Derivative financial liabilities		
Notes payable		
Accounts payable	14,022,157.61	4,342,166.50
Advances from customers		
Contract liabilities	50,000.00	
Financial assets sold under repurchase agreements		
Customer bank deposits and due to banks and other financial institutions		
Receivings from vicariously traded securities		
Receivings from vicariously underwritten securities		
Employee compensation payable	16,052,879.47	46,238,982.57
Taxes payable	14,348,908.04	3,089,330.47
Other payables	15,685,234.29	13,973,447.42
Including: interest payable		
Dividends payable		
Handling charges and commissions		
Reinsurance accounts payable		
Liabilities held for sale		
Non-current liabilities due within one year	4,466,835.32	3,926,326.45
Other current liabilities	107,922,984.82	
Total current liabilities	441,164,008.74	412,808,140.13
Non-current liabilities:		
Reserves for insurance contract		

Long-term borrowings		58,829,426.30
Bonds payable		
Including: preferred shares		
Perpetual bonds		
Lease liabilities	2,125,910.18	
Long-term payables		
Long-term employee compensations payable		
Estimated liabilities		15,000,000.00
Deferred income	61,522,875.97	67,869,348.07
Deferred tax liabilities		
Other non-current liabilities		104,045,112.54
Total non-current liabilities	63,648,786.15	245,743,886.91
Total liabilities	504,812,794.89	658,552,027.04
Owners' equity:		
Equity	602,762,596.00	602,762,596.00
Other equity instruments		
Including: preferred shares		
Perpetual bonds		
Capital reserve	362,770,922.10	362,770,922.10
Less: treasury shares		
Other comprehensive income	1,683,054.57	-2,500,000.00
Special reserve		
Surplus reserve	332,908,397.60	332,908,397.60
General risk reserve		
Undistributed profits	185,255,604.81	163,346,776.24
Total equity attributable to the owners of the parent company	1,485,380,575.08	1,459,288,691.94
Minority interests	22,543,265.62	-68,475,330.29
Total owners' equity	1,507,923,840.70	1,390,813,361.65
Total liabilities and owners' equity	2,012,736,635.59	2,049,365,388.69

Legal representative: Kong Guoliang Chief Accountant: Chen Yuhui Chief Financial Officer: Zhang Xiaoyin Head of the Finance Department: Lin Xiaojia

2. Parent Company's Balance Sheet

Unit: RMB

Item	December 31, 2024	January 1, 2024
Current assets:		
Monetary funds	408,963,344.55	288,209,271.60
Financial assets held for trading		226,000,000.00
Derivative financial assets		

Notes receivable		
Accounts receivable	26,641,173.11	26,981,407.91
Receivables financing		
Advances to suppliers	17,256,415.27	15,384,546.45
Other receivables	614,157,681.93	714,553,901.02
Including: interest receivable		
Dividends receivable		
Inventories	76,391,256.94	79,966,182.19
Contract assets		
Assets held for sale		
Non-current assets due within one year		
Other current assets	236,196,142.37	225,282,791.79
Total current assets	1,379,606,014.17	1,576,378,100.96
Non-current assets:		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investments	568,752,639.83	495,642,748.40
Other investments in equity instruments	110,615,000.00	160,615,000.00
Other non-current financial assets		
Investment properties		
Fixed assets	351,782,033.61	270,785,343.05
Construction in progress	1,654,419.67	2,267,334.95
Productive biological assets		
Oil and gas assets		
Right-of-use assets	6,160,020.43	2,266,946.42
Intangible assets	1,234,568.04	159,361.27
Development expenses		
Goodwill		
Long-term deferred expenses	5,802,861.77	699,249.25
Deferred tax assets		
Other non-current assets	857,135.84	857,135.84
Total non-current assets	1,046,858,679.19	933,293,119.18
Total assets	2,426,464,693.36	2,509,671,220.14
Current liabilities:		
Short-term borrowings	106,590,219.19	341,237,886.72
Financial liabilities held for trading		
Derivative financial liabilities		
Notes payable	132,000,000.00	
Accounts payable	7,836,364.14	896,652.87

Advances from customers		
Contract liabilities		
Employee compensation payable	10,343,784.13	7,012,680.38
Taxes payable	4,194,761.79	1,413,720.40
Other payables	249,849,964.57	203,625,916.75
Including: interest payable		
Dividends payable		
Liabilities held for sale		
Non-current liabilities due within one year	4,466,835.32	3,926,326.45
Other current liabilities		
Total current liabilities	515,281,929.14	558,113,183.57
Non-current liabilities:		
Long-term borrowings		58,829,426.30
Bonds payable		
Including: preferred shares		
Perpetual bonds		
Lease liabilities	2,125,910.18	
Long-term payables		
Long-term employee compensations payable		
Estimated liabilities		
Deferred income	60,705,055.43	48,280,623.30
Deferred tax liabilities		
Other non-current liabilities		
Total non-current liabilities	62,830,965.61	107,110,049.60
Total liabilities	578,112,894.75	665,223,233.17
Owners' equity:		
Equity	602,762,596.00	602,762,596.00
Other equity instruments		
Including: preferred shares		
Perpetual bonds		
Capital reserve	289,963,039.70	289,963,039.70
Less: treasury shares		
Other comprehensive income		
Special reserve		
Surplus reserve	332,908,397.60	332,908,397.60
Undistributed profits	622,717,765.31	618,813,953.67
Total owners' equity	1,848,351,798.61	1,844,447,986.97
Total liabilities and owners' equity	2,426,464,693.36	2,509,671,220.14

Legal representative: Kong Guoliang Chief Accountant: Chen Yuhui Chief Financial Officer: Zhang Xiaoyin Head of the Finance Department: Lin Xiaojia

3. Consolidated Income Statement

Unit: RMB

Item	Year 2024	Year 2023
I. Total operating revenue	442,971,955.85	589,780,190.71
Including: operating revenue	442,971,955.85	589,780,190.71
Interest income		
Premiums earned		
Handling charges and commission income		
II. Total operating costs	546,888,840.95	685,824,056.18
Including: operating costs	415,446,732.39	581,442,543.98
Interest costs		
Handling charges and commission expenses		
Surrender value		
Net amount of compensation payout		
Net amount withdrawn for insurance contract reserves		
Policy dividends		
Reinsurance costs		
Taxes and surcharges	4,621,861.58	4,799,616.56
Selling and distribution expenses	3,155,604.58	2,831,748.65
G&A expenses	95,507,099.03	58,330,596.87
R&D expenses	21,341,778.27	26,839,912.74
Financial expenses	6,815,765.10	11,579,637.38
Including: interest expenses	11,829,545.09	18,665,115.07
Interest income	5,185,764.60	7,358,119.93
Plus: other income	6,867,023.46	44,505,889.51
Investment income (losses expressed with "-")	84,488,299.90	34,997,898.47
Including: investment income from associates and joint ventures	6,326,077.76	7,719,627.80
Gains from derecognition of financial assets measured at amortized costs		
Exchange gains (losses expressed with "-")		
Net exposure hedging gains (losses expressed with "-")		
Gains from fair value changes (losses expressed with "-")		
Losses from credit impairment (losses expressed with "-")	-11,381,410.65	1,190,348.40
Asset impairment loss (losses expressed with "-")	-66,389,539.68	-162,985.78
Gains from disposal of assets (losses expressed with "-")	163,529,971.97	1,886,136.92
III. Operating profit (losses expressed with "-")	73,197,459.90	-13,626,577.95
Plus: non-operating revenue	553,068.40	11,687,001.25
Less: non-operating expenses	135,334.48	66,116.23
IV. Total profit (total losses expressed with "-")	73,615,193.82	-2,005,692.93

Less: income tax expenses	9,687,769.34	
V. Net profit (losses expressed with "-")	63,927,424.48	-2,005,692.93
(I) Classification by business continuity	63,927,424.48	-2,005,692.93
1. Net profit from continuing operations (net losses expressed with "-")	63,927,424.48	-2,005,692.93
2. Net profit from discontinued operations (net losses expressed with "-")		
(II) Classification by ownership	63,927,424.48	-2,005,692.93
1. Net profit attributable to shareholders of the parent company	21,908,828.57	4,158,797.10
2. Minority interest income	42,018,595.91	-6,164,490.03
VI. Net after-tax amount of other comprehensive income	4,183,054.57	
Net after-tax amount of other comprehensive income attributable to owners of parent company	4,183,054.57	
(I) Other comprehensive income that cannot be reclassified into profit or loss	4,183,054.57	
1. Remeasurement of changes in defined benefit plans		
2. Other comprehensive income that cannot be transferred to profit or loss under the equity method		
3. Fair value changes of investments in other equity instruments	4,183,054.57	
4. Fair value changes of the enterprise's own credit risk		
5. Others		
(II) Other comprehensive income that will be reclassified to profit or loss		
1. Other comprehensive income that can be transferred to profit or loss under the equity method		
2. Fair value changes of other debt investments		
3. Amount of financial assets reclassified and included in other comprehensive income		
4. Provision for credit impairment of other debt investments		
5. Cash flow hedging reserve		
6. Differences arising from foreign currency financial statements		
7. Others		
Net after-tax amount of other comprehensive income attributable to minority shareholders		
VII. Total comprehensive income	68,110,479.05	-2,005,692.93
Total comprehensive income attributable to owners of the parent company	26,091,883.14	4,158,797.10
Total comprehensive income attributable to minority shareholders	42,018,595.91	-6,164,490.03
VIII. Earnings per share		
(I) Basic earnings per share	0.0363	0.0069
(II) Diluted earnings per share	0.0363	0.0069

For business combination under common control that occurred in the current period, the net profit realized by the combined party before the combination was: RMB , and the net profit realized by the combined party in the previous period was: RMB .

Legal representative: Kong Guoliang Chief Accountant: Chen Yuhui Chief Financial Officer: Zhang Xiaoyin Head of the Finance Department: Lin Xiaojia

4. Parent company's income statement

Unit: RMB

Item	Year 2024	Year 2023
I. Operating revenue	379,476,727.51	391,649,949.09
Less: operating costs	342,873,813.14	363,689,532.32
Taxes and surcharges	2,310,988.15	2,280,457.39
Selling and distribution expenses	1,051,335.73	963,163.50
G&A expenses	64,842,087.48	33,986,762.85
R&D expenses	16,117,457.80	13,244,617.52
Financial expenses	-10,921,290.44	-14,764,469.81
Including: interest expenses	10,825,393.90	14,182,249.86
Interest income	22,013,162.19	29,605,337.48
Plus: other income	5,471,255.16	30,169,947.71
Investment income (losses expressed with "-")	35,323,947.41	32,562,187.79
Including: investment income from associates and joint ventures	6,563,378.70	6,966,316.30
Income from derecognition of financial assets measured at amortized costs (losses expressed with "-")		
Net exposure hedging gains (losses expressed with "-")		
Gains from fair value changes (losses expressed with "-")		
Losses from credit impairment (losses expressed with "-")		1,105,348.40
Asset impairment loss (losses expressed with "-")	-718,034.64	-
Gains from disposal of assets (losses expressed with "-")	295,289.14	1,749,289.52
II. Operating profit (losses expressed with "-")	3,574,792.72	57,836,658.74
Plus: non-operating revenue	453,068.40	4,287,730.08
Less: non-operating expenses	124,049.48	58,115.11
III. Total profit (total losses expressed with "-")	3,903,811.64	62,066,273.71
Less: income tax expenses		
IV. Net profit (net losses expressed with "-")	3,903,811.64	62,066,273.71
(I) Net profit from continued operations (net losses expressed with "-")	3,903,811.64	62,066,273.71
(II) Net profit from discontinued operations (net losses expressed with "-")		
V. Net of tax of other comprehensive income		
(I) Other comprehensive income that cannot be reclassified into profit or loss		
1. Remeasurement of changes in defined benefit plans		
2. Other comprehensive income that cannot be transferred to profit or loss under the equity method		
3. Fair value changes of investments in other equity instruments		
4. Fair value changes of the enterprise's own credit risk		
5. Others		

(II) Other comprehensive income that will be reclassified to profit or loss		
1. Other comprehensive income that can be transferred to profit or loss under the equity method		
2. Fair value changes of other debt investments		
3. Amount of financial assets reclassified and included in other comprehensive income		
4. Provision for credit impairment of other debt investments		
5. Cash flow hedging reserve		
6. Differences arising from foreign currency financial statements		
7. Others		
VI. Total comprehensive income	3,903,811.64	62,066,273.71
VII. Earnings per share		
(I) Basic earnings per share	0.0065	0.1030
(II) Diluted earnings per share	0.0065	0.1030

Legal representative: Kong Guoliang Chief Accountant: Chen Yuhui Chief Financial Officer: Zhang Xiaoyin Head of the Finance Department: Lin Xiaojia

5. Consolidated statement of cash flows

Unit: RMB

Item	Year 2024	Year 2023
I. Cash flows from operating activities:		
Cash received from sales of goods and rendering of services	531,827,063.92	693,869,206.44
Net increase in customer bank deposits and due to banks and other financial institutions		
Net increase in borrowings from the Central Bank		
Net increase in borrowings from banks and other financial institutions		
Cash received from premiums from the original insurance contract		
Net cash received from reinsurance business		
Net increase in policyholder deposits and investments		
Cash received from interest, handling charges and commissions		
Net increase in borrowings from banks and other financial institutions		
Net increase in funds from repurchase business		
Net cash received from vicariously traded securities		
Tax refunds received		
Other cash received related to operating activities	20,645,841.50	45,771,867.13
Sub-total of cash inflows from operating activities	552,472,905.42	739,641,073.57
Cash paid for purchase of goods and acceptance of services	384,674,207.34	661,135,671.43
Net increase in loans and advances to customers		
Net increase in deposits with the Central Bank and interbank funds		

Cash paid for compensation for the original insurance contract		
Net increase in loans to banks and other financial institutions		
Cash paid for interest, handling charges and commissions		
Cash paid for policy dividends		
Cash paid to and on behalf of employees	111,037,016.22	110,624,945.12
Taxes and fees paid	29,330,485.19	31,928,707.60
Payments of other cash related to operating activities	65,066,962.72	36,323,726.34
Sub-total of cash outflows from operating activities	590,108,671.47	840,013,050.49
Net cash flows from operating activities	-37,635,766.05	-100,371,976.92
II. Cash flows from investing activities:		
Recovery of cash received from investment		
Cash received from investment income	5,517,908.37	24,318,744.60
Net cash recovered from disposal of fixed assets, intangible assets and other long-term assets	77,304,322.46	104,554,420.00
Net cash received from disposal of subsidiaries and other business units	57,632,411.85	
Other cash received relating to investing activities	452,000,000.00	620,355,020.37
Sub-total of cash inflows from investing activities	592,454,642.68	749,228,184.97
Cash paid for the acquisition and construction of fixed assets, intangible assets and other long-term assets	16,298,619.89	10,145,320.80
Cash paid for investments	50,000,000.00	
Net increase in pledge loans		
Net cash paid for acquisition of subsidiaries and other business units		
Payments of other cash related to investing activities	226,000,000.00	446,393,066.79
Sub-total of cash outflows from investing activities	292,298,619.89	456,538,387.59
Net cash flows from investing activities	300,156,022.79	292,689,797.38
III. Cash flows from financing activities:		
Cash received from absorption of investments	49,000,000.00	
Including: cash received by subsidiaries from absorption of minority shareholders' investments		
Cash received from acquisition of borrowings	435,026,209.56	421,093,926.90
Other cash received related to financing activities		
Sub-total of cash inflows from financing activities	484,026,209.56	421,093,926.90
Cash paid for debt repayment	571,104,234.83	933,281,007.65
Cash paid for distribution of dividends, profits or interest payments	8,221,444.61	11,184,721.21
Including: dividends and profits paid by subsidiaries to minority shareholders		
Payments of other cash related to financing activities	6,927,038.90	6,314,826.00
Sub-total of cash outflows from financing activities	586,252,718.34	950,780,554.86
Net cash flows from financing activities	-102,226,508.78	-529,686,627.96
IV. Impact of fluctuation in exchange rate on cash and cash equivalents	38,454.14	82,055.00
V. Net increase in cash and cash equivalents	160,332,202.10	-337,286,752.50
Plus: beginning balance of cash and cash equivalents	310,734,919.56	648,021,672.06

VI. Ending balance of cash and cash equivalents	471,067,121.66	310,734,919.56
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Legal representative: Kong Guoliang Chief Accountant: Chen Yuhui Chief Financial Officer: Zhang Xiaoyin Head of the Finance

Department: Lin Xiaojia

6. Parent company's statement of cash flows

Unit: RMB

Item	Year 2024	Year 2023
I. Cash flows from operating activities:		
Cash received from sales of goods and rendering of services	474,669,435.32	585,940,800.94
Tax refunds received	-	-
Other cash received related to operating activities	207,618,244.62	101,359,126.91
Sub-total of cash inflows from operating activities	682,287,679.94	687,299,927.85
Cash paid for purchase of goods and acceptance of services	305,890,582.62	466,366,789.52
Cash paid to and on behalf of employees	79,309,098.79	66,128,967.09
Taxes and fees paid	20,426,634.39	16,336,435.27
Payments of other cash related to operating activities	83,733,542.41	232,370,081.08
Sub-total of cash outflows from operating activities	489,359,858.21	781,202,272.96
Net cash flows from operating activities	192,927,821.73	-93,902,345.11
II. Cash flows from investing activities:		
Recovery of cash received from investment		
Cash received from investment income	5,517,908.37	22,636,345.42
Net cash recovered from disposal of fixed assets, intangible assets and other long-term assets	471,400.00	4,770.62
Net cash received from disposal of subsidiaries and other business units	-	
Other cash received relating to investing activities	626,093,917.54	746,010,220.37
Sub-total of cash inflows from investing activities	632,083,225.91	768,651,336.41
Cash paid for the acquisition and construction of fixed assets, intangible assets and other long-term assets	1,597,378.94	9,955,363.27
Cash paid for investments	50,000,000.00	-
Net cash paid for acquisition of subsidiaries and other business units		-
Payments of other cash related to investing activities	252,170,000.00	464,000,000.00
Sub-total of cash outflows from investing activities	303,767,378.94	473,955,363.27
Net cash flows from investing activities	328,315,846.97	294,695,973.14
III. Cash flows from financing activities:		
Cash received from absorption of investments		
Cash received from acquisition of borrowings	150,413,251.22	421,093,926.90

Other cash received related to financing activities	60,775,644.30	-
Sub-total of cash inflows from financing activities	211,188,895.52	421,093,926.90
Cash paid for debt repayment	571,104,234.83	933,281,007.65
Cash paid for distribution of dividends, profits or interest payments	7,422,777.94	11,182,322.03
Payments of other cash related to financing activities	27,698,183.34	19,898,880.17
Sub-total of cash outflows from financing activities	606,225,196.11	964,362,209.85
Net cash flows from financing activities	-395,036,300.59	- 543,268,282.95
IV. Impact of fluctuation in exchange rate on cash and cash equivalents	567.77	1,112.72
V. Net increase in cash and cash equivalents	126,207,935.88	- 342,473,542.20
Plus: beginning balance of cash and cash equivalents	282,755,408.67	625,228,950.87
VI. Ending balance of cash and cash equivalents	408,963,344.55	282,755,408.67

Legal representative: Kong Guoliang Chief Accountant: Chen Yuhui Chief Financial Officer: Zhang Xiaoyin Head of the Finance Department: Lin Xiaojia

7. Consolidated statements of changes in owners' equity

The current period amount

Unit: RMB

Item	Year 2024														
	Owners' equity attributable to the parent company												Minorit y interests	Total owners' equity	
	Equity	Other equity instruments			Capital reserve	Less: treasur y shares	Other comprehe nsive income	Special reserve	Surplus reserve	Ge ner al risk res erv e	Undistrib uted profits	Others			Subtotal
		Prefer red share s	Perpe tual bond s	Other s											
I. Ending balance of the previous year	602,762,596.00				362,770,922.10		-2,500,000.00		332,908,397.60		163,346,776.24		1,459,288,691.94	-68,475,330.29	1,390,813,361.65
Plus: changes in accounting policies															
Correction of prior period errors															
Others															
II. Beginning balance of the current year	602,762,596.00				362,770,922.10		-2,500,000.00		332,908,397.60		163,346,776.24		1,459,288,691.94	-68,475,330.29	1,390,813,361.65
III. Changes in the current period (decreases expressed with "-")							4,183,054.57				21,908,828.57		26,091,883.14	91,018,595.91	117,110,479.05
(I) Total comprehensive income											21,908,828.57		21,908,828.57	42,018,595.91	63,927,424.48
(II) Owner's investment and reductions in capital														49,000,000.00	49,000,000.00

1. Ordinary shares invested by owners														49,000,000.00	49,000,000.00
2. Capital invested by other equity instruments holders															
3. Share-based payments included in owners' equity															
4. Others															
(III) Profit distribution															
1. Withdrawal of surplus reserve															
2. Withdrawal of general risk reserve															
3. Distributions to owners (or shareholders)															
4. Others															
(IV) Internal transfer of owners' equity															
1. Capital reserve converted into capital (or share capital)															
2. Surplus reserve converted into capital (or share capital)															
3. Surplus reserve to cover losses															
4. Changes in benefit plans transferred to retained earnings															
5. Other comprehensive income transferred to retained earnings															
6. Others															
(V) Special reserve															

1. Withdrawal in the current period							5,767,486.06					5,767,486.06		5,767,486.06
2. Usage in the current period							5,767,486.06					5,767,486.06		5,767,486.06
(VI) Others						4,183,054.57						4,183,054.57		4,183,054.57
IV. Ending balance in the current period	602,762,596.00				362,770,922.10		1,683,054.57		332,908,397.60		185,255,604.81	1,485,380,575.08	22,543,265.62	1,507,923,840.70

Legal representative: Kong Guoliang Chief Accountant: Chen Yuhui Chief Financial Officer: Zhang Xiaoyin Head of the Finance Department: Lin Xiaojia

Amount in previous period

Unit: RMB

Item	Year 2023														
	Owners' equity attributable to the parent company												Minorit y interest s	Total owner s' equity	
	Equity	Other equity instruments			Capital reserve	Less: treas ury share s	Other compre hensive income	Special reserve	Surplus reserve	Gene ral risk reser ve	Undistrib uted profits	Othe rs			Subtotal
Prefe rred share s		Perp etual bond s	Othe rs												
I. Ending balance of the previous year	602,762, 596.00				362,770, 922.10		- 2,500,0 00.00		332,908 ,397.60		159,187,9 79.14		1,455,129,8 94.84	- 62,310, 840.26	1,392, 819,0 54.58
Plus: changes in accounting policies															
Correction of prior period errors															
Others															
II. Beginning balance of the current year	602,762, 596.00				362,770, 922.10		- 2,500,0 00.00		332,908 ,397.60		159,187,9 79.14		1,455,129,8 94.84	- 62,310, 840.26	1,392, 819,0 54.58

III. Changes in the current period (decreases expressed with "-")											4,158,797.10		4,158,797.10	-6,164,490.03	-2,005,692.93
(I) Total comprehensive income											4,158,797.10		4,158,797.10	-6,164,490.03	-2,005,692.93
(II) Owner's investment and reductions in capital															
1. Ordinary shares invested by owners															
2. Capital invested by other equity instruments holders															
3. Share-based payments included in owners' equity															
4. Others															
(III) Profit distribution															
1. Withdrawal of surplus reserve															
2. Withdrawal of general risk reserve															
3. Distributions to owners (or shareholders)															
4. Others															
(IV) Internal transfer of owners' equity															
1. Capital reserve converted into capital (or share capital)															
2. Surplus reserve converted into capital (or															

share capital)															
3. Surplus reserve to cover losses															
4. Changes in benefit plans transferred to retained earnings															
5. Other comprehensive income transferred to retained earnings															
6. Others															
(V) Special reserve															
1. Withdrawal in the current period							13,270,901.66					13,270,901.66		13,270,901.66	
2. Usage in the current period							13,270,901.66					13,270,901.66		13,270,901.66	
(VI) Others															
IV. Ending balance in the current period	602,762,596.00				362,770,922.10		2,500,000.00		332,908,397.60		163,346,776.24		1,459,288,691.94	-68,475,330.29	1,390,813,61.65

Legal representative: Kong Guoliang Chief Accountant: Chen Yuhui Chief Financial Officer: Zhang Xiaoyin Head of the Finance Department: Lin Xiaojia

8. Statement of changes in owners' equity of the parent company

The current period amount

Unit: RMB

Item	Year 2024											
	Equity	Other equity instruments			Capital reserve	Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profits	Others	Total owners' equity
		Preferred shares	Perpetual bonds	Others								

I. Ending balance of the previous year	602,762,596.00				289,963,039.70				332,908,397.60	618,813,953.67		1,844,447,986.97
Plus: changes in accounting policies												
Correction of prior period errors												
Others												
II. Beginning balance of the current year	602,762,596.00				289,963,039.70				332,908,397.60	618,813,953.67		1,844,447,986.97
III. Changes in the current period (decreases expressed with "-")										3,903,811.64		3,903,811.64
(I) Total comprehensive income										3,903,811.64		3,903,811.64
(II) Owner's investment and reductions in capital												
1. Ordinary shares invested by owners												
2. Capital invested by other equity instruments holders												
3. Share-based payments included in owners' equity												
4. Others												
(III) Profit distribution												
1. Withdrawal of surplus reserve												
2. Distributions to owners (or shareholders)												
3. Others												
(IV) Internal transfer of owners' equity												
1. Capital reserve converted												

into capital (or share capital)												
2. Surplus reserve converted into capital (or share capital)												
3. Surplus reserve to cover losses												
4. Changes in benefit plans transferred to retained earnings												
5. Other comprehensive income transferred to retained earnings												
6. Others												
(V) Special reserve												
1. Withdrawal in the current period								5,750,504.93				5,750,504.93
2. Usage in the current period								5,750,504.93				5,750,504.93
(VI) Others												
IV. Ending balance in the current period	602,762,596.00				289,963,039.70				332,908,397.60	622,717,765.31		1,848,351,798.61

Legal representative: Kong Guoliang Chief Accountant: Chen Yuhui Chief Financial Officer: Zhang Xiaoyin Head of the Finance Department: Lin Xiaojia

Amount in previous period

Unit: RMB

Item	Year 2023											
	Equity	Other equity instruments			Capital reserve	Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profits	Others	Total owners' equity
		Preferred shares	Perpetual bonds	Others								
I. Ending balance of the previous year	602,762,596.00				289,963,039.70				332,908,397.60	556,747,679.96		1,782,381,713.26
Plus: changes in												

accounting policies												
Correction of prior period errors												
Others												
II. Beginning balance of the current year	602,762,596.00				289,963,039.70				332,908,397.60	556,747,679.96		1,782,381,713.26
III. Changes in the current period (decreases expressed with "-")										62,066,273.71		62,066,273.71
(I) Total comprehensive income										62,066,273.71		62,066,273.71
(II) Owner's investment and reductions in capital												
1. Ordinary shares invested by owners												
2. Capital invested by other equity instruments holders												
3. Share-based payments included in owners' equity												
4. Others												
(III) Profit distribution												
1. Withdrawal of surplus reserve												
2. Distributions to owners (or shareholders)												
3. Others												
(IV) Internal transfer of owners' equity												
1. Capital reserve converted into capital (or share capital)												
2. Surplus reserve converted into capital (or share capital)												

3. Surplus reserve to cover losses												
4. Changes in benefit plans transferred to retained earnings												
5. Other comprehensive income transferred to retained earnings												
6. Others												
(V) Special reserve												
1. Withdrawal in the current period								7,778,687.26				7,778,687.26
2. Usage in the current period								7,778,687.26				7,778,687.26
(VI) Others												
IV. Ending balance in the current period	602,762,596.00				289,963,039.70				332,908,397.60	618,813,953.67		1,844,447,986.97

Legal representative: Kong Guoliang Chief Accountant: Chen Yuhui Chief Financial Officer: Zhang Xiaoyin Head of the Finance Department: Lin Xiaojia

Shenzhen Nanshan Power Co., Ltd.

Notes to the Financial Statements for the Year Ended December 31, 2024

(Unless otherwise specified, the monetary unit is RMB)

I. Basic information of the Company

(I) Company profile

Shenzhen Nanshan Power Co., Ltd. (the Company) was reorganized and established from a foreign investment enterprise to a joint stock limited company on November 25, 1993, with the approval of the General Office of the Shenzhen Municipal People's Government under document SFBF [1993] No. 897.

As approved by the General Office of the Shenzhen Municipal People's Government under document SZBF [1993] No. 179, the Company issued 40 million RMB ordinary shares and 37 million domestically listed foreign shares to domestic and overseas investors respectively on January 3, 1994. On July 1, 1994 and November 28, 1994, the RMB ordinary shares (A shares) and domestically listed foreign shares (B shares) issued by the Company were listed and traded on Shenzhen Stock Exchange.

The Company's primary business is the production and operation of power supply and heating, as well as technical consultation and technical services related to power plant (station). The Company's registered address is located at No. 2097 Moon Bay Avenue, Nanshan District, Shenzhen, Guangdong. The Company's headquarters is located at 16F/17F, Hantang Building, Overseas Chinese Town, Nanshan District, Shenzhen, Guangdong.

The financial statements were approved for disclosure by the Board of Directors of the Company on April 21, 2025.

(II) Scope of consolidated financial statements

As of December 31, 2024, the subsidiaries within the scope of the Company's consolidated financial statements are as follows:

Subsidiary (enterprise) name	Shareholding ratio %	Remark
Shenzhen Nanshan Power (Zhongshan) Power Co., Ltd. ("Shenzhen Nanshan Power Zhongshan Company")	80.00	
Shenzhen Nanshan Power Gas Turbine Engineering Technology (Shenzhen) Co., Ltd. ("Shenzhen Nanshan Power Engineering Company")	100.00	
Shenzhen Nanshan Power Environmental Protection (Shenzhen) Co., Ltd. ("Shenzhen Nanshan Power Environmental Protection Company")	100.00	
Shenzhen Xiefu Energy Co., Ltd. ("Xiefu Company")	50.00	
Shenzhen New Power Industrial Co., Ltd. ("New Power Company")	100.00	
Shennan Energy (Singapore) Co., Ltd. ("Singapore Company")	100.00	
Hong Kong Hing Tak Shing Limited ("Hing Tak Shing")	100.00	
Zhuhai Hengqin Zhuozhi Investment Partnership (Limited Partnership) ("Zhuhai Hengqin")	99.96	
Shenzhen Nanshan Power Xiwan Energy (Zhongshan) Co., Ltd.	51.00	

For details on the scope of consolidated financial statements in the current period and its changes, please refer to Note VII. Interests in Other Entities.

Basis for the preparation of financial statements

Based on the continuing operation and according to the actual transactions and events, the

Company prepares the financial statements in accordance with "the Accounting Standards for Business Enterprises - Basic Standards " promulgated by the Ministry of Finance and various specific accounting standards, application guidelines for accounting standards for business enterprises, interpretations and other relevant provisions for accounting standards for business enterprises (hereinafter collectively referred to as the "Accounting Standards for Business Enterprises"), as well as the disclosure provisions by " General Provisions on Financial Reporting, No. 15 of the Rules for Information Disclosure and Presentation by Companies that Publicly Issue Securities" issued by the China Securities Regulatory Commission.

The Company has no events or circumstances that cast significant doubt on the going-concern ability within 12 months from the end of the reporting period.

Important accounting policies and accounting estimates

Based on its actual production and operation characteristics and the provisions of relevant Accounting Standards for Business Enterprises, the Company has formulated several specific accounting policies and accounting estimates, which are mainly reflected in the Provision for Bad Debts of Accounts Receivable (Note III (XI) 6), Inventories (Note III (XII)), Fixed Assets (Note III (XVII)), Long-term Deferred Expenses (Note III (XXIII)), Revenue Recognition and Measurement (Note III (XXVIII)), Special Reserves (Note III (XXXIII)) etc.

(III) Statement on compliance with Accounting Standards for Business Enterprises

The financial statements comply with the requirements of Accounting Standards for Business Enterprises promulgated by the Ministry of Finance, and truly and completely reflect the Company's combination and the parent company's financial status as of December 31, 2024, as well as the Company's combination and the parent company's operating results and cash flows in 2024.

(IV) Accounting period

A fiscal year begins on January 1 and ends on December 31 of the Gregorian calendar.

(V) Operating cycle

The Company's operating cycle is 12 months, and the operating cycle is used as the liquidity classification standard for assets and liabilities.

(VI) Recording currency

The Company uses RMB as the recording currency.

(VII) Materiality criteria determination method and selection basis

Item	Materiality criterion
Significant individual provision for bad debts of accounts receivable	Original book value is greater than RMB 1 million
Significant provision for bad debts of accounts receivable recovered or reversed in the current period	The amount of individual provision for bad debts of accounts receivable recovered or reversed exceeds RMB 1 million
Write-off of significant accounts receivable	The write-off amount of individual accounts receivable exceeds RMB 1 million
Important construction in progress	The individual amount is greater than RMB 5 million
Significant estimated liabilities	The individual amount is greater than RMB 5 million

(VIII) Accounting treatments for business combinations under common control and not under common control

For a business combination under common control, the assets and liabilities acquired by the combining party in a business combination are measured at the book value of the assets and liabilities of the combined party at the combination date (including goodwill resulting from the

acquisition of the combined party by the ultimate controller) in the consolidated financial statements of the ultimate controller. The difference between the book value of net assets acquired in the combination and the book value of the combination consideration paid (or the total nominal value of shares issued) is adjusted to the equity premium in capital reserve, or to retained earnings if the equity premium in capital reserve is not sufficient for elimination.

For a business combination not under common control, the assets given, liabilities incurred or assumed by the purchaser as consideration for the business combination are measured at fair value at the purchase date, and the difference between the fair value and its book value is recognized in current profit or loss. Goodwill is recognized if the combination cost is greater than the difference in the share of fair value of identifiable net assets of the acquiree acquired in the combination; Current profit or loss is recognized if the combination cost is lower than the difference in the share of fair value of identifiable net assets of the acquiree acquired in the combination.

Costs directly related to business combinations are recognized in current profit or loss as incurred; Transaction costs for the issuance of equity securities or debt securities for business combinations are presented in the amount initially recognized for equity securities or debt securities.

(IX) Method of preparation for consolidated financial statements

1. Consolidation scope

The consolidation scope of the consolidated financial statements is determined based on control, and covers the Company and all subsidiaries.

2. Consolidation procedure

The Company prepares consolidated financial statements based on its own financial statements and those of its subsidiaries' and other relevant information. When the Company prepares consolidated financial statements, it treats the entire enterprise group as an accounting entity, and reflects the overall financial status, operating results and cash flows of the enterprise group in accordance with the recognition, measurement and presentation requirements of relevant Accounting Standards for Business Enterprises and in accordance with unified accounting policies.

Accounting policies and accounting periods adopted by all subsidiaries included in the consolidation scope of consolidated financial statements are consistent with those of the Company. If accounting policies and accounting periods adopted by subsidiaries are inconsistent with those of the Company, necessary adjustments are made when preparing consolidated financial statements in accordance with the Company's accounting policies and accounting periods. For a subsidiary acquired through business combination not under common control, its financial statements are adjusted based on fair value of identifiable net assets on the purchase date. For a subsidiary acquired through business combination under common control, adjustments are made to its financial statements based on the book value of its assets and liabilities (including goodwill resulting from acquisition of the subsidiary by ultimate controller) in the ultimate controller's financial statements.

The subsidiary's owners' equity, current net profit or loss and current comprehensive income belonging to minority shareholders are presented under the item of owners' equity in the consolidated balance sheet, under the item of net profit and under the item of total comprehensive income in the consolidated income statement, respectively. The balance resulting from the excess of the minority shareholders' share of the current loss of a subsidiary over the minority's share of the subsidiary's owners' equity at the beginning of the period is used to offset the minority interests.

(1) Increases in subsidiaries or businesses

If there are increases in subsidiaries or businesses as a result of business combination under common control during the reporting period, the beginning balance of the consolidated balance sheet is adjusted; Include revenue, expenses and profits of subsidiaries or business combinations from the beginning of the current period to the end of the reporting period in the consolidated income statement; Include cash flows from the beginning of the period to the end of the reporting period of subsidiaries or business combinations in the consolidated statement of cash flows, and

adjust the relevant line items in the comparative statements to deem the consolidated reporting entity to have been in existence since the time point at which the ultimate controller began to control.

If control can be exercised over an investee under common control as a result of an additional investment, etc., the parties involved in the combination are deemed to have been adjusted based on their current status when the ultimate controller began to control. For equity investments held prior to the acquisition of right of control of the combined party, the relevant profit or loss, other comprehensive income and other changes in net assets have been recognized between the later of the combination date of the original equity and the date on which the merging party and the merged party were under common control and the combination date, whichever is later, and are offset against the beginning retained earnings or current profit or loss of comparative statements period.

If there are increases in subsidiaries or businesses as a result of a business combination not under common control during the reporting period, the beginning balance of the consolidated balance sheet will not be adjusted; Include revenue, expenses and profits of subsidiary or business from the purchase date to the end of the reporting period in consolidated income statement; Include the cash flows of the subsidiary or business from the purchase date to the end of the reporting period in the consolidated statement of cash flows.

If the Company can control an investee that is not under common control as a result of additional investment, etc., the Company remeasures the acquiree's equity interest held prior to the purchase date at the fair value of the equity interest at the purchase date of the equity interest. The difference between the fair value and its book value is recognized in current investment income. If the equity interest in the acquiree held prior to the purchase date is related to other comprehensive income accounted for under the equity method and other changes in owners' equity other than net profit or loss, other comprehensive income and profit distribution, the other comprehensive income and other changes in owners' equity related to them are transferred to investment income for the period in which they are held at the purchase date, except for other comprehensive income due to the remeasurement of the investee's net liabilities under defined benefit plans or changes in net assets.

(2) Disposal of subsidiaries or businesses

① General treatment method

If the Company disposes the subsidiary or business during the reporting period, the revenue, expenses and profits of the subsidiary or business from the beginning of the period to the date of disposal are included in the consolidated income statement; Cash flows of the subsidiary or business from the beginning of the period to the date of disposal are included in the consolidated statement of cash flows.

When the Company loses right of control over the investee due to the disposal of part of the equity investments or other reasons, the Company remeasures the remaining equity investments after the disposal according to its fair value on the date of loss of control. The difference between the sum of the consideration received for the disposal of equity interest and the fair value of the remaining equity interest less the sum of the share of the original subsidiary's net assets continuously measured from the purchase date or the combination date based on the original shareholding ratio and goodwill is recognized as investment income in the period in which the loss of control occurs. Other comprehensive income related to equity investments in subsidiaries or other changes in owners' equity other than net profit or loss, other comprehensive income and profit distribution are transferred to investment income in the current period upon loss of control, except for other comprehensive income due to remeasurement of net liabilities under defined benefit plans or changes in net assets by the investee.

If the Company's shareholding ratio decreases due to other investors' capital increase in the subsidiary and the Company loss of control, accounting treatment is carried out in accordance with the above principles.

② Disposal of subsidiaries in stages

For a disposal of equity investments in subsidiaries through multiple transactions in stages until the loss of control, it generally indicates that multiple transactions are accounted for as a package of transactions if the terms, conditions, and economic effects of each transaction of such disposal of equity investments in subsidiaries meet one or more of the following circumstances:

- i. such transactions are entered into simultaneously or with consideration of their effects on each other;
- ii. such transactions can only achieve a complete business result when taken as an entirety;
- iii. the occurrence of a transaction depends on the occurrence of at least one other transaction;
- iv. a transaction is uneconomical when considered in isolation, but economical when considered in conjunction with other transactions.

If the transactions that dispose of the equity investments in subsidiaries until of loss of control belongs to a package of transactions, the Company account for each transaction as a transaction in which subsidiary is disposed of and loss of control; However, the difference between the disposal price and the net asset share of the subsidiary corresponding to the disposal of the investment in each case prior to the loss of control is recognized in the consolidated financial statements as other comprehensive income and transferred to current profit or loss in the period in which the loss of control occurs.

If various transactions involving the disposal of equity investments in subsidiaries until loss of control do not belong to a package of transactions, prior to the loss of control, accounting treatment is performed in accordance with the relevant policies for partial disposal of equity investments in subsidiary without loss of control; Upon loss of control, accounting treatment is performed in accordance with general method for disposal subsidiary.

(3) Purchase of minority interests in subsidiaries

The difference between the newly acquired long-term equity investments resulting from the purchase of minority interests and the Company's net asset share of the subsidiaries calculated on the basis of the ratio of the newly acquired shares in the subsidiaries' net assets on an ongoing basis from the purchase date (or the combination date) is adjusted to the equity premium in the capital reserve in the consolidated balance sheet, or to the retained earnings if the equity premium in the capital reserve is insufficient to offset the difference.

(4) Partially dispose of equity investments in subsidiaries without loss of control

The difference between the disposal price obtained from the partial disposal of long-term equity investments in subsidiaries without loss of control and the corresponding subsidiaries' net asset share on a continuing basis from the purchase date (or the combination date) of the long-term equity investments disposed of is adjusted to the equity premium in the capital reserve in the consolidated balance sheet, or to the retained earnings if the capital reserve is insufficient to offset the difference.

(X) Joint venture arrangements classification and accounting treatments

Joint venture arrangements are divided into joint operations and joint ventures.

When the Company is a joint party to joint venture arrangements, is entitled to the assets and assumes the liabilities related to the arrangements, it is a joint operation.

The Company confirms the following items related to the interest share in joint operations, and performs accounting treatments in accordance with the relevant Accounting Standards for Business Enterprises:

- (1) recognizing assets held separately by the Company and recognizing jointly held assets based on the Company's share;
- (2) recognizing liabilities borne separately by the Company and recognizing liabilities borne jointly based on the Company's share;
- (3) recognizing revenue from the sale of the Company's share of joint operations outputs;

(4) recognizing revenue from joint operations arising from the sale of output based on the Company's share;

(5) recognizing expenses incurred independently, and recognizing expenses incurred by joint operations based on the Company's share.

See Note "III (XV) Long-term equity investments" for the accounting policies of the Company's investment in joint ventures.

(XI) Determination criteria for cash and cash equivalents

When preparing the statement of cash flows, the Company's cash on hand and deposits that can be used for payment at any time are recognized as cash. Investments that meet the four conditions of short term (due within three months from the purchase date), strong liquidity, easy conversion into known amounts of cash, and small risk of value changes are determined as cash equivalents.

(XII) Foreign currency transactions and translation of foreign currency statements

1. Foreign currency transactions

Foreign currency transactions are recorded using the spot exchange rate at the transaction date as the translation rate to convert the foreign currency amount into RMB.

The balance of foreign currency monetary items on the balance sheet date is translated at spot exchange rate on balance sheet date. The resulting exchange differences are recognized in current profit or loss, except for those arising from foreign-currency special borrowings related to the acquisition and construction of assets eligible for capitalization, which are treated in accordance with the principle of capitalization of borrowing costs.

2. Translation of foreign currency financial statements

Assets and liability items in the balance sheet are translated using spot exchange rate on the balance sheet date; Owners' equity items, except for "undistributed profits", are translated at spot exchange rate at the time of occurrence. Revenue and expense items in the income statement are translated at spot exchange rate on the transaction date.

When disposing of an overseas operation, the difference arising from the translation of foreign-currency financial statements related to the overseas operation is transferred from owners' equity items to the current profit or loss in the period of disposal.

(XIII) Financial instruments

Financial instruments include financial assets, financial liabilities and equity instruments.

1. Classification of financial instruments

Based on the Company's business model for managing financial assets and the contractual cash flows characteristics of financial assets, financial assets are classified upon initial recognition into: financial assets measured at amortized costs, financial assets measured at fair value with changes included in other comprehensive income financial assets (debt instruments) and financial assets measured at fair value with changes included in current profit or loss.

Financial assets with a business model whose objective is to collect the contractual cash flows and whose contract cash flows consist solely of payments of principal and interest based on the principal amount outstanding are classified as financial assets measured at amortized costs; Financial assets with a business model whose objective is both to collect the contractual cash flows and to sell the financial assets and whose contract cash flows consist solely of payments of principal and interest based on the principal amount outstanding are classified as financial assets at fair value with changes included in other comprehensive income (debt instruments); Other financial assets beyond these are classified as financial assets measured at fair value with changes included in current profit or loss.

For investments in non-trading equity instruments, the Company determines upon initial recognition whether to designate them as financial assets (equity instruments) measured at fair value with changes included in other comprehensive income. At the time of initial recognition, in order to eliminate or significantly reduce accounting mismatches, financial assets can be

designated as financial assets measured at fair value through the current profit or loss. According to the above conditions, the financial assets designated by the Company mainly include: (specifically describe the designated situation)

Financial liabilities are classified upon initial recognition into: financial liabilities measured at fair value with changes included in current profit or loss and financial liabilities measured at amortized costs.

Financial liabilities that meet one of the following conditions can be designated upon initial measurement as financial liabilities measured at fair value with changes included in current profit or loss:

- 1) Such designation can eliminate or significantly reduce accounting mismatches.
- 2) According to the enterprise risk management or investment strategies stated in formal written documents, the Company manages and evaluates the performance of the financial liabilities portfolio or the portfolio of financial assets and financial liabilities on the basis of the fair value, and reports to the key officers within the enterprise on this basis.
- 3) The financial liabilities contain embedded derivative instruments that need to be separately split.

In accordance with the above conditions, such financial liabilities designated by the Company mainly include: (specifically describe the circumstances specified)

2. Recognition basis and measurement method for financial instruments

(1) Financial assets measured at amortized costs

Financial assets measured at amortized costs including notes receivable, accounts receivable, other receivables, long-term receivables, debt investments, etc., are initially measured at fair value, with related transaction costs included in the initial recognition amount; Accounts receivable that do not contain significant financing components and accounts receivable that the Company decides not to consider the financing components of less than one year are initial measurement at the contract transaction prices.

Interest calculated using the effective interest method during the holding period is included in current profit or loss.

When financial assets are recovered or disposed of, the difference between the price obtained and the book value of the financial assets is recorded in current profit or loss.

(2) Financial assets (debt instruments) measured at fair value with changes included in other comprehensive income

Financial assets (debt instruments) measured at fair value with changes included in other comprehensive income including receivables financing, other debt investments, etc., are initially measured at fair value, with related transaction costs included in the initial recognition amount. The subsequent measurement of the financial assets is carried out at fair value, with fair value changes recognized in other comprehensive income, except for interest calculated using the effective interest method, impairment losses or gains, and foreign exchange profit or loss.

On derecognition, accumulated gains or losses previously included in other comprehensive income are transferred out of other comprehensive income and included in current profit or loss.

(3) Financial assets (equity instruments) measured at fair value with changes included in other comprehensive income

Financial assets (equity instruments) measured at fair value with changes included in other comprehensive income including other investments in equity instruments, etc., are initially measured at fair value, with related transaction costs included in the initial recognition amount. The subsequent measurement of the financial assets is carried out at fair value, with fair value changes included in other comprehensive income. Dividend received are included in current profit or loss.

On derecognition, accumulated gains or losses previously included in other comprehensive

income are transferred out of other comprehensive income and included in retained earnings.

(4) Financial assets measured at fair value with changes included in current profit or loss

Financial assets measured at fair value with changes included in current profit or loss including financial assets held for trading, derivative financial assets, other non-current financial assets, etc., are initially measured at fair value, with related transaction costs included in current profit or loss. The subsequent measurement of the financial assets is carried out at fair value, with fair value changes included in current profit or loss.

(5) Financial liabilities measured at fair value with changes included in current profit or loss

Financial liabilities measured fair value with changes included in current profit or loss including financial liabilities held for trading, derivative financial liabilities, etc., are initially measured at fair value, with related transaction costs included in current profit or loss. The subsequent measurement of the financial liabilities is carried out at fair value, with fair value changes included in current profit or loss.

On derecognition, the difference between the book value and the consideration paid is included in current profit or loss.

(6) Financial liabilities measured at amortized costs

Financial liabilities measured at amortized costs including short-term borrowings, notes payable, accounts payable, other payables, long-term borrowings, bonds payable, and long-term payables, are initially measured at fair value, with related transaction costs included in the initial recognition amount.

Interest calculated using the effective interest method during the holding period is included in current profit or loss.

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

3. Recognition basis and measurement method for transfer of financial assets

The Company assesses the extent to which it retains the risks and rewards of ownership of financial assets when a transfer of financial assets occurs and treats them as follows, respectively:

(1) If substantially all the risks and rewards of ownership of financial assets are transferred, the financial assets are derecognized, and rights and obligations arising from or retained in the transfer are recognized separately as assets or liabilities.

(2) If substantially all the risks and rewards of ownership of financial assets are retained, the financial assets continue to be recognized.

(3) If the Company neither transfers nor retains substantially all risks and rewards of ownership financial assets (i.e., in cases other than those in (1) and (2) of this Article), it treats the financial assets, according to whether or not it retains control over the financial asset, respectively as follows:

1) If control over the financial assets is not retained, the financial assets are derecognized and the rights and obligations arising from or retained in the transfer are recognized separately as assets or liabilities.

2) If control of financial assets is retained, the financial assets continue to be recognized to the extent of continued involvement in the transferred financial assets, and related liabilities are recognized accordingly. The extent of continued involvement in the transferred financial assets is the extent to which the Company bears the risk or rewards of changes in the value of the transferred financial assets.

In determining whether the transfer of financial assets satisfies the above conditions for derecognition of financial assets, the principle of substance over form is applied. The Company distinguishes between transfer of financial assets in their entirety and partial transfer of financial assets.

(1) When the financial assets are transferred in their entirety to satisfy the conditions for derecognition, the difference between the following two amounts is recognized in current profit or loss:

- 1) The book value of transferred financial assets on the derecognition date.
- 2) The sum of the consideration received for the transfer of the financial assets and the amount corresponding to the derecognized part of the cumulative fair value changes included directly in other comprehensive income (the financial assets involved in the transfer are financial assets at fair value with changes included in other comprehensive income).

(2) If financial assets are partially transferred and the transferred part as a whole meets conditions for derecognition, the book value of the entire financial assets before the transfer is divided between the derecognized part and the continued recognition part (in this case, the retained service assets are deemed to continue to be recognized as part of financial assets) are amortized according to their respective relative fair values on the transfer date, and the difference between the following two amounts is included in current profit or loss:

- 1) The book value of derecognized part on the derecognition date.
- 2) The sum of the consideration received for the derecognized part and the amount corresponding to the derecognized part of the cumulative amount of fair value changes originally included in other comprehensive income (the financial assets involved in the transfer are financial assets at fair value with changes included in other comprehensive income).

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

4. Conditions for derecognition of financial liabilities

If the current obligations for financial liabilities are fully or partially discharged, the financial liabilities, or a part thereof, are derecognized; If the Company enters into an agreement with a creditor to replace the existing financial liabilities by assuming new financial liabilities, and the contractual terms of the new financial liabilities are substantially different from those of the existing financial liabilities, the existing financial liabilities are derecognized and the new financial liabilities are recognized simultaneously.

If all or part of the contractual terms of the existing financial liabilities are substantially modified, the existing financial liabilities or a part thereof are derecognized, and the modified financial liabilities are recognized as new financial liabilities.

When financial liabilities are fully or partially derecognized, the difference between the book value of the derecognized financial liabilities and the consideration paid (including non-cash assets transferred out or new financial liabilities assumed) is recognized in current profit or loss.

If the Company repurchases part of financial liabilities, it allocates the overall book value of the financial liabilities based on the relative fair values of the continued recognition part and derecognized part on the repurchase date. The difference between the book value allocated to the derecognized part and the consideration paid (including non-cash assets transferred out or new financial liabilities assumed) is recognized in current profit or loss.

5. Methods for determining fair values of financial assets and financial liabilities

For financial instruments that have an active market, their fair values are determined based on the quoted price in the active market. For financial instruments that do not have active market, their fair values are determined by valuation techniques. In valuing the fair value, the Company uses valuation techniques that are applicable in the current circumstances and are supported by sufficient available data and other information, selects inputs that are consistent with the characteristics of the assets or liabilities that would be considered by a market participant in a transaction for the underlying assets or liabilities, and prioritizes the use of relevant observable inputs. Non-observable inputs are used only when relevant observable inputs are not available or not practicable to obtain.

6. Test method and accounting treatment method of financial assets impairment

The Company estimates expected credit losses on financial assets measured at amortized costs and financial assets measured at fair value with changes included in other comprehensive income (debt instruments), either individually or in combination, taking into account all reasonable and supportable information including forward-looking information. The measurement of expected credit losses depends on whether a significant increase in credit risk has occurred in the financial assets since initial recognition.

The Company uses a simplified measurement method to measure loss provision based on expected credit losses over the entire life of all notes receivable, contract assets, accounts receivable and lease receivables generated from daily operating activities such as sales of goods and provision of services that are regulated by the revenue standard; For notes receivable, receivables financing and other receivables classified as portfolio other than these, the Company calculates expected credit losses by reference to historical credit loss experience, current conditions, and projections of future economic conditions by using default risk exposures, and expected credit loss over the life of the instruments rate within the next 12 months or over the entire duration.

In addition to the above-mentioned simplified measurement methods and various other receivables and temporary payments other than purchased or originated credit loss, the Company evaluates on balance sheet date whether credit risk of relevant financial instruments has increased significantly since the initial recognition, measures its provision for losses and recognizes expected credit losses and changes therein, respectively.

(1) Recognition criteria and methods for provision for provision for bad debts of accounts receivable with individually insignificant amount but individual provision for bad debts

The Company conducts separate impairment test on accounts receivable with significant individual amounts, and conducts separate impairment test on financial assets that have not been impaired and includes them in financial assets portfolio with similar credit risk characteristics. Accounts receivable for which impairment losses are recognized in individual test are no longer included in the portfolio of accounts receivable with similar credit risk characteristics for impairment testing.

(2) Accounts receivable with individually insignificant amount but individual provision for bad debts

For accounts receivable whose individual amounts are not significant but have the following characteristics, such as: accounts receivable that are in dispute with the other party or involved in litigation or arbitration; The debtor fails to be contacted and there is no third-party pursuer; The accounts receivable that have obvious signs that the debtor is likely to be unable to fulfill its repayment obligations shall be subject to a separate impairment test. If any object evidence proving the existence of impairment, impairment loss is recognized and provision for impairment is made at the difference between present value of future cash flows and their book value.

(3) Determination basis and calculation method of accounts receivable whose expected credit losses are calculated based on credit risk portfolio

When sufficient evidence of expected credit losses cannot be assessed at a reasonable cost at the individual instrument level, the Company divides notes receivable, accounts receivable, other receivables, and contract assets into portfolios based on credit risk characteristics by referring to historical credit loss experience, taking into account current conditions as well as judgments of future economic conditions, and calculates expected credit losses on a portfolio basis.

Name of portfolios	Basis for determining the portfolio
Portfolio I	Portfolio of bank acceptance bills
Portfolio II	Receivables from power production and sales
Portfolio III	Integrated energy service receivables
Portfolio IV	Consolidated accounts receivable from related parties, other receivables and contract asset portfolios

Portfolio V	Margin, security deposit and petty cash portfolio
Portfolio VI	Export tax rebate, VAT refunded upon collection and other tax portfolios
Portfolio VII	Other receivables and temporary payments other than the above portfolios

(XIV) Inventories

1. Classification of inventories

The Company's main business is the power production and sale of power. The Company's inventories mainly consist of materials and supplies consumed in the course of production or rendering of services, mainly including fuel, raw materials, spare parts and maintenance equipment, etc.

2. Valuation method for dispatched inventories

Inventories are initially measured at the cost when acquired, but measured at weighted average method when dispatched.

3. Basis for determining net realizable value of different categories of inventories

For goods inventories for direct sale, including finished products, stock commodities and materials for sale, their net realizable values shall be recognized at the estimated selling prices minus the estimated selling and distribution expenses and the relevant taxes and surcharges in the course of normal production and operation; For material inventories required for process, in the course of normal production and operation, their net realizable values are recognized at the estimated selling prices of finished products minus estimated costs until completion, selling and distribution expenses and relevant taxes and surcharges; For inventories held to execute sales contract or service contract, their net realizable values are calculated on the basis of contract price. If the quantities of inventories specified in sales contracts are less than the quantities held by the Company, the net realizable value of the excess portion of inventories shall be based on general selling prices.

Provision for inventory depreciation will be made at the end of the period on an individual basis. However, for inventories with large quantities and low unit prices, provision for inventory depreciation are made according to the category of inventories; For the inventories related to the series of products manufactured and sold in the same area, and of which the final use or purpose is identical or similar thereto, and if it is difficult to measure them by separating them from other items, the provision for inventory depreciation reserve shall be made on a consolidation basis.

When making provision for inventory depreciation, if the factors causing any write-down of inventory value have disappeared, leading to the net realizable values of inventories higher than its book value, the amount of write-down shall be reversed from the original provision for inventory depreciation with the reversal being included in the current profit or loss.

4. Inventory system

The perpetual inventory system is adopted.

5. Amortization method for low-value consumables and packaging materials

(1) Low-value consumables are amortized at lump-sum method.

(2) Packaging materials are amortized at lump-sum method.

(XV) Contract assets

1. Recognition methods and standards of contract assets

Contract assets refer to the right of the Company to receive consideration for goods or services transferred to customers, and the right depends on factors other than the passage of time. The Company's unconditional (i.e., subject only to the passage of time) right to receive consideration from customers is presented separately as accounts receivable.

2. Determination method and accounting treatment method of expected credit losses of

contract assets

For the determination method and accounting treatments of the expected credit losses of the contract assets, please refer to the accounting treatment of the relevant accounts receivable in Note III "(XI) 6. Test method and accounting treatments of financial assets impairment".

(XVI) Assets held for sale

1. The Company classifies non-current assets or disposal groups that meet the following conditions into the category of assets held for sale:

- (1) According to the practice of selling such assets or disposal groups in similar transactions, they can be sold immediately under the current conditions;
- (2) The sale is highly likely to occur, that is, the Company has made a resolution on a sale plan and obtained a firm purchase commitment, and the sale is expected to be completed within one year. Where the relevant regulations require the approval of the relevant authority or regulatory department of the Company before the sale, the approval has been obtained.

2. The Company classifies a component that meets one of the following conditions and is capable of being separately distinguished, and the component has been disposed of or classified as held for sale:

- (1) The component represents an independent major business or a separate major business area;
- (2) The component is a part of an associated plan to dispose of an independent major business or a separate major business area;
- (3) The component is a subsidiary acquired for resale.

3. Presentation method

The Company presents separately in the balance sheet the assets in the non-current assets or disposal group held for sale from other assets, and the liabilities in the disposal group held for sale from other liabilities. The assets in the non-current assets held for sale or the disposal group held for sale shall not be offset against the liabilities in the disposal group held for sale, and shall be presented as the current assets and current liabilities respectively.

The Company presents the profit or loss of continuing operations and the profit or loss of discontinued operations in the income statement separately. For non-current assets or disposal groups held for sale that do not meet the definition of discontinued operations, their impairment losses and reversal amounts and disposal profit or loss shall be presented as profit or loss from continuing operations. Operating profit or loss such as impairment losses and reversal amount of discontinued operations and disposal profit or loss shall be presented as the profit or loss from discontinued operations.

(XVII) Long-term equity investments

1. Judgment criteria for common control and significant influence

Common control refers to the mutual control over certain arrangement based on relevant agreements, however, activities related to such arrangement can be decided only when the consensus of the participating party sharing the right of control is obtained. Where the Company exercises common control over the investees together with other parties to the joint ventures and enjoys the right on the investee's net assets, the investee is a joint venture of the Company.

Significant influence refers to the power to participate in making decisions on the financial and operating policies of an enterprise, but not the power to control, or jointly control, the formulation of such policies with other parties. If the Company can exert significant influence on investees, investees shall be associates of the Company.

2. Determination of initial investment cost

- (1) Long-term equity investments formed by business combination

Business combination under common control: if the Company pays cash, transfers non-cash assets or assumes debts, and issues equity securities as the combination consideration, the share of book

value of acquiring the owners' equity of the combined party in the ultimate controller's consolidated financial statements is taken as the initial investment cost of long-term equity investments on the combination date. In case the Company can exercise control over the investee under common control for additional investments or other reasons, the initial investment cost of long-term equity investments should be recognized at the share of book value of net asset of the combined party after the combination in the consolidated financial statements of the ultimate controller on the combination date. If there is a difference between the initial investment cost of the long-term equity investments on the combination date and the sum of the book value of the long-term equity investments before combination and the book value of the consideration newly paid by shares acquired on the combination date, the difference shall be used to adjust the equity premium; and if the equity premium is insufficient to be offset, retained earnings shall be offset.

Business combination not under common control: the Company shall use the combination cost determined on the purchase date as the initial investment cost of long-term equity investments. If it is possible to exercise control investees that is not under common control due to additional investment or other reasons, the sum of the book value of the original equity investments plus the cost of the new investment will be used as initial investment cost accounted under the cost method.

(2) Long-term equity investments obtained through other means

For long-term equity investments acquired from cash payment, the initial investment cost is the actually paid purchasing cost.

For the long-term equity investments acquired by issuing equity securities, the initial investment cost is the fair value of the issued equity securities.

On the premise that exchange of non-monetary assets is of commercial nature and the fair value of the asset traded in and out can be measured reliably, the initial investment cost of long-term equity investments traded in with non-monetary asset should be determined according to the fair value of the asset traded out and relevant taxes and surcharges payable, unless any concrete evidence indicates that the fair value of the asset traded in is more reliable; For exchange of non-monetary assets that do not meet the above premise, the book value of the asset traded out and relevant taxes and surcharges payable should be recognized as the initial investment cost of the long-term equity investments traded.

For long-term equity investments obtained through debt restructuring, its book value is determined by the fair value of the abandoned creditor's right and the other taxes directly attributable to the assets, and the difference between the fair value of the abandoned creditor's right and the book value is included into the current profit or loss.

3. Subsequent measurements and recognition of profit or loss

(1) Long-term equity investments accounted for under the cost method

The Company's long-term equity investments in subsidiary is accounted for under the cost method. Except for the actual price paid for acquisition of investment or the cash dividends or profits contained in the consideration which have been declared but not yet distributed, the Company recognizes the investment income in the current period at the cash dividends or profits declared by the investee.

(2) Long-term equity investments accounted for under the equity method

Long-term equity investments in associates and joint ventures are accounted for under the equity method. If the initial investment cost is in excess of the share of fair value of identifiable net assets in the investee when the investment is made, the difference will not be adjusted to the initial investment cost of long-term equity investments; If the initial investment cost is in short of the share of fair value of identifiable net assets in the investee when the investment is made, the difference will be included in the current profit or loss.

The Company should recognize the investment income and other comprehensive income respectively in accordance with its share of net profit or loss and other comprehensive income realized by the investees that it should enjoy or share, and adjust the book value of long-term

equity investments; The book value of long-term equity investments will be reduced accordingly in the light of the profits or cash dividends that the investee declares to distribute; For other changes in the owners' equity of investees other than net profit or loss, other comprehensive income and profit distribution, the book value of long-term equity investments is adjusted and included in owners' equity.

When confirming the shares of net profit or loss of the investee which the Company shall enjoy, based on the fair value of the identifiable net assets of the investee at the time of acquisition of the investment, the Company confirms the net profit of the investee after adjustment in accordance with the Company's accounting policies and the accounting period. During the period when the investment is held, if the investee prepares consolidated financial statements, the accounting shall be made based on the amount attributable to investees in net profit, other comprehensive income and other changes in owners' equity in the consolidated financial statements.

The unrealized profit or loss of internal transactions between the Company and associates and joint ventures shall be offset according to the proportion attributable to the Company, and the investment income shall be recognized on this basis. Unrealized internal transaction loss incurred between the Company and the investee shall be recognized in full if such loss belongs to the asset impairment loss. If the Company invests or sells assets to associates and joint ventures, and the assets constitute business, the accounting treatment shall be made in accordance with the relevant policies disclosed in "III. (VI) Accounting treatments of business combination under common control and not under common control" and "III. (VII) Preparation method of consolidated financial statements" in this note.

When the Company recognizes the losses of investees that it should share, it shall proceed in the following order: Firstly, reduce book value of long-term equity investments. Secondly, if the book value of long-term equity investments is not sufficient to offset it, the investment losses will continue to be recognized to the extent of book value of other long-term interests that essentially constitute a net investment of the investees, to offset the book value of long-term receivables, etc. Finally, after the above processing, if the enterprise still bears additional obligations according to the investment contract or agreement, the estimated liabilities will be recognized based on the estimated obligations and included in the current investment losses.

(3) Disposal of long-term equity investments

When disposing of long-term equity investments, the difference between the book value and the actual price obtained shall be included in the current profit or loss.

When disposing of long-term equity investments accounted for under the equity method, the portion originally included in other comprehensive income will be accounted for in a corresponding ratio on the same basis as the investees' direct disposal of relevant assets or liabilities. The owners' equity recognized due to the changes in owners' equity other than net profit or loss, other comprehensive income, and profit distribution shall be carried forward to the current profit or loss on a proportional basis, except for other comprehensive income arising from the investee's remeasurement of changes in net liabilities or net assets under the defined benefit plans.

If common control or significant influence on investees is lost due to the disposal of part equity investments or other reasons, the remaining equity after disposal shall be calculated in accordance with recognition and measurement standards of financial instruments. The difference between its fair value and book value at the date of loss of common control or significant influence is recognized in the current profit or loss. For other comprehensive income recognized due to the original equity investments accounted for under the equity method, it shall be accounted for on the same basis as the investees' direct disposal of relevant assets or liabilities when the accounting for equity method is no longer adopted. The owners' equity recognized due to other changes in owners' equity of the investee other than net profit or loss, other comprehensive income and profit distribution will all be transferred to the current profit or loss when accounted for under the equity method is terminated.

If the Company loses right of control over investees due to the disposal of part of equity investments or increase in capital of the subsidiary by other investors, resulting in a decrease in the Company's shareholding ratio, when preparing individual financial statements, if the remaining

equity can exercise common control or significant influence over investees, it shall be accounted by under equity method, which shall be deemed to be adjusted under the equity method since the time of acquisition. If the remaining equity cannot common control or exert significant influence on investees, it shall be accounted for in accordance with the relevant provisions of recognition and measurement standards of financial instruments, and the difference between its fair value and book value on the date of loss of control shall be included in the current profit or loss.

Where the equity disposed of are acquired through business combination as a result of additional investment and other reasons, if the remaining equities after disposal are calculated under the cost method or equity method upon preparation of separate financial statements, other comprehensive income and other owners' equity recognized in equity investments held before the purchase date as a result of accounting under equity method shall be carried forward pro rata; If the remaining equity after disposal is accounted for in accordance with recognition and measurement standards of financial instruments, other comprehensive income and other owners' equity will be carried forward.

(XVIII) Investment properties

The investment properties refer to the properties held for earning rentals or/and capital appreciation, including leased land use right, land use right held for transfer upon appreciation, and leased building (including self-built buildings or buildings developed for renting or buildings under construction or development for future renting).

The Company measures its existing investment properties under the cost model. For investment properties measured under the cost model - in terms of buildings for renting, the same depreciation policy as that for fixed assets of the Company is adopted; for land use rights for renting, the same amortization policy as that for intangible assets is adopted.

(XIX) Fixed assets

1. Recognition conditions of fixed assets

Fixed assets refer to the tangible assets of the Company held for the purpose of producing commodities, rendering services, renting or business management with service life exceeding one accounting year. Fixed assets are recognized when the following conditions are met at the same time:

- (1) It is very likely that the economic benefits associated with the fixed assets will flow into the enterprise;
- (2) The cost of the fixed assets can be measured reliably.

2. Depreciation method

The depreciation of fixed assets is provided on a category basis by using the straight-line method (or: unit-of-production method, double declining balance method and sum-of-the-years-digits method, etc.), and the depreciation rate is determined according to the category, estimated service life and estimated net residual value rate of the fixed assets. If service life of the various components of fixed assets are different or they provide economic benefits to the enterprise in different ways, different depreciation rates or depreciation method should be selected and depreciation should be accrued separately.

The depreciation method, depreciation life, residual rate and annual depreciation rate of fixed assets are as follows:

Category	Depreciation method	Depreciation life (years)	Residual rate(%)	Annual depreciation rate (%)
Buildings and constructions	Straight-line method	20 years	0-10	4.5-5
House decoration	Straight-line method	10 years	0-5	9.5-10
Machinery equipment - gas turbine generator units	Workload method	-	0-10	-

Category	Depreciation method	Depreciation life (years)	Residual rate(%)	Annual depreciation rate (%)
Machinery equipment (except for gas turbine generator unit)	Straight-line method	15-20 years	0-5	4.75-6.67
Means of transport	Straight-line method	5 years	0-5	19-20
Electronic equipment	Straight-line method	5 years	0-5	19-20
Other equipment	Straight-line method	5 years	0-5	19-20

3. Subsequent expenditures

Subsequent expenditures on fixed assets refer to renovation and reconstruction expenses, repair costs, etc. incurred during the use of fixed assets. Subsequent expenditures such as the renewal and transformation of fixed assets, if they meet the conditions for capitalization, shall be included in the cost of fixed assets, and book value of the replaced part shall be deducted; The repair costs of fixed assets that do not meet the conditions for capitalization are included in the current profit or loss when incurred.

(XX) Construction in progress

The Company's construction in progress are classified into infrastructure projects, technical transformation projects, integrated energy service, information construction, etc.

The initial book values of the fixed assets are stated at necessary expenditures incurred before construction in progress reaches the working conditions for its intended use. For construction in progress that has reached working conditions for its intended use but for which the completion of settlement has not been handled, it shall be transferred into fixed assets at the estimated value according to the project budget, construction price, actual cost, etc. from the date when it reaches the working conditions for its intended use. And the fixed assets shall be depreciated in accordance with the Company's policy on depreciation of fixed assets. Adjustment shall be made to the originally and provisionally estimated value based on the actual cost after the completion of settlement is handled, but depreciation provided will not be adjusted.

The standards for construction in progress to be transferred to fixed assets when they reach the condition for its intended use are as follows:

Item	Criteria and time point for transfer to fixed assets
Buildings and constructions	(1) The main construction project and supporting projects have been substantially completed; (2) When the construction project meets the requirements for predetermined design, it must be accepted by the survey, design, construction, supervision and other entities; (3) Acceptance by external departments such as fire protection department, state-owned land department and planning department, etc.; (4) If a construction project has reached the intended usable state but has not yet completed the final settlement, it shall be transferred to fixed assets at an estimated value based on the actual cost of the project from the date on which it reaches the intended usable state.
Machinery equipment	(1) Relevant equipment and other supporting facilities have been installed; (2) The equipment can maintain normal and stable operation for a period of time after debugging; (3) The production equipment can stably produce qualified products over a period of time; (4) The equipment has been inspected and accepted by asset managers and users.

(XXI) Borrowing costs

1. Recognition principles for capitalization of borrowing costs

The borrowing costs include borrowing interest, amortization of discounts or premiums, auxiliary

expenses, and exchange differences arising from foreign currency borrowings, etc.

The borrowing costs incurred by the company that can be directly attributed to the purchase, construction or production of assets that meet the capitalization conditions shall be capitalized and included in the related asset cost; Other borrowing costs are recognized as expenses based on the amount incurred when incurred and included in the current profit or loss.

Assets eligible for capitalization refer to fixed assets, investment properties, inventories and other assets which may reach their intended use or sale status only after long-time acquisition and construction or production activities.

Capitalization of borrowing costs begins when the following conditions are met at the same time:

- (1) asset expenditures having occurred. Asset expenditures include expenditures in the form of cash payments, transfers of non-cash assets or interest-bearing debts for the acquisition, construction or production of assets that meet capitalization conditions;
- (2) borrowing costs having been incurred;
- (3) the purchase, construction or production activities necessary to bring the asset to its intended usable or salable state having begun.

2. Period of capitalization of borrowing costs

The capitalization period refers to the period from the time point at which capitalization of borrowing costs commences to the time point at which capitalization ceases, excluding the period during which capitalization of borrowing costs is suspended.

When the acquisition, construction or production of assets that meet the capitalization conditions reaches the intended usable or salable state, the capitalization of borrowing costs ceases.

When part of the projects in the acquisition, construction or production of assets that meet the capitalization conditions are completed and can be used independently, the capitalization of borrowing costs of this part of the assets ceases.

If each part of an asset purchased, constructed or produced is completed separately, but it cannot be used or sold until the entirety is completed, capitalization of borrowing costs stops when the entire asset is completed.

3. Capitalization suspension period

If an asset that meets the capitalization conditions is abnormally interrupted during the acquisition, construction or production process, and the interruption lasts for more than 3 months, the capitalization of borrowing costs is suspended; If the interruption is a necessary procedure for the acquired, constructed or produced assets that meet the capitalization conditions to reach the intended usable or salable state, the capitalization of borrowing costs continues. Borrowing costs incurred during the interruption period are recognized as current profit or loss, and the

capitalization of borrowing costs continues until the acquisition, construction or production activities of the assets restart.

4. Calculation method for capitalization of borrowing costs rate and capitalization amount

For special borrowings for the purpose of purchasing, constructing or producing assets eligible for capitalization, the capitalization amount of borrowing costs is determined by the actual borrowing costs incurred in the period of the special borrowing, less the amount of interest income earned on the unused borrowed funds deposited in the bank or investment income earned on the temporary investment.

For general borrowings taken up for the acquisition or production of assets eligible for capitalization, the amount of borrowing costs to be capitalized is determined by multiplying weighted average of the asset expenditures that exceed special borrowings by the capitalization rate of the general borrowings general borrowings used. The capitalization rate is calculated and determined based on the weighted average interest rate of general borrowings.

(XXII) Right-of-use assets

Except for short-term leases and leases of low value assets, the Company recognizes the right-of-use assets for the lease on the lease commencement date. The lease commencement date refers to the date when the lessor provides the leased assets for use by the Company. Right-of-use assets are initially measured at cost. This cost includes:

1. The initial measurement amount of the lease liabilities;
2. For lease payments paid on or before the lease commencement date, if there is a lease incentive, the amount related to the lease incentive enjoyed shall be deducted;
3. Initial direct costs incurred by the Company;
4. The costs that the Company expects to incur to dismantle and remove leased assets, restore the site where leased assets are located, or restore leased assets to the state stipulated in the lease terms, but does not include costs incurred for the production of inventories.

The Company shall make provision for depreciation of the right-of-use assets with reference to the relevant depreciation provisions of Accounting Standards for Business Enterprises No. 4 - Fixed Assets. If the Company can reasonably determine that the ownership of leased assets will be obtained at the expiration of the lease term, the right-of-use assets shall be depreciated within the remaining useful life of the leased assets. If there is no reasonable assurance that the ownership of the leased assets can be obtained at the expiration of the lease term, the depreciation shall be made within the shorter of the lease term or the remaining useful life of the leased assets.

The Company determines whether the right-of-use assets have been impaired in accordance with the Accounting Standards for Business Enterprises No. 8 - Asset Impairment, and carries out accounting treatment for the identified impairment losses.

(XXIII) Intangible assets

Intangible assets including land use right, patented technology, software, etc., are initially measured at actual cost.

1. Valuation method of intangible assets

(1) The Company shall initially measure the intangible assets at cost when obtaining the same

The cost of outsourced intangible assets includes the purchase price, relevant taxes and other expenses directly attributable to bringing the assets to the intended use. If the purchase price of intangible assets is deferred beyond normal credit conditions and is essentially financing in nature, the cost of intangible assets is determined based on the present value of the purchase price.

The book value of intangible assets acquired in a debt restructuring for use by the debtor against a debt are determined based on the fair value of the claim waived and other costs directly attributable to bringing the asset to its intended use, such as taxes, and the difference between the fair value of the claim waived and the book value of the intangible assets is recognized in current profit or loss.

Provided that the exchange of non-monetary assets has commercial substance and the fair value of both the assets exchanged in and the assets exchanged out can be measured reliably, the intangible assets exchanged in by exchange of non-monetary assets are recorded at their fair value based on the fair value of the assets exchanged out, unless there is conclusive evidence that the fair value of the assets exchanged in is more reliable; For exchange of non-monetary assets that do not meet the above prerequisites, the book value of the exchanged assets and related taxes payable are recognized as the cost of the intangible assets exchanged, and profit or loss is derecognized.

(2) Subsequent measurement

Analyze and determine service life of intangible assets when acquiring them.

For intangible assets with limited service life, they are amortized on straight-line method within the period that they bring economic benefits to the enterprise; If it is not foreseeable that intangible assets will bring economic benefits to the enterprise, they are regarded as intangible assets with indefinite service life and are not amortized.

2. Estimated service life of intangible assets with limited service life

Category	Amortization method	Amortization period (year)	Basis for use
Land use right	Straight-line method	30-50	Within the validity period of the land title certificate
Patented technology	Straight-line method	10	Patent certificate
Software	Straight-line method	5	Software availability period

3. Basis for judgment of intangible assets with indefinite service life and procedures for reviewing their service life

When reviewing the service life of intangible assets with indefinite service life, the service life is estimated and amortized in accordance with the amortization policy for intangible assets with limited service life, if there is evidence that the period over which the intangible asset will provide economic benefits to the enterprise is foreseeable.

4. Specific criteria for dividing research and development stages

The expenditures of the Company's internal research and development projects are divided into expenditures in the research stage and expenditures in the development stage.

Research stage: the stage of creative and planned investigation and research activities to obtain and understand new scientific or technical knowledge.

Development stage: the stage in which research results or other knowledge are applied to a certain plan or design to produce new or substantially improved materials, devices, products, etc. before commercial production or use.

Development stage expenditures meet specific criteria for capitalization

Expenditures during the development stage of internal research and development projects are recognized as intangible assets when the following conditions are met:

- (1) It is technically feasible to complete the intangible assets so that it can be used or sold;
- (2) Have the intention to complete the intangible assets and use or sell it;
- (3) The usefulness of methods for intangible assets to generate economic benefits shall be proved, including being able to prove that there is a potential market for the products manufactured by applying the intangible assets or there is a potential market for the intangible assets themselves or the intangible assets will be used internally;
- (4) Have sufficient technical, financial and other resource support to complete the development of the intangible assets, and have the ability to use or sell the intangible assets;
- (5) Expenditures attributable to the development stage of the intangible assets can be measured reliably.

(XXIV) Asset impairment

For long-term assets such as long-term equity investments, investment properties measured under the cost model, fixed assets, construction in progress, right-of-use assets, and intangible assets with limited useful lives, if there are signs of impairment on the balance sheet date, an impairment test shall be conducted. If the results of impairment test indicate that the recoverable amount of assets is less than its book value, a provision for impairment is made based on the difference and the assets are recognized as impairment losses. The recoverable amount is the net of the fair value of the assets less costs of disposal and the current value of the expected future cash flows from the assets (whichever is higher). Provision for asset impairment is calculated and recognized on the basis of individual assets. If it is difficult to estimate the recoverable amount of an individual asset, the recoverable amount of an asset group is determined based on the asset group to which the asset belongs. The asset group is the smallest combination of assets that can independently generate cash inflows.

Goodwill, intangible assets with indefinite service life, and intangible assets that have not yet reached a usable state are subject to impairment test at least at the end of each year.

The Company performs the impairment test for goodwill. For the book value of goodwill arising from a business combination, the Company amortizes it to the relevant asset group on a reasonable method from the purchase date; If it is difficult to be amortized to the relevant asset group, it is amortized to the relevant portfolio of asset groups. When amortizing the book value of goodwill, the Company amortizes it based on the relative benefits that the relevant asset groups or portfolio of asset groups can obtain from the synergies of business combination, and performs goodwill impairment test on this basis.

In the impairment test for the relevant asset group or combination of asset groups containing goodwill, if there are indications of impairment for the asset group or combination of asset groups

related to goodwill, the asset group or combination of asset groups that does not contain goodwill is first tested for impairment, the recoverable amount is calculated and compared with the relevant book value, and corresponding impairment losses are recognized. An impairment test is then performed on the asset group or combination of asset groups containing goodwill by comparing the book value of the relevant asset group or combination of asset groups (including the part of the book value of the goodwill apportioned to it) with its recoverable amount. If the recoverable amount of the relevant asset group or combination of asset groups is less than its book value, impairment losses on goodwill are recognized. Once the above-mentioned asset impairment losses are recognized, they will not be reversed in subsequent accounting periods.

(XXV) Long-term deferred expenses

1. Amortization method

The Company's long-term deferred expenses refer to various expenses that have been incurred but the benefit period is more than one year (excluding one year). Long-term deferred expenses are amortized in installments according to the benefit period of the expense item. If a long-term deferred expense item cannot benefit future accounting periods, all the amortized value of the item that has not been amortized will be transferred to the current profit or loss.

The renovation of lease premises is recognized as long-term deferred expenses and amortized over the shorter of the following two periods:

- (1) the estimated service life of the renovation (the estimated time until the next renovation);
- (2) the estimated remaining service life of the main structure of the property

The Company's subsequent expenditure that do not meet the conditions for recognition of fixed assets, such as major repair costs, are recognized as long-term deferred expenses in the year they occur, and are subsequently amortized in installments during the benefit period.

2. Amortization period

Item	Amortization period
Renovation of rented fixed assets	The estimated service life of the renovation and the estimated remaining service life of the main structure of the property (whichever is shorter).
Expenditures for capital repairs of fixed assets	Overhaul cycle for gas generator unit

(XXVI) Contract liabilities

Contract liabilities refer to the Company's obligation to transfer goods or services to customers for consideration received or receivable from customers. Contract assets and contract liabilities under the same contract are presented in the net term.

(XXVII) Employee compensation

1. Accounting treatments of short-term compensation

During the accounting period when employees provide services for the Company, the Company recognizes the actual short-term compensation as a liability and includes it in the current profit or loss or related asset costs.

The Company contributes social insurance premiums and housing fund for its employees, as well as labor union fund and employee education expenses withdrawn as required, and calculates and determines the corresponding amount of employee compensation in accordance with the prescribed accrual basis and accrual ratio during the accounting period in which the employees render services to the Company.

For non-monetary employee benefits, if they can be measured reliably, they are measured at fair value.

2. Accounting treatments for post-employment benefits

Defined contribution plans

The Company pays basic endowment insurance and unemployment insurance for its employees in

accordance with relevant regulations of the local government. During the accounting period when employees provide services to the Company, the amount payable is calculated based on the payment base and ratio stipulated by the local government, and is recognized as a liability and included in current profit or loss or related asset costs.

In addition to basic endowment insurance, the Company has also established an enterprise annuity payment system (supplementary endowment insurance)/enterprise annuity plan in accordance with the relevant policies of the national enterprise annuity system. The Company pays contributions to local social insurance institutions/annuity plans based on a certain ratio of total employee wages, and includes the corresponding expenditures in current profit or loss or related asset costs.

3. Accounting treatments for dismissal benefits

When the Company cannot unilaterally withdraw dismissal benefits provided by the termination of labor relationship plan or redundancy proposal, or when it recognizes the costs or expenses related to the restructuring involving the payment of dismissal benefits (whichever is earlier), employee compensation liabilities arising from dismissal benefits are recognized and included in current profit or loss.

(XXVIII) Lease liabilities

Except for short-term leases and leases of low value assets, the Company makes initial measurement of the lease liabilities on the lease commencement date according to the present value of the unpaid lease payments on that date. In calculating the present value of the lease payments, the Company uses the interest rate implicit in the lease as the discount rate, and if the interest rate implicit in the lease cannot be determined, the incremental borrowing rate is used as the discount rate.

Lease payments are payments made by the Company to the lessor in connection with the right to use the leased assets during the lease term, including:

1. Fixed payment amount (including substantial fixed payment amount), if there is any lease incentive, the relevant amount of the lease incentive shall be deducted;
2. Variable lease payments depending on the index or ratio;
3. The Company reasonably determines the exercise price of the purchase option to be exercised;
4. The lease term reflects the amount to be paid by the Company for exercising the option to terminate the lease;
5. The amount expected to be paid according to the residual value of the guarantee provided by the Company.

The variable lease payments depending on the index or ratio is determined at the initial measurement according to the index or ratio on the commencement date of the lease term. The variable lease payments not included in the measurement of lease liabilities shall be included in the current profit or loss or the related asset cost when they actually occur.

After the lease commencement date, the Company calculates the interest expenses of the lease liabilities for each period of the lease term at a fixed periodic interest rate and includes it in the current profit or loss or related asset cost.

After the lease commencement date, if the following circumstances occur, the Company will remeasure lease liabilities and adjust the corresponding right-of-use assets. If the book value of right-of-use assets has been reduced to zero, but lease liabilities still need to be further reduced, the Company will include the difference in the current profit or loss.

1. If the lease term changes or the evaluation result of the purchase option changes, the Company shall remeasure the lease liabilities according to the present value calculated by the changed lease payments and the revised discount rate;
2. If the estimated amount payable according to the guaranteed residual value or the index or ratio used to determine the lease payments changes, the Company remeasures the lease liabilities according to the changed lease payments and the present value calculated by the original discount

rate. If the change in lease payments is due to the change in floating interest rate, the revised discount rate shall be used to calculate the present value.

Lease liabilities are presented as current liabilities or non-current liabilities in the balance sheet according to their liquidity. The ending book value of non-current lease liabilities maturing within one year from the balance sheet date shall be reflected in the item of "non-current liabilities maturing within one year".

(XXIX) Estimated liabilities

1. Recognition criteria for estimated liabilities

The Company recognizes the obligations related to contingencies such as litigation, debt guarantees, onerous contracts, restructuring matters, etc. as estimated liabilities when the following conditions are met at the same time:

- (1) the obligation being the current obligation of the Company;
- (2) the performance of the obligation being likely to cause economic benefits to flow out the Company;
- (3) the amount of the obligation being able to be measured reliably.

2. Measurement methods for various types of estimated liabilities

The Company's estimated liabilities are initially measured at best estimate of the expenditures required to perform the related present obligations.

When determining best estimate, the Company comprehensively considers factors such as risks, uncertainty and time value of money related to contingencies. Where the effect on the time value of money is material, the best estimate is determined by discounting the relevant future cash outflows.

Best estimate is treated separately as follows:

If there being a continuous range (or interval) of required expenditures, and various outcomes within the range are equally likely to occur, best estimate is determined based on the middle value of the range, that is, the average of the upper and lower limits.

If there being no continuous range (or interval) of required expenditures, or if there being a continuous range but the probabilities of occurrence of the various results within the range are not the same, the best estimate is determined on the basis of the most probable amount to be incurred if the contingency relates to a single item; If the contingency involves multiple projects, best estimate is calculated and determined based on various possible outcomes and related probabilities.

If all or part of the Company's expenses required to settle estimated liabilities are expected to be compensated by a third party, the compensation amount is recognized separately as an asset when it is basically certain that it can be received. The recognized compensation amount shall not exceed the book value of estimated liabilities.

(XXX) Revenue

Disclosure of accounting policies adopted for revenue recognition and measurement according to business type. The Company's revenue mainly comes from the following business types:

- (1) Revenue from power production and sales;
- (2) Revenue from integrated energy services;
- (3) Other revenue.

1. General principles

If the Company fulfills its performance obligations under a contract, that is, when the customer obtains right of control of the relevant goods or services, revenue is recognized. Performance obligations are contractual commitments in which the Company transfers clearly distinguishable goods or services to the customer. Obtaining right of control of the relevant goods or services refers to the ability to control the use of the goods or the provision of the services and to derive virtually all of the economic benefits therefrom.

If one of the following conditions is met, it is performance obligations to be fulfilled within a certain period of time, and the Company recognizes revenue over a period of time in accordance with the performance progress: (1) the customer obtaining and consuming the economic benefits arising from the Company's performance at the same time as the Company's performance; (2) the customer being able to control the goods under construction during the Company's performance; (3) the goods produced by the Company during the performance of the contract having irreplaceable uses, and the Company having the right to collect payment for the cumulative performance part completed so far during the entire contract period. Otherwise, the Company recognizes revenue at the time point at which the customer obtains the right of control of the related goods or services.

2. Sales with a quality guarantee clause

For sales with a quality guarantee clause, if the quality guarantee provides a separate service to the customer in addition to the assurance that the goods or services sold meet standards specified herein, the quality guarantee constitutes an individual performance obligation. Otherwise, the Company accounts for the quality assurance liability in accordance with the provisions of the Accounting Standards for Business Enterprises No. 13 - Contingencies.

3. Identification of the person with main liabilities and the agent

The Company identifies itself as the person with main liabilities or the agent when engaging in transactions based on whether it has the right of control of the goods or services before transferring them to the customer. If the Company has the right of control of the goods or services before transferring them to the customer, the Company identifies itself as the person with main liabilities and recognizes revenue based on the total consideration received or receivable; Otherwise, the Company identifies itself as the agent and recognizes revenue based on the amount of commissions or handling charges that may be received. This amount is determined according to the net amount after deducting the price payable to other related parties from the total consideration received or receivable, or according to the specified commissions amount, ratio or other factors.

4. Principles

If the Company fulfills its performance obligations under a contract, that is, when the customer obtains right of control of the relevant goods or services, revenue is recognized. Obtaining right of control of the relevant goods or services refers to the ability to control the use of the goods or the provision of the services and to derive virtually all of the economic benefits therefrom.

(1) Revenue from power production and sales

When the power is transmitted to the power grid company specified in the power sales contract, which means the power grid company has obtained the right of control of the power, the Company shall recognize the reported sales revenue.

(2) Revenue from integrated energy services

The revenue of services provided between the Company and customers mainly includes engineering labor and services such as operation and maintenance, management, commissioning, and overhaul, as well as energy service revenue for industrial and commercial energy storage and power sales. If multiple performance obligations are involved, they should be reasonably split, and equipment sales should be handled with reference to the sale of goods business. The provision of labor and services is generally dealt with according to the output method based on the performance obligation fulfilled within a certain time period. Requirements are as follows:

1) Sales of supporting equipment

For sales of equipment, revenue shall be recognized when the customer obtains the right of control the equipment. In general, the recognition time point shall be the time when the customer signs after receiving the completed or delivered products. Based on the terms of the Contract, the required attachments for revenue recognition include but are not limited to the sales contract, commodity shipping order, customer receipt sheet, equipment acceptance sheet or customs declaration form, etc.

2) Labor and services provided

① The recognition and settlement of revenue from such business shall comply with the provisions of the business contract signed by both parties. At the end of each settlement period, the necessary documents stipulated in the Contract, such as the attendance sheet, service application form, etc. confirmed by both parties shall be provided as the proof of the cumulative revenue recognition of the settlement period and materials for collecting service price.

② On each balance sheet date within the settlement period, revenue shall be tentatively estimated based on the performance progress. When using the output method to determine the performance progress, the progress is usually determined in combination with the actual measured completion progress, assessment of achieved results, achieved milestones, progress of the schedule, completed or delivered products and other output indicators.

3) Energy service income from industrial and commercial energy storage and power sales

For the industrial and commercial energy storage service business, after the expiration of each settlement cycle, check and confirm the charging and discharging records of the energy storage project with the customer, and sign the confirmation form of electricity charge settlement of energy storage power station, tentatively estimate the confirmation revenue of service fees, and make formal settlement according to the actual electricity bill issued by the power supply bureau at the beginning of each month, adjust the tentatively estimated revenue, and confirm the energy service revenue.

For power sales service, the energy service revenue of the current month shall be confirmed according to the power sales revenue statement of Guangdong Power Exchange Co., Ltd.

(XXXI) Contract costs

1. Cost of contract acquisition

The incremental costs incurred by the Company to obtain the Contract (that is, costs which would not have been incurred without obtaining the Contract) that may be recovered shall be recognized as an asset and amortized on the same basis as the revenue recognition of goods or services related to the asset. In addition, the asset shall be included in the current profit or loss. If the amortization period of the asset does not exceed one year, the asset shall be included in the current profit or loss when incurred. Other expenses incurred by the Company to obtain the contract shall be included in the current profit or loss when incurred, unless otherwise the expenses are borne by the customer.

2. Contract performance cost

The costs incurred by the Company to perform the Contract are recognized as an asset if they do not fall within the scope of other provisions specified in the Accounting Standards for Business Enterprises other than the revenue standards and meet all the following conditions: (1) when the cost is directly related to an existing or expected contract; (2) when the cost increases the Company resources for fulfilling performance obligations in the future; (3) when the cost is expected to be recovered. The above-mentioned asset shall be amortized on the same basis as the revenue recognition of goods or services related to the asset and included in the current profit or loss.

3. Impairment of contract costs

When recognizing impairment losses of assets related to contract costs, the Company shall first recognize impairment losses of other assets related to the Contract that are recognized in accordance with other relevant accounting standards for business enterprises; Then, if book value is higher than difference between the remaining consideration expected to be obtained by the Company for the transfer of the goods related to the asset and the estimated cost to be incurred for the transfer of the related goods, provision for impairment shall be made for the excess, and it shall be recognized as the asset impairment loss.

If the factors of impairment in the previous period subsequently changed, causing the aforementioned difference to be higher than the book value of the asset, provision for asset impairment that has been made previously shall be reversed and the higher part shall be included

in the current profit or loss, but the book value of the asset after the reversal shall not exceed the book value of the asset on the date of reversal assuming no provision for impairment is made.

(XXXII) Government subsidies

1. Type

Government subsidies refer to the monetary and non-monetary assets obtained by the Company from the government free of charge. Government subsidies are divided into asset-related government subsidies and income-related government subsidies.

Asset-related government subsidies refer to government subsidies obtained by the Company and used to purchase, construct or otherwise form long-term assets. Income-related government subsidies refer to government subsidies other than asset-related government subsidies.

2. Recognition time point

If there is evidence that the Company can meet the relevant conditions stipulated in the financial support policy and is expected to receive financial support funds, government subsidies shall be recognized based on the amount receivable. Otherwise, government subsidies shall be recognized when they are actually received.

If government subsidies are monetary assets, they shall be measured at the amount received or receivable. If government subsidies are non-monetary assets, they shall be measured at the fair value; If the fair value cannot be obtained reliably, government subsidies shall be measured at the nominal amount (RMB 1). Government subsidies measured at the nominal amount shall be directly included in the current profit or loss.

3. Accounting treatment

Asset-related government subsidies shall be used to offset the book value of the relevant assets or recognized as the deferred income. Government subsidies which are recognized as the deferred income shall be included in the current profit or loss in installments according to a reasonable and systematic method within service life of the relevant assets (if the government subsidies are related to the daily activities of the Company, the subsidies shall be included in other income; if the government subsidies are not related to the daily activities of the Company, the subsidies shall be included in non-operating revenue).

Income-related government subsidies that are used to compensate the Company for relevant costs or losses in subsequent periods shall be recognized as the deferred income and included in the current profit or loss (if the government subsidies are related to the daily activities of the Company, the subsidies shall be included in other income; if the government subsidies are not related to the daily activities of the Company, the subsidies shall be included in non-operating revenue) or used to offset relevant costs or losses; If the subsidies are used to compensate for the relevant costs or losses incurred by the Company, the subsidies shall be directly included in the current profit or loss (if the government subsidies are related to the daily activities of the Company, the subsidies shall be included in other income; if the government subsidies are not related to the daily activities of the Company, the subsidies shall be included in non-operating revenue) or used to offset relevant costs or losses.

The policy-based preferential loan interest subsidies obtained by the Company will be accounted for differently in the following two situations:

- (1) if the central finance allocates interest subsidies to the lending bank, and the lending bank provides loans to the Company at a policy-based preferential interest rate, the Company will use the actual loan amount received as the entry value of the loan and calculate related borrowing costs based on the loan principal and the policy-based preferential interest rate.
- (2) if the central finance directly allocates interest subsidies to the Company, the Company will use the corresponding interest subsidies to offset related borrowing costs.

(XXXIII) Deferred tax assets and deferred tax liabilities

For deductible temporary differences, deferred tax assets shall be recognized with the taxable income that is likely to be obtained in the subsequent period to offset deductible temporary

differences as the limit. For deductible losses and tax credits which can be carried forward to subsequent years, the corresponding deferred tax assets shall be recognized with the future taxable income that is likely to be obtained to offset deductible losses and tax credits as the limit.

For taxable temporary differences, except in special circumstances, the deferred tax liabilities shall be recognized.

Special circumstances in which deferred tax assets or deferred tax liabilities are not recognized include: initial recognition of goodwill; Other transactions or matters, except for business combination, that affect neither accounting profits nor taxable income (or deductible losses) when incurred.

When the Company is entitled to the legal right to settle on a net basis and intends to settle on a net basis or obtain assets and pay off liabilities at the same time, the current income tax assets and current income tax liabilities shall be reported at the net amount after offsetting.

When the Company is entitled to settle current income tax assets and current income tax liabilities on a net basis, and deferred tax assets and deferred tax liabilities are related to income tax levied by the same taxation department on the same taxpayer or different taxpayers, but in each significant period when deferred tax assets and liabilities are reversed, if the taxpayer involved intends to settle current income tax assets and liabilities on a net basis or obtain assets and pay off liabilities at the same time, deferred tax assets and deferred tax liabilities shall be reported at the net amount after offsetting.

(XXXIV) Lease

Lease refers to a contract whereby the lessor transfers the right to use an asset to the lessee in exchange for consideration for a certain period of time.

1. The Company acts as a lessee

The Company shall determine the right-of-use assets on the starting date of the lease term and recognize lease liabilities based on the present value of the unpaid lease payments. Lease payments include fixed payments and amounts payable when the purchase option or option to terminate lease is likely to be exercised. Variable rent determined based on a certain ratio of sales amount shall not be included in lease payments and shall be included in the current profit or loss when actually incurred.

The Company's right-of-use assets include leased buildings and constructions, machinery equipment, means of transport, computers and electronic equipment, etc.

For short-term leases with lease term of no more than 12 months and leases of low value assets with a single asset at a low value when it is new, the Company will not to recognize right-of-use assets and lease liabilities, and the relevant rental expenses will be calculated based on the straight-line method in each period during lease term and included in the current profit or loss or related asset costs.

2. The Company acts as a lessor

Financing lease refers to the lease that basically transfers all the risks and rewards related to the ownership of leased assets. Other leases are operating leases.

(1) Operating leases

When the Company rents out its own buildings, machinery equipment and means of transport, the rental revenue from operating leases is recognized in accordance with the straight-line method during lease term. Variable rents, which are determined by the Company at a certain percentage of sales, are included in rental revenue when actually incurred.

(2) Financing lease

On the commencement date of the lease term, the Company recognizes the finance lease receivables for the financing lease and terminates the derecognition of related assets. The Company lists finance lease receivables as long-term receivables, while the finance lease receivables collected within one year (including) from the balance sheet date are listed as non-

current assets due within one year.

(XXXV) Special reserve

The work safety expenses extracted from the Company's power production and sales business in accordance with national regulations are included in the cost of related products or current profit or loss as well as in the "special reserve" account. The currently accrual standard is based on operating revenue of the previous year, using an excess regressive method to determine the accrual amount for the current year. Such amount shall be withdrawn evenly every month, and be included in the cost of related products or current profit or loss as well as in the "special reserve" account. When the Company uses special reserve, the amount shall be charged directly to the special reserve if it belongs to cost of spending; If fixed assets are formed, they will be recognized as fixed assets when such assets reach the intended usable state; At the same time, special reserve is offset according to the cost of fixed assets formed, and accumulated depreciation of the same amount shall be recognized. Such fixed assets will no longer be depreciated in subsequent periods.

(XXXVI) Changes in significant accounting policies and accounting estimates

1. Significant changes in accounting policies

Content and reasons for changes in accounting policies	Names of report items significantly affected	Affected amount
In October 2023, the Ministry of Finance issued the Interpretation No. 17 of the Accounting Standards for Business Enterprises (CK [2023] No. 21), which stipulates the relevant contents of "the division of current liabilities and non-current liabilities", "the disclosure of financing arrangements of the supplier" and "the accounting treatment of after-sales leaseback transactions". The interpretation shall come into force as of January 1, 2024 and be implemented by the Company as of January 1, 2024.	No impact	0.00
In March 2024 and December 2024, the Ministry of Finance compiled and issued the Compilation of Application Guidelines for Accounting Standards for Business Enterprises 2024 and issued the Accounting Standards for Business Enterprises Interpretation No. 18 (CK [2024] No. 24), stipulating that the estimated liabilities arising from the quality assurance that does not belong to the individual performance obligation shall be included in the "primary business costs" and "other business costs" according to the determined amount, and shall no longer be included in the "selling and distribution expenses". The Interpretation shall come into force as of the date of issuance, and the Company shall implement the Interpretation No. 18 of the Accounting Standards for Business Enterprises as of January 1, 2024.	No impact	0.00

2. Changes in significant accounting estimates

Content and reasons for changes in accounting estimates	Approval procedure	Changes in accounting estimates Effective time point	Remark
In order to further strengthen the management of fixed assets, by sorting out the fixed assets card information of the Company and its held subsidiary, and combining with the actual use of the Company's fixed assets, the Company, in accordance with the principle of prudence, adjusted the net residual value rate of the fixed assets of house decoration, machinery equipment (except for gas turbine generator unit), means of transport, electronic equipment and other equipment, from the original 10% to 0-5%.	It has been reviewed and approved by the Board of Directors and the Board of Supervisors	Effective from January 1, 2024	

Description of changes in accounting estimates:

For details of the changes in accounting estimates of the Company, please refer to the Announcement No. 2024-022 Announcement of Shenzhen Nanshan Power Co., Ltd. on Adjustment of Residual Value Rate of Fixed Assets and Changes in Accounting Estimates.

Taxes

(XXXVII) Main tax type and rates

Tax type	Tax basis	Tax rate
Value-added tax	The output tax is calculated based on revenue from the sale of goods and taxable services calculated according to the tax law. After deducting the input tax allowed to be deducted in the current period, difference shall be the value-added tax payable.	13%,9%,6%,5%,3%
Urban maintenance and construction tax	Based on the actual value-added tax and consumption tax paid	7%
Education surcharge	Based on the actual value-added tax and consumption tax paid	3%
Local education surcharge	Based on the actual value-added tax and consumption tax paid	2%
Corporate income tax	Based on taxable income	Except for the following enterprises that enjoy tax preferential treatment, tax shall be paid at 25% of the taxable income.
Urban land use tax	For the actual occupied land area of industrial land in Nanshan District, Shenzhen, tax shall be paid at RMB 2-8/square meter. For the actual occupied land area of industrial land in Zhongshang, tax shall be paid at RMB 1/square meter.	
Foreign taxes	Foreign taxes shall be calculated according to the tax regulations of each overseas country and region.	

The tax subjects with different corporate income tax rates are as follows:

Taxpayer name	Income tax rate
The Company	15%
Shenzhen Nanshan Power Engineering Company	15%

(XXXVIII) Tax preferential treatment**1. Corporate income tax**

(1) The Company obtained a national high-tech enterprise certificate numbered GR202444200365, which is valid for 3 years. From 2024 to 2026, the Company's corporate income tax enjoys a preferential income tax rate of 15% for high-tech enterprise.

(2) Shenzhen Nanshan Power Engineering Company obtained a national high-tech enterprise certificate numbered GR202344200269, which is valid for 3 years. From 2023 to 2025, the Company's corporate income tax enjoys a preferential income tax rate of 15% for high-tech enterprise.

2. Value-added tax

Tax type	Company name	Relevant laws, regulations and policies	Approval authority	Approval No.	Preference enjoyed	Validity period
Value-added tax	Shenzhen Nanshan Power Engineering Company	Measures for the Administration of Value-added Tax Exemption for Cross-border Taxable Activities in Replacement of Business Tax with Value-added tax	Shenzhen Qianhai State Taxation Administration	GJSWZJ GG [2016] No. 29	Value-added tax exemption for cross-border taxable activities	-

Notes to consolidated financial statements items**(XXXIX) Monetary funds**

Item	Ending balance	Balance at the end of last year
Cash on hand	30,264.98	30,329.83
Bank deposits	471,032,644.67	310,694,227.98
Other monetary funds	7,916,312.01	5,464,224.68
Total	478,979,221.66	316,188,782.49
Including: total amount deposited abroad	6,190,580.08	6,105,051.40

The details of monetary funds that have restrictions on their use due to mortgage, pledge or freezing, as well as those deposited overseas with restrictions on repatriation are as follows:

Item	Ending balance	Balance at the end of last year
L/G deposit	7,912,100.00	5,453,862.93
Total	7,912,100.00	5,453,862.93

In addition, as at December 31, 2024, the Company had no monetary funds subject to the restriction to use due to mortgage, pledge or freezing and with potential recovery risks.

(XL) Financial assets held for trading

Item	Ending balance	Balance at the end of last year
Financial assets measured at fair value with changes included in the current profit or loss		226,000,000.00
Including: investments in debt instruments		
Investments in equity instruments		
Derivative financial assets		
Others (note)		226,000,000.00
Financial assets designated as measured at fair value and whose changes are recorded in profit or loss for the period		
Including: investments in debt instruments		
Others		
Total		226,000,000.00

Note: Other financial assets held for trading of the Company are structured deposits deposited in commercial banks, which will mature by the end of 2024.

(XLI) Accounts receivable**1. Disclosure of accounts receivable on an aging basis**

Aging	Ending balance	Balance at the end of last year
Within 1 year	44,124,575.22	51,764,528.59
1 to 2 years	21,094,465.13	40,359,448.07
2 to 3 years	14,485,054.31	21,478,238.86
Over 3 years	3,648,959.88	5,464,799.07
Total	83,353,054.54	119,067,014.59

2. Accounts receivable are classified and disclosed according to the method of provision for bad debts

Category	Ending balance				
	Book balance		Provision for bad debts		Book value
	Amount	Ratio (%)	Amount	Provision ratio (%)	
Provision for bad debts on an individual basis	43,546,002.21	52.24	15,128,128.63	34.74	28,417,873.58
Provision for bad debts on a credit risk portfolio basis	39,807,052.33	47.76	407,900.00	1.02	39,399,152.33
Total	83,353,054.54	100.00	15,536,028.63	18.64	67,817,025.91

Continued

Category	Balance at the end of last year				
	Book balance		Provision for bad debts		Book value
	Amount	Ratio (%)	Amount	Provision ratio (%)	
Provision for bad debts on an individual basis	5,464,799.07	4.59	5,464,799.07	100.00	
Provision for bad debts on a credit risk portfolio basis	113,602,215.52	95.41	1,626,964.42	1.43	111,975,251.10
Total	119,067,014.59	100.00	7,091,763.49	5.96	111,975,251.10

Important accounts receivable with provision for bad debts made on an individual basis:

Description	Ending balance			
	Book balance	Provision for bad debts	Provision ratio (%)	Reasons for provision
China Machinery Engineering Corporation	40,018,348.65	11,600,475.07	28.99	Not expected to be recovered
Shenzhen Petrochemical Oil Products Bonded Trading Co., Ltd.	3,474,613.06	3,474,613.06	100.00	Legacy matters from the distant past
Total	43,492,961.71	15,075,088.13		

Provision for bad debts made by portfolio:

Items accrued on a portfolio basis:

Description	Ending balance		
	Accounts receivable	Provision for bad debts	Provision ratio (%)
Portfolio II: receivables from power production and sales	26,657,255.44	-	
Portfolio III: receivables from integrated energy service	13,149,796.89	407,900.00	3.10
Total	39,807,052.33	407,900.00	1.02

3. Provision for bad debts accrued, reversed or recovered for the current period

Category	Balance at the end of last year	Amount of changes for the current period			Ending balance
		Accrual	Reverse or recovery	Charge-off or write-off	
Provision for bad debts on an individual basis	5,464,799.07	11,600,475.07		1,937,145.51	15,128,128.63

Category	Balance at the end of last year	Amount of changes for the current period			Ending balance
		Accrual	Reverse or recovery	Charge-off or write-off	
Provision for bad debts on a credit risk portfolio basis	1,626,964.42	407,900.00	1,626,964.42		407,900.00
Total	7,091,763.49	12,008,375.07	1,626,964.42	1,937,145.51	15,536,028.63

4. Accounts receivable from actual write-off for the current period

Item	Write-off amount
Accounts receivable from actual written-off	1,937,145.51

Important write-off of accounts receivable:

Entity name	Nature of accounts receivable	Write-off amount	Reasons for write-off	Write-off procedures performed	Whether the payment is generated by related transactions
China Solibase Engineering Co., Ltd.	Engineering and technical services	1,137,145.51	The claim is time-barred due to the extended lapse of time and is deemed irrecoverable	Review by the Board of Directors	No
Total		1,137,145.51			

5. Accounts receivable and contract assets of the top five ending balances by debtors

Entity name	Ending balance of accounts receivable	Ending balance of contract assets	Ending balance of accounts receivable and contract assets	Proportion to the total ending balance of accounts receivable and contract assets (%)	Ending balance of provision for bad debts of accounts receivable and provision for contract asset impairment
China Machinery Engineering Corporation	40,018,348.65		40,018,348.65	47.96	11,600,475.07
Shenzhen Power Supply Bureau Co., Ltd.	26,641,173.11		26,641,173.11	31.93	-
Shenzhen Energy Corporation	4,404,385.09		4,404,385.09	5.28	-
Power China Hubei Engineering Co., Ltd.	4,079,000.00	88,000.00	4,167,000.00	4.99	407,900.00
Shenzhen Petrochemical Bonded Oil Trading Co., Ltd.	3,474,613.06		3,474,613.06	4.16	3,474,613.06
Total	78,617,519.91	88,000.00	78,705,519.91	94.32	15,482,988.13

(XLII) Advances to suppliers

1. Advances to suppliers are listed based on aging

Aging	Ending balance		Balance at the end of last year	
	Book balance	Ratio (%)	Book balance	Ratio (%)
Within 1 year	18,960,631.08	99.47	26,780,454.52	99.67

Aging	Ending balance		Balance at the end of last year	
	Book balance	Ratio (%)	Book balance	Ratio (%)
1 to 2 years	90,037.73	0.47	72,700.00	0.27
2 to 3 years				
Over 3 years	11,683.23	0.06	16,021.07	0.06
Total	19,062,352.04	100.00	26,869,175.59	100.00

Note: there were no advances to suppliers with an aging of more than one year and a significant amount at the end of the period.

2. Prepayments of the top five ending balances by prepayment objects

Prepayment object	Ending balance	Proportion in total ending balance of advances to suppliers (%)
Shenzhen Gas Group Co., Ltd.	16,187,956.50	84.92
Zhongshan Nanlang Town Property Management Co.,Ltd.	1,832,916.00	9.62
Shenzhen OCT Property (Group) Co., Ltd. Commercial Property Management Branch	249,600.00	1.31
Shenzhen Branch of Ping An Pension Insurance Co., Ltd.	120,742.00	0.63
Hangzhou Motanni Technology Co., Ltd. Shenzhen Branch	65,094.34	0.34
Total	18,456,308.84	96.82

(XLIII) Other receivables

Item	Ending balance	Balance at the end of last year
Interest receivable		
Dividends receivable		
Other receivables	131,831,575.62	19,233,117.52
Including: land acquisition and storage compensation receivable (Note)	112,298,115.00	
Total	131,831,575.62	19,233,117.52

Note: the receivable for land acquisition and storage compensation pertains to the remaining outstanding compensation payment for Plot A, recognized by the subsidiary Shenzhen Nanshan Power Zhongshan Company. The details are as follows:

On December 12, 2023, Shenzhen Nanshan Power Zhongshan Company signed the Agreement on the Recovery of State-Owned Land Use Rights and the Relocation Compensation Agreement with the Cuiheng New District Management Committee. The agreements confirm the compensated land reserve acquisition by the Cuiheng New District Management Committee of three parcels of state-owned land use rights held by Shenzhen Nanshan Power Zhongshan Company in the Hengmen Industrial Zone, Nanlang Street, Cuiheng New District, Zhongshan City, with a total land acquisition and storage compensation amount to RMB 584,453,529. Cuiheng New District Management Committee entrusted Zhongshan Xiwan Construction Investment Co., Ltd. to pay and advance the project compensation funds.

On November 4, 2024, in order to ensure the construction land demand of the 300 MW/600 MWh independent energy storage power station (Phase I) project in Cuiheng New District, Zhongshan City, and ensure the smooth progress of the land acquisition and storage of Shenzhen Nanshan Power Zhongshan Company, Shenzhen Nanshan Power Zhongshan Company and Cuiheng New District Management Committee signed a Supplementary Agreement, which divided the original 434.86 mu plot into two parts, namely Plot A and Plot B, of which Plot A was about 190.87 mu,

and the compensation price was RMB 224,711,593; Plot B was about 244 mu, and the compensation price was RMB 359,741,936.

On November 29, 2024, Shenzhen Nanshan Power Zhongshan Company has signed the Land Transfer Confirmation Letter with Cuiheng New District Management Committee for Plot A to complete the transfer confirmation; At the same time, in accordance with the agreement, Shenzhen Nanshan Power Zhongshan Company submitted an application to the Zhongshan Municipal Bureau of Natural Resources for land recovery of all the plot of 434.86 mu, and obtained the Decision on Administrative Handling on December 5, 2024, completing the cancellation of registration of the project land. According to the Accounting Standards for Business Enterprises and the CSRC's Guidelines for the Application of Regulatory Rules - Accounting No. 3, Plot A has met the conditions for derecognition. As of the end of 2024, the compensation price of Plot A has been collected in total of RMB 112,413,478. According to the agreement, the remaining payment of RMB 112,298,115 will be made by December 31, 2026 at the latest.

1. Other receivables

(1) Other receivables disclosed by aging

Aging	Ending balance	Balance at the end of last year
Within 1 year	116,706,098.92	1,617,984.30
1 to 2 years	322,956.77	3,356.31
2 to 3 years		
Over 3 years	46,193,178.82	48,002,435.80
Total	163,222,234.51	49,623,776.41

(2) Disclosure by category

Category	Ending balance				
	Book balance		Provision for bad debts		Book value
	Amount	Ratio (%)	Amount	Provision ratio (%)	
Provision for bad debts on an individual basis	31,390,658.89	19.23	31,390,658.89	100.00	-
Provision for bad debts on a credit risk portfolio basis	131,831,575.62	80.77	-		131,831,575.62
Total	163,222,234.51	100.00	31,390,658.89	19.23	131,831,575.62

Continued

Category	Balance at the end of last year				
	Book balance		Provision for bad debts		Book value
	Amount	Ratio (%)	Amount	Provision ratio (%)	
Provision for bad debts on an individual basis	30,390,658.89	61.24	30,390,658.89	100.00	
Provision for bad debts on a credit risk portfolio basis	19,233,117.52	38.76			19,233,117.52
Total	49,623,776.41	100.00	30,390,658.89	61.24	19,233,117.52

Provision for bad debts made on an individual basis:

Description	Ending balance
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	Book balance	Provision for bad debts	Provision ratio (%)	Reasons for provision
Huiyang Kangtai Industrial Company	14,311,626.70	14,311,626.70	100.00	Historical leftover items, which date back to long time ago and are expected to be irrecoverable
Receivables from employee benefit fund dividends and taxes	9,969,037.63	9,969,037.63	100.00	
Shandong Jinan Power Equipment Factory Co., Ltd.	3,560,000.00	3,560,000.00	100.00	
Receivables from purchase of employee dormitories	1,736,004.16	1,736,004.16	100.00	
Accounts receivable from Zhongshan cogeneration project	1,000,000.00	1,000,000.00	100.00	
Others	813,990.40	813,990.40	100.00	
Total	31,390,658.89	31,390,658.89	100.00	

Provision for bad debts made by portfolio:

Description	Ending balance		
	Other receivables	Provision for bad debts	Provision ratio (%)
Portfolio V: guarantee, deposit and petty cash portfolio	3,674,076.67	-	-
Portfolio VII: other receivables and temporary payments	128,157,498.95	-	-
Total	131,831,575.62	-	-

(3) Provision provision for bad debts

Provision for bad debts	The first stage	The second stage	The third phase	Total
	Expected credit losses over the next 12 months	Expected credit loss for the entire duration (without credit impairment)	Expected credit loss for the entire duration (with credit impairment)	
Balance at the end of last year			30,390,658.89	30,390,658.89
Balance at the end of the previous year in the current period				
--Transfer to the second stage				
--Transfer to the third stage				
--Reverse to the second stage				
--Reverse to the first stage				
Provision for the current period			1,000,000.00	1,000,000.00
Reverse for the current period				
Charge-off for the current period				
Write-off for the current period				
Other changes				
Ending balance			31,390,658.89	31,390,658.89

(4) Provision for bad debts made, reversed or recovered for the current period

Category	Balance at the end of last year	Amount of changes for the current period			Ending balance
		Accrual	Reverse or recovery	Charge-off or write-off	
Individual provision	30,390,658.89	1,000,000.00			31,390,658.89

(5) There were no other receivables actually write-off in the current period

(6) Classification by nature of payment

Nature of payment	Ending book balance	Book balance at the end of last year
Guarantee and deposit	4,674,076.67	2,869,769.32
Receivable from employees	12,264,858.97	12,415,545.61
Current accounts with external units	146,283,298.87	34,338,461.48
Total	163,222,234.51	49,623,776.41

(7) Other receivables of the top five ending balances by debtors

Entity name	Nature of payment	Ending balance	Aging	Proportion to the total ending balance of other receivables (%)	Ending balance of provision for bad debts
Zhongshan Xiwan Construction Investment Co., Ltd.	Current accounts with external units	112,298,115.00	Within 1 year	68.80	
Huidong Xie fu Port Comprehensive Development Co., Ltd.	Current accounts with external units	14,954,889.50	Within 1 year, more than 5 years	9.16	
Huiyang Kangtai Industrial Company	Current accounts with external units	14,311,626.70	Over 5 years	8.77	14,311,626.70
Receivables from employee benefit fund dividends and taxes	Receivable from employees	9,969,037.63	Over 5 years	6.11	9,969,037.63
Shandong Jinan Power Equipment Factory Co., Ltd.	Current accounts with external units	3,560,000.00	Over 5 years	2.18	3,560,000.00
Total		155,093,668.83		95.02	27,840,664.33

(XLIV) Inventories

1. Inventories classification

Item	Ending balance			Balance at the end of last year		
	Book balance	Provision for inventory depreciation	Book value	Book balance	Provision for inventory depreciation	Book value
Spare parts	133,818,765.80	55,519,200.72	78,299,565.08	144,943,485.98	59,223,967.83	85,719,518.15
Auxiliary materials and low-value consumables, etc.	417,181.86	79,264.71	337,917.15	344,882.11		344,882.11
Contract performance	1,549,695.97		1,549,695.97			

Item	Ending balance			Balance at the end of last year		
	Book balance	Provision for inventory depreciation	Book value	Book balance	Provision for inventory depreciation	Book value
nce cost						
Others	47,196.59		47,196.59	93,850.90		93,850.90
Total	135,832,840.22	55,598,465.43	80,234,374.79	145,382,218.99	59,223,967.83	86,158,251.16

2. Provision for inventory depreciation and provision for impairment of contract performance costs

Item	Balance at the end of last year	Increased amount in the current period		Decreased amount in the current period		Ending balance
		Accrual	Others	Reverse or charge-off	Others	
Spare parts	59,223,967.83	2,902,185.86		6,606,952.97		55,519,200.72
Auxiliary materials and low-value consumables, etc.		79,264.71				79,264.71
Total	59,223,967.83	2,981,450.57		6,606,952.97		55,598,465.43

(XLV) Contract assets

Item	Ending balance			Balance at the end of last year		
	Book balance	Provision for bad debts	Book value	Book balance	Provision for bad debts	Book value
Project quality guarantee	95,580.68		95,580.68	88,000.00		88,000.00
Total	95,580.68		95,580.68	88,000.00		88,000.00

(XLVI) Assets held for sale

Item	Ending book balance	Provision for impairment	Ending book value	Fair value	Estimated disposal cost	Estimated disposal time
Fixed assets	14,800,817.46		14,800,817.46	-	-	2025
Intangible assets	9,781,967.13		9,781,967.13	-	-	2025
Total	24,582,784.59		24,582,784.59			

Note: the ending book value of assets held for sale are all carried forward from fixed assets and intangible assets due to land acquisition and storage by the Company's subsidiary, Shenzhen Nanshan Power Zhongshan Company. Please refer to the notes to other receivables in Note V (V) to the financial statements for details of the relevant land acquisition and storage matters.

According to the Relocation Compensation Agreement, the Agreement on the Recovery of State-Owned Land Use Rights and the supplementary agreement signed by Shenzhen Nanshan Power Zhongshan Company and Cuiheng New District Management Committee, Zhongshan City, the land acquisition and storage for Plot B will be completed and handed over to the Management Committee before June 30, 2025. If the Company fails to complete the handover of Plot B before the expiration of the agreed handover period, the Parties may extend the handover period, and the extension period shall not exceed 3 months. Based on the irrevocable legal binding nature of the agreements, the smooth progress of the land acquisition and storage process for Plot A, the orderly preparations for the acquisition and storage of Plot B, the certainty of completing the handover within one year, and the compliance status where pre-reserve asset usage does not affect the

transaction with clearly defined rights and obligations, the Company has classified Plot B and its above-ground structures as the "assets held for sale" in accordance with applicable accounting standards, reflecting their actual status and anticipated disposal arrangements.

(XLVII) Other current assets

Item	Ending balance	Balance at the end of last year
Large-amount negotiable certificate of deposit and accrued interest	232,165,987.85	225,278,591.79
Land acquisition and storage, production and business suspension, employee compensation and relocation expenses, etc. (Note)	37,899,306.75	-
Amount of input value-added tax to be deducted	8,614,307.70	996,267.20
Prepaid income tax	6,583,089.98	6,583,089.98
Others	265,846.94	8,019.66
Total	285,528,539.22	232,865,968.63

Note: it is collected by the Company's subsidiary, Shenzhen Nanshan Power Zhongshan Company, in relation to the land acquisition and storage matters. For details of the relevant land acquisition and storage matters, please refer to the explanatory notes under Other Receivables in Note V (V) of the notes to the financial statements.

In accordance with the Accounting Treatment for Relocation Compensation Matters stipulated in the CSRC's Guidance on the Application of Regulatory Rules - Accounting Category No. 3, Shenzhen Nanshan Power Zhongshan Company has classified the expenses incurred for implementing the land acquisition and storage matters, including demolition losses of buildings and ancillary facilities, relocation expenses, and employee compensation paid during the production suspension period, as other current assets following the land reserve process.

(XLVIII) Long-term equity investments

Investees	Beginning balance	Beginning balance of provision for impairment	Increase and decrease in the current period			
			Additional investment	Reduced investment	Investment profit or loss recognized under the equity method	Adjustments to the other comprehensive income
I. Associates						
Huidong Xiefu Port Comprehensive Development Co., Ltd. (hereinafter referred to as "Huidong Xiefu")	5,167,333.30			5,063,937.72	-103,395.58	
Jiangsu Liaoyuan Environmental Protection Technology Co., Ltd. (hereinafter referred to as "Liaoyuan Environmental Protection")	84,833,842.74				6,563,378.70	
Total	90,001,176.04			5,063,937.72	6,459,983.12	

Continued:

Investees	Increase and decrease in the current period				Ending balance	Ending balance of provision for impairment
	Other changes in equity	Declaration of cash dividend or profits	Provision for impairment	Others		

Investees	Increase and decrease in the current period				Ending balance	Ending balance of provision for impairment
	Other changes in equity	Declaration of cash dividend or profits	Provision for impairment	Others		
I. Associates						
Huidong Xiefu Port Comprehensive Development Co., Ltd. (hereinafter referred to as "Huidong Xiefu")						
Jiangsu Liaoyuan Environmental Protection Technology Co., Ltd. (hereinafter referred to as "Liaoyuan Environmental Protection")		809,700.00			90,587,521.44	
Total		809,700.00			90,587,521.44	

(XLIX) Other investments in equity instruments**1. Other investments in equity instruments**

Item	Ending balance			Balance at the end of last year		
	Original book value	Fair value changes	Ending balance	Original book value	Fair value changes	Ending balance
Sunpower Technology (Jiangsu) Co., Ltd. (Note 1)	140,000,000.00	22,782,620.92	162,782,620.92	140,000,000.00		140,000,000.00
Shenzhen Yuanzhi Ruixin New Generation Information Technology Private Equity Investments Fund Partnership (Limited Partnership) (Note 2)	100,000,000.00	-18,599,566.35	81,400,433.65	100,000,000.00		100,000,000.00
Jiangxi Nuclear Power Co., Ltd.	60,615,000.00		60,615,000.00	60,615,000.00		60,615,000.00
Shenzhen New Energy Storage Industry Equity Fund Partnership (Limited Partnership)	50,000,000.00	-	50,000,000.00			
Shenzhen Petrochemical Oil Products Bonded Trading Co., Ltd.	2,500,000.00	-2,500,000.00		2,500,000.00	-2,500,000.00	
Total	353,115,000.00	1,683,054.57	354,798,054.57	303,115,000.00	2,500,000.00	300,615,000.00

Note 1: The changes in fair value recognized in the current period were mainly due to the continuous growth of the operating performance of the investee. Since the invested enterprise is a non-public company without active market quotations, and considering the Company holds a minority stake without significant influence, it is impracticable to apply either the income approach or market approach for valuation purposes. Consequently, as neither Level 1 nor Level 2 inputs are obtainable, the Company has determined the fair value of this equity investments based on the investee's net asset value at period-end, with corresponding fair value changes recognized accordingly.

Note 2: the decrease in the fair value recognized in the current period is mainly due to the temporary decline in the stock price of the listed company invested by the partnership.

2. Investment in non-trading equity instruments

Item	Dividend income recognized in the current period	Accumulated gains	Accumulated losses	The amount of other comprehensive income transferred to retained earnings	Reasons for measuring at fair value and whose changes are recognized in other comprehensive income	Reasons for transferring other comprehensive income to retained earnings
Sunpower Technology (Jiangsu) Co., Ltd.		22,782,620.92			Plan to hold for the long term	
Shenzhen Yuanzhi Ruixin New Generation Information Technology Private Equity Investments Fund Partnership (Limited Partnership)	201,969.03		18,599,566.35		Plan to hold for the long term	
Jiangxi Nuclear Power Co., Ltd.					Plan to hold for the long term	
Shenzhen Petrochemical Oil Products Bonded Trading Co., Ltd.			2,500,000.00		Plan to hold for the long term	
Total	201,969.03	22,782,620.92	21,099,566.35			

(L) Investment properties

Item	Houses and buildings	Total
1. Original book value		
(1) Balance at the end of last year	9,708,014.96	9,708,014.96
(2) Increased amount in the current period		
- Outsourcing		
(3) Reduced amount in the current period		
—Disposal		
(4) Ending balance	9,708,014.96	9,708,014.96
2. Accumulated depreciation and accumulated amortization		
(1) Balance at the end of last year	8,043,448.36	8,043,448.36
(2) Increased amount in the current period	166,556.76	166,556.76

Item	Houses and buildings	Total
- Provision or amortization	166,556.76	166,556.76
(3) Reduced amount in the current period		
—Disposal		
(4) Ending balance	8,210,005.12	8,210,005.12
3. Provision for impairment		
(1) Balance at the end of last year		
(2) Increased amount in the current period		
-Provision		
(3) Reduced amount in the current period		
—Disposal		
(4) Ending balance		
4. Book value		
(1) Ending book value	1,498,009.84	1,498,009.84
(2) Book value at the end of last year	1,664,566.60	1,664,566.60

(LI) Fixed assets**1. Fixed assets and disposal of fixed assets**

Item	Ending balance	Balance at the end of last year
Fixed assets	377,498,094.30	385,390,614.45
Disposal of fixed assets (Note)	73,705,696.67	186,092,119.90
Total	451,203,790.97	571,482,734.35

Note: the amount was recognized by the Company's subsidiary, Shenzhen Nanshan Power Zhongshan Company, in relation to land acquisition and storage compensation and post-unit shutdown activities. The decrease in the current period balance was primarily attributable to:

(1) Provision for impairment: among them, the provision for impairment of generating unit and related assets was RMB 63.98 million; The estimated disposal loss of non-relocable and scrapped assets related to land acquisition and storage was RMB 19.09 million.

(2) According to the land acquisition and storage agreement and the supplementary agreement, the buildings and other assets included in the scope of acquisition and storage are about RMB 26.44 million, which are transferred from the disposal of fixed assets to the "assets held for sale". See Note V (VIII) "Assets held for sale" to the financial statements. According to the agreement, Shenzhen Nanshan Power Zhongshan Company will complete the handover of B plot before June 30, 2025.

2. Fixed assets

Item	Houses, buildings and decoration	Machinery equipment	Means of transport	Electronic equipment and other equipment	Total
1. Original book value					
(1) Balance at the end of last year	294,887,415.19	1,657,023,298.51	6,305,570.65	44,463,854.92	2,002,680,139.27
(2) Increased amount in the current period	905,836.15	13,132,923.82	-	164,673.63	14,203,433.60
-Purchase	-	1,717,259.24	-	164,673.63	1,881,932.87
- Transfer-in from projects under construction	905,836.15	11,415,664.58	-	-	12,321,500.73
(3) Reduced amount in the current period	1,074,210.00	-	1,096,968.18	3,695,220.44	5,866,398.62
-Disposal or scrapping	1,074,210.00	-	1,096,968.18	3,695,220.44	5,866,398.62
(4) Ending balance	294,719,041.34	1,670,156,222.33	5,208,602.47	40,933,308.11	2,011,017,174.25
2. Accumulated depreciation		-			-
(1) Balance at the end of last year	204,203,072.71	1,253,698,686.11	4,715,994.15	35,616,644.51	1,498,234,397.48
(2) Increased amount in the current period	4,581,037.76	14,189,744.01	968,301.79	1,779,795.09	21,518,878.65
-Provision	4,581,037.76	14,189,744.01	968,301.79	1,779,795.09	21,518,878.65
(3) Reduced amount in the current period	966,789.00	-	977,213.07	3,241,294.52	5,185,296.59
-Disposal or scrapping	966,789.00	-	977,213.07	3,241,294.52	5,185,296.59
(4) Ending balance	207,817,321.47	1,267,888,430.12	4,707,082.87	34,155,145.08	1,514,567,979.54
3. Provision for impairment					
(1) Balance at the end of last year	17,852,047.84	100,972,179.24	53,176.48	177,723.78	119,055,127.34
(2) Increased amount in the current period		-			-
-Provision	-	-	-		
(3) Reduced amount in the current period	-	-	-	104,026.93	104,026.93

Item	Houses, buildings and decoration	Machinery equipment	Means of transport	Electronic equipment and other equipment	Total
-Disposal or scrapping				104,026.93	104,026.93
(4) Ending balance	17,852,047.84	100,972,179.24	53,176.48	73,696.85	118,951,100.41
4. Book value					
(1) Ending book value	69,049,672.03	301,295,612.97	448,343.12	6,704,466.18	377,498,094.30
(2) Book value at the end of last year	72,832,294.64	302,352,433.16	1,536,400.02	8,669,486.63	385,390,614.45

3. Fixed assets without the certificate of title

Item	Book value	Reasons for failure to acquire the certificate of title
Oil depot complex	443,246.19	Formalities not completed
Chemical water treatment workshop	232,960.00	Formalities not completed
Cooling tower	673,259.25	Formalities not completed
Cafeteria of complex building	189,744.15	Formalities not completed
Mail room at the main entrance	47,264.13	Formalities not completed
Total	1,586,473.72	

4. Disposal of fixed assets

Item	Ending balance	Balance at the end of last year
Buildings and constructions	-	24,723,346.08
Machinery equipment	72,098,979.01	160,560,314.62
Means of transport	50,000.00	16,103.45
Electronic equipment and other equipment	189,564.16	
Others	1,367,153.50	792,355.75
Total	73,705,696.67	186,092,119.90

Note: for details, please refer to the Note V (XIII) 1. "Fixed assets and disposal of fixed assets" to the financial statements.

(LII) Construction in progress**1. Construction in progress and project materials**

Item	Ending balance	Balance at the end of last year
Construction in progress	6,983,713.85	3,448,855.10
Project materials		
Total	6,983,713.85	3,448,855.10

2. Construction in progress

Item	Ending balance			Balance at the end of last year		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Oil-to-gas project of Nanshan Power Plant	9,441,286.39	9,441,286.39	-	9,441,286.39	9,441,286.39	
Technical Renovation Project of Nanshan Power Plant	4,238,664.96	1,605,000.00	2,633,664.96	4,080,877.62	1,605,000.00	2,475,877.62
Zhongshan Independent Energy Storage Project	4,259,294.18		4,259,294.18			

Item	Ending balance			Balance at the end of last year		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Others	90,754.71		90,754.71	972,977.48		972,977.48
Total	18,030,000.24	11,046,286.39	6,983,713.85	14,495,141.49	11,046,286.39	3,448,855.10

3. Changes in significant construction in progress in the current period

Project name	Beginning balance	Increased amount in the current period	Transferred for the current period Fixed assets	Other decreases in the current period	Ending balance
Zhongshan Independent Energy Storage Project		4,259,294.18			4,259,294.18
MTC industrial and commercial energy storage project	111,520.15	9,213,594.06	9,325,114.21		

Continued:

Project name	Budget amount (RMB 10,000)	Proportion of project investment in budget (%)	Project progress (%)	Accumulated amount of interest capitalization	Including: amount of interest capitalization in the current period	Interest capitalization rate in the current period (%)	Sources of funds
Zhongshan Independent Energy Storage Project	30,715.24	17.09	17.09				Self-financed
MTC industrial and commercial energy storage project	939.12	99.30	99.30				Self-financed

(LIII) Right-of-use assets

1. Right-of-use assets

Item	Buildings	Total
I. Original book value		
1. Beginning balance	16,322,014.37	16,322,014.37
2. Increased amount in the current period	8,696,499.48	8,696,499.48
3. Decreased amount in the current period	16,322,014.37	16,322,014.37
4. Ending balance	8,696,499.48	8,696,499.48
II. Accumulated depreciation		
1. Beginning balance	14,055,067.95	14,055,067.95
2. Increased amount in the current period	4,803,425.47	4,803,425.47
(1) Provision	4,803,425.47	4,803,425.47
3. Decreased amount in the current period	16,322,014.37	16,322,014.37
4. Ending balance	2,536,479.05	2,536,479.05
III. Provision for impairment		

Item	Buildings	Total
IV. Book value		
1. Ending book value	6,160,020.43	6,160,020.43
2. Beginning book value	2,266,946.42	2,266,946.42

Note: the right-of-use assets refer to the Company's operating leases of 16F/17F, Hantang Building Property for office use.

(LIV) Intangible assets

Item	Land use right	Patent	Software	Total
1. Original book value				
(1) Balance at the end of last year	60,813,994.76	138,625.07	3,858,558.72	64,811,178.55
(2) Increased amount in the current period	-	-	1,384,584.86	1,384,584.86
-Purchase			1,384,584.86	1,384,584.86
(3) Reduced amount in the current period	30,013,383.62	-	55,813.56	30,069,197.18
—Disposal (Note)	30,013,383.62		55,813.56	30,069,197.18
(4) Ending balance	30,800,611.14	138,625.07	5,187,330.02	36,126,566.23
2. Accumulated amortization				
(1) Balance at the end of last year	41,785,841.59	49,165.10	3,690,542.83	45,525,549.52
(2) Increased amount in the current period	6,591.12	17,347.44	320,565.45	344,504.01
-Provision	6,591.12	17,347.44	320,565.45	344,504.01
(3) Reduced amount in the current period	11,037,405.55	-	55,813.56	11,093,219.11
—Disposal	11,037,405.55		55,813.56	11,093,219.11
(4) Ending balance	30,755,027.16	66,512.54	3,955,294.72	34,776,834.42
3. Provision for impairment				
(1) Balance at the end of last year				
(2) Increased amount in the current period				
-Provision				
(3) Reduced amount in the current period				
—Disposal				
(4) Ending balance				
4. Book value				
(1) Ending book value	45,583.98	72,112.53	1,232,035.30	1,349,731.81
(2) Book value at the end of last year	19,028,153.17	89,459.97	168,015.89	19,285,629.03

Note: the main reason is that, due to land acquisition and storage, the Company's subsidiary, Shenzhen Nanshan Power Zhongshan Company, transferred the land use right included in the scope of acquisition and storage from the intangible assets to the "assets held for sale" according to the land acquisition and storage agreement and the supplementary agreement, as detailed in the Note V (VIII) "Assets held for sale" to the financial statements.

(LV) Long-term deferred expenses

Item	Balance at the end of last year	Increased amount in the current period	Amortization amount in the current period	Other reductions	Ending balance
Major repair expenses	3,170,034.87	4,304,675.85	1,963,954.16		5,510,756.56
Renovation costs	721,798.06		429,692.85		292,105.21
Total	3,891,832.93	4,304,675.85	2,393,647.01		5,802,861.77

(LVI) Deferred tax assets and deferred tax liabilities**1. Deferred tax assets not offset**

Item	Ending balance		Balance at the end of last year	
	Deductible temporary differences	Deferred tax assets	Deductible temporary differences	Deferred tax assets
Fair value changes of other investments in equity instruments	2,500,000.00	625,000.00	2,500,000.00	625,000.00
Provision for bad debts			3,649,109.93	547,366.49
Total	2,500,000.00	625,000.00	6,149,109.93	1,172,366.49

2. Details of unrecognized deferred tax assets

Item	Ending balance	Balance at the end of last year
Deductible temporary differences	1,065,725,874.19	547,773,352.17
Deductible losses	369,872,214.75	542,749,124.79
Total	1,435,598,088.94	1,090,522,476.96

3. The deductible losses for which deferred tax assets have not been recognized will expire in the following years

Year	Ending balance	Balance at the end of last year	Remark
Year 2024		5,350,767.06	
2025		3,443,492.77	
2026	59,517,953.84	174,438,579.72	
2027	88,187,897.68	187,111,062.55	
2028	65,849,419.76	62,579,931.14	
2029	63,539,789.28		
2030	1,402,852.84	26,803,142.56	
2031	10,426,619.64	15,911,576.84	
2032	50,074,067.52	50,074,067.52	
2033	15,746,106.25	17,036,504.63	
2034	15,127,507.94		
Total	369,872,214.75	542,749,124.79	

(LVII) Other non-current assets

Item	Ending balance			Balance at the end of last year		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Advance	4,739,340.56		4,739,340.56			

Item	Ending balance			Balance at the end of last year		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
payment for Zhongshan independent energy storage project						
Relevant expenses for functional substitution of Nanshan Power Plant and land acquisition and storage payment of Zhongshan Company (Note)	857,135.84		857,135.84	36,157,735.24		36,157,735.24
Total	5,596,476.40		5,596,476.40	36,157,735.24		36,157,735.24

Note: The main reason for the decrease in the balance of the current period is that, according to the latest progress of land acquisition and storage of the Company's subsidiary, Shenzhen Nanshan Power Zhongshan Company, losses from demolition of houses and other appurtenances, relocation expenses, employee compensation paid during the suspension of production and business and other expenses incurred in the land acquisition and storage, have been reclassified to other current assets. For details, please refer to the Note V (IX) "Other current assets" to the Financial Statements .

(LVIII) Assets with restricted ownership or use rights

Item	Ending balance				Balance at the end of last year			
	Book balance	Book value	Restricted type	Restrictions	Book balance	Book value	Restricted type	Restrictions
Monetary funds	7,912,100.00	7,912,100.00	Guarantee	Freeze	5,453,862.93	5,453,862.93	Guarantee	Freeze
Total	7,912,100.00	7,912,100.00			5,453,862.93	5,453,862.93		

(LIX) Short-term borrowings

Item	Ending balance	Balance at the end of last year
Credit loan	106,558,036.22	270,933,506.37
Pledged loan (note)	162,000,000.00	70,000,000.00
Accrued interest on short-term borrowings	56,972.97	304,380.35
Total	268,615,009.19	341,237,886.72

Note: The Company pledged its own patent for invention to China Merchants Bank Co., Ltd. Shenzhen Branch for a loan of RMB 30 million, pledged a letter of credit to Shanghai Pudong Development Bank Co., Ltd. Shenzhen Branch for a loan of RMB 87 million, and pledged a letter of credit to Industrial Bank Co., Ltd. Shenzhen Branch for a loan of RMB 45 million.

(LX) Accounts payable

1. Accounts payable

Item	Ending balance	Balance at the end of last year
Payments for goods, labor services and services	13,560,180.89	3,445,513.63
Electricity bill	461,976.72	896,652.87
Total	14,022,157.61	4,342,166.50

2. Top five accounts payable

Entity name	Book balance	Proportion to the accounts payable balance (%)
Shenzhen Nangang Power Engineering Co., Ltd.	4,851,983.00	34.60
Zike Co., Ltd.	1,872,500.00	13.35
Yotai Digital Energy Technology (Shenzhen) Co., Ltd.	1,187,768.30	8.47
Shenzhen Zhongshenli Development Technology Co., Ltd.	825,338.42	5.89
Shenzhen Yutuo Intelligent Co., Ltd	815,750.00	5.82
Total	9,553,339.72	68.13

(LXI) Contract liabilities

Item	Ending balance	Balance at the end of last year
Advance payment for integrated energy service	50,000.00	-
Total	50,000.00	-

(LXII) Employee compensation payable**1. Employee compensation payable**

Item	Balance at the end of last year	Increased amount in the current period	Decreased amount in the current period	Ending balance
Short-term compensation	14,000,126.57	100,689,582.83	98,636,829.93	16,052,879.47
Post-employment benefits-defined contribution plans	-	15,980,622.91	15,980,622.91	-
Dismissal benefits (note)	32,238,856.00	-	32,238,856.00	-
Total	46,238,982.57	116,670,205.74	146,856,308.84	16,052,879.47

Note: For the employee compensation related to land acquisition and storage of Zhongshan Company, please refer to the Note V (V) "Other receivables" to the financial statements for details of the relevant land acquisition and storage matters.

2. Short-term compensation

Item	Balance at the end of last year	Increased amount in the current period	Decreased amount in the current period	Ending balance
(1) Salaries, bonuses, allowances and subsidies	13,904,838.47	72,782,435.40	71,507,091.53	15,180,182.34
(2) Employee welfare fees	-	12,359,112.01	11,627,411.90	731,700.11
(3) Social insurance premiums	-	4,565,286.80	4,565,286.80	-

Item	Balance at the end of last year	Increased amount in the current period	Decreased amount in the current period	Ending balance
Including: medical insurance premiums	-	3,687,064.40	3,687,064.40	-
Work injury insurance premium	-	508,366.08	508,366.08	-
Maternity insurance premium	-	369,856.32	369,856.32	-
(4) Housing provident fund	-	9,300,532.44	9,300,532.44	-
(5) Trade union funds and employee education expenses	95,288.10	1,682,216.18	1,636,507.26	140,997.02
Total	14,000,126.57	100,689,582.83	98,636,829.93	16,052,879.47

3. Defined contribution plans list

Item	Balance at the end of last year	Increased amount in the current period	Decreased amount in the current period	Ending balance
Basic endowment insurance	-	10,784,065.94	10,784,065.94	-
Unemployment insurance premiums	-	625,546.07	625,546.07	-
Enterprise annuity payment	-	4,571,010.90	4,571,010.90	-
Total	-	15,980,622.91	15,980,622.91	-

(LXIII) Taxes payable

Tax items	Ending balance	Balance at the end of last year
Corporate income tax	9,140,402.85	
Value-added tax	4,261,775.21	2,282,514.44
Personal income tax	712,556.99	620,879.50
Stamp duty	172,648.01	160,105.10
Urban maintenance and construction tax	32,043.68	15,063.61
Education surcharge	13,687.09	6,404.48
Local education surcharge	9,201.24	4,346.16
Others	6,592.97	17.18
Total	14,348,908.04	3,089,330.47

(LXIV) Other payables

Item	Ending balance	Balance at the end of last year
Interest payable		
Dividends payable		
Other payables	15,685,234.29	13,973,447.42
Total	15,685,234.29	13,973,447.42

1. Other payables

(1) Presented according to nature of payment

Item	Ending balance	Balance at the end of last year
Labor and service fees (note)	14,687,088.11	1,522,715.43
Guarantee	750,651.39	8,993,154.68

Item	Ending balance	Balance at the end of last year
Others	247,494.79	3,457,577.31
Total	15,685,234.29	13,973,447.42

Note: The main reason for the increase in the balance of the current period is that, its subsidiary, Shenzhen Nanshan Power Zhongshan Company, made provision for the costs of dismantling and disposing the oil tank and oil pipeline in plot A according to the agreement signed with Zhongshan Xiwan Construction Investment Co., Ltd. for land acquisition and storage matters.

(2) Top five other payables

Entity name	Book balance	Proportion to the other accounts payable balance (%)
Zhongshan Xiwan Construction Investment Co., Ltd.	11,754,465.14	74.94
Lixinzhonglian CPAS (Special General Partnership)	470,000.00	3.00
Zhanjiang Hongda Petrochemical Co., Ltd.	336,413.68	2.14
Shenzhen Shennong Kitchen Co., Ltd	301,800.00	1.92
Cummins Power Equipment (Dongguan) Co., Ltd.	206,000.00	1.31
Total	13,068,678.82	83.31

(LXV) Non-current liabilities due within one year

Item	Ending balance	Balance at the end of last year
Lease liabilities due within one year	4,466,835.32	2,527,155.52
Long-term borrowings due within one year		1,399,170.93
Total	4,466,835.32	3,926,326.45

(LXVI) Other current liabilities

Item	Ending balance	Balance at the end of last year
Progress payment for land acquisition and storage compensation (Note)	107,922,581.00	
Interests of other partners in the partnership	403.82	
Total	107,922,984.82	

Note: For the compensation of Plot B received by the Company's subsidiary, Shenzhen Nanshan Power Zhongshan Company, due to land acquisition and storage matters, please refer to the Note V (V) "Other receivables" to the financial statements for details of the relevant land acquisition and storage matters.

The total compensation price of Plot B was RMB 359,741,936. As of the end of 2024, the progress payment of Plot B compensation of RMB 107,922,581 has been received. As of the end of the reporting period, the transfer of Plot B has not been completed, and the compensation received has been reclassified to other current liabilities.

(LXVII) Long-term borrowings

Item	Ending balance	Balance at the end of last year
Credit loan	-	58,829,426.30
Total	-	58,829,426.30

(LXVIII) Lease liabilities**1. Lease liabilities details**

Item	Ending balance	Beginning balance
Lease liabilities	2,125,910.18	
Total	2,125,910.18	

2. Lease liabilities maturity analysis

Item	Ending balance	Beginning balance
1-2 years	2,125,910.18	
Total	2,125,910.18	

(LXIX) Estimated liabilities

Item	Balance at the end of last year	Increased amount in the current period	Decreased amount in the current period	Ending balance	Causes
Others	15,000,000.00	-	15,000,000.00	-	
Total	15,000,000.00	-	15,000,000.00	-	

Note: On November 29, 2013, Xiefu Company and Jiahua Construction Products (Shenzhen) Co., Ltd. ("Jiahua Construction") signed a supplementary agreement to the equity transfer agreement with respect to the historical issues between Xiefu Company, Huidong Xiefu and Huidong Renshan Town Government and its subordinate Renshan Group on the ownership and division of the rights and interests of Yapojiao Wharf. In order to solve the historical issues, Shenzhen Xiefu deposited RMB 12,500,000.00 into the co-managed account for guarantee. In addition, Xiefu pledged 20% of the equity of Huidong Xiefu to Jiahua Construction, with a pledge period of two years and the amount of claims guaranteed by pledge not exceeding RMB 15,000,000.00. The Company expected a loss of RMB 27,500,000.00 in relation to this matter. The balance at the end of 2019 was RMB 26,646,056.28.

On November 12, 2020, Huidong Xiefu and other parties concerned reached a preliminary reconciliation agreement on the land dispute in the estimated liabilities. Xiefu Company reversed the estimated liabilities of RMB 6,584,816.78 accordingly. In 2020, Xiefu Company bore the lawyer's fees and other expenses of RMB 137,731.22 for the matter according to the agreed proportion, and the estimated liabilities were reduced by RMB 6,722,548.00 in 2020. The balance of RMB 19,923,508.28 is the repayment obligation that is likely to occur before the above matters are completed.

On November 12, 2020, Huizhou Commercial Construction and Development Company and Huidong Server Harbor Comprehensive Development Company signed the Agreement on Transfer of Claims and the record of enforcement and compromise of the People's Court of Huidong County, partially resolving the historical issues concerning the ownership and division of the equity of Yapojiao Wharf. On January 20, 2021, Xiefu Company received the refund of RMB 5,000,000.00 from the co-managed account, and it reversed the estimated liabilities RMB 4,573,508.28 accordingly. In 2021, Shenzhen Server bore the legal and other expenses of RMB 350,000 in accordance with the agreed ratio, with a total decrease of RMB 4,923,508.28 in estimated liabilities in 2021. The balance of RMB 15,000,000.00 is the repayment obligation that

is likely to occur before the above matters are completed.

On September 18, 2024, Xiefu Company had completed the cancellation of registration of equity pledge, and the deregistration number was (YH) GQZZZ (2024) No. 44130012400157271. On October 25, 2024, Xiefu Company and Huizhou Gangtuo Group signed the Property Transaction Contract on the transfer of 40% equity of Huizhou Xiefu. On November 11, 2024, Xiefu Company had received the money for transferring 40% equity of Huidong Xiefu from Huizhou Gangtuo Group through the Shenzhen United Property and Equity Exchange, and completed the industrial and commercial registration procedures for the change of shareholders. Xiefu Company will no longer bear the repayment obligation for the above matters and will reverse the recognized estimated liabilities.

(LXX) Deferred income

1. Classification of deferred income

Item	Balance at the end of last year	Increased amount in the current period	Decreased amount in the current period	Ending balance	Causes
Government subsidies	67,869,348.07	-	6,346,472.10	61,522,875.97	See Table 2 for details
Total	67,869,348.07	-	6,346,472.10	61,522,875.97	

2. Deferred income related to government subsidies

Liabilities	Balance at the end of last year	New subsidy amount in the current period	Amount recognized in profit or loss in the current period	Other changes	Ending balance	Asset related/income related
Shenzhen air quality improvement subsidy	44,598,351.64	-	4,731,818.23	-	39,866,533.41	Asset related
Government subsidies for low-nitrogen equipment renovation	18,376,607.94		458,768.16		17,917,839.78	Asset related
Motor energy efficiency improvement subsidy scheme	263,520.00		34,560.00	-	228,960.00	Asset related
Funds for technological transformation and investment projects in 2021-2022	917,388.90		70,666.66		846,722.24	Asset related
Industrial development special grants	1,125,000.00		375,000.00		750,000.00	Asset related
Supporting funds for industrial energy conservation and comprehensive utilization projects in the Green Development and Industrial "Carbon Peak" Support Program	1,642,500.00		547,500.00		1,095,000.00	Asset related

Liabilities	Balance at the end of last year	New subsidy amount in the current period	Amount recognized in profit or loss in the current period	Other changes	Ending balance	Asset related/income related
Circular economy support fund for sludge drying project	945,979.59		128,159.05		817,820.54	Asset related
Total	67,869,348.07		6,346,472.10		61,522,875.97	

(LXXI) Other non-current liabilities

Item	Ending balance	Balance at the end of last year
Progress payment for land acquisition and storage compensation (Note)		104,000,000.00
Interests of other partners in the partnership		45,112.54
Total		104,045,112.54

Note: the main reason for the decrease in the balance in the current period is that according to the latest progress of land acquisition and storage of the Company's subsidiary Shenzhen Nanshan Power Zhongshan Company, the land compensation price received for Plot B has been reclassified to other current liabilities. For details, please refer to the Note V (XXVIII) "Other current liabilities" to the financial statements.

(LXXII) Equity

Item	Balance at the end of last year	Increase (+) and decrease (-) in the current period					Ending balance
		Issuance of new shares	Bonus shares	Conversion of provident fund into shares	Others	Subtotal	
Total shares	602,762,596.00						602,762,596.00

(LXXIII) Capital reserve

Item	Balance at the end of last year	Increased amount in the current period	Decreased amount in the current period	Ending balance
Capital premium (equity premium)	233,035,439.62			233,035,439.62
Other capital reserve	129,735,482.48			129,735,482.48
Total	362,770,922.10			362,770,922.10

(LXXIV) Other comprehensive income

Item	Balance at the end of last year	The current period amount						Ending balance
		Amount before income tax for the current period	Less: recognized in other comprehensive income in the previous period and transferred to current profit or loss	Less: recognized in other comprehensive income in the previous period and transferred to retained earnings in the current period	Less: income tax expenses	Attributable to parent company after tax	Attributable to minority shareholders after tax	
1. Other comprehensive income that cannot be reclassified into profit or loss								
Including: remeasure changes in benefit plans								
Other comprehensive income that cannot be transferred to profit or loss under the equity method								
Fair value changes of other investments in equity instruments	-2,500,000.00	4,183,054.57	-		-	4,183,054.57	-	1,683,054.57
Total other comprehensive income	-2,500,000.00	4,183,054.57	-		-	4,183,054.57	-	1,683,054.57

(LXXV) Special reserve

Item	Balance at the end of last year	Increased amount in the current period	Decreased amount in the current period	Ending balance
Safety production costs		5,767,486.06	5,767,486.06	
Total		5,767,486.06	5,767,486.06	

Note: the Company's power production business shall be withdrawn in accordance with the Administrative Measures for the Withdrawal and Use of Enterprise Work Safety Expenses (CZ [2022] No. 136) (issued on December 12, 2022) and the work safety expenses shall be included in the current profit or loss, and transferred to the special reserves at the same time.

(LXXVI) Surplus reserve

Item	Balance at the end of last year	Increased amount in the current period	Decreased amount in the current period	Ending balance
Statutory surplus reserve	310,158,957.87			310,158,957.87
Discretionary surplus reserve	22,749,439.73			22,749,439.73
Total	332,908,397.60			332,908,397.60

(LXXVII) Undistributed profits

Item	The current period amount	Amount in previous period
Undistributed profits at the end of last year before adjustments	163,346,776.24	159,187,979.14
Adjustments to the total amount of the undistributed profits at the beginning of the year (increase +, decrease -)		
Undistributed profits at the beginning of the year after adjustments	163,346,776.24	159,187,979.14
Plus: net profit attributable to owners of parent company for the current period	21,908,828.57	4,158,797.10
Less: withdrawal of statutory surplus reserve		
Dividends payable on ordinary shares		
Ending undistributed profits	185,255,604.81	163,346,776.24

(LXXVIII) Operating revenue and operating costs**1. Operating revenue and operating costs**

Item	The current period amount		Amount in previous period	
	Revenue	Cost	Revenue	Cost
Main business	437,329,918.38	410,482,141.18	588,370,569.20	581,180,842.37
Other business	5,642,037.47	4,964,591.21	1,409,621.51	261,701.61
Total	442,971,955.85	415,446,732.39	589,780,190.71	581,442,543.98

2. Break down by product or service type

Item	The current period amount		Amount in previous period	
	Revenue	Cost	Revenue	Cost
Power production and sale	419,930,286.71	405,194,367.48	562,688,722.91	572,117,240.68
Integrated energy service	39,382,694.07	28,530,461.10	42,299,536.01	25,075,252.67
Others	5,768,308.02	1,223,850.40	1,468,149.52	261,701.61
Consolidation offset	-22,109,332.95	-19,501,946.59	-16,676,217.73	-16,011,650.98

Item	The current period amount		Amount in previous period	
	Revenue	Cost	Revenue	Cost
Total	442,971,955.85	415,446,732.39	589,780,190.71	581,442,543.98

3. By region

Item	The current period amount		Amount in previous period	
	Revenue	Cost	Revenue	Cost
Domestic	442,971,955.85	415,446,732.39	589,780,190.71	581,442,543.98
Total	442,971,955.85	415,446,732.39	589,780,190.71	581,442,543.98

4. Revenue arising from contracts

Item	The current period amount	Amount in previous period
Classification by contract performance obligations		
Including: revenue recognized at a certain time point	425,572,324.18	564,098,343.42
Revenue recognized within a certain period of time	17,399,631.67	25,681,847.29
Total	442,971,955.85	589,780,190.71

(LXXIX) Taxes and surcharges

Item	The current period amount	Amount in previous period
Property tax	2,329,842.01	2,241,783.87
Land use tax	937,331.78	887,196.02
Stamp duty	499,797.33	542,870.30
Urban maintenance and construction tax	468,703.79	653,636.44
Education surcharge	200,873.02	277,505.45
Local education surcharge	133,915.34	185,003.66
Environmental protection tax	49,598.31	8,230.82
Vehicle and vessel tax	1,800.00	3,390.00
Total	4,621,861.58	4,799,616.56

(LXXX) Selling and distribution expenses

Item	The current period amount	Amount in previous period
Employee compensation	2,529,240.42	1,884,492.17
Travel expenses	57,932.89	363,759.10
Office expenses	2,189.62	250,648.83
Entertainment expenses	73,589.20	160,201.41
Agency fee	478,121.30	141,603.76
Others	14,531.15	31,043.38
Total	3,155,604.58	2,831,748.65

(LXXXI) G&A expenses

Item	The current period amount	Amount in previous period
Employee compensation	65,990,120.42	29,928,766.04

Item	The current period amount	Amount in previous period
Depreciation cost	11,649,901.01	15,161,467.11
Agency fee	1,992,538.79	2,506,646.25
Entertainment expenses	1,602,591.82	1,500,934.74
Water, electricity and property management fees	2,392,530.81	1,094,236.61
Repair costs	1,289,469.91	815,123.18
Communication and information fees	902,311.16	744,919.13
Travel expenses	824,632.99	702,232.98
Vehicle usage fee	756,417.89	607,305.89
Office expenses	709,686.09	572,337.65
Fees of the Board of Directors	406,182.95	472,695.27
Greening and cleaning fees	728,772.95	326,335.65
Rental fees	581,042.03	291,561.03
Stock related fee	256,854.79	114,895.51
Amortization of intangible assets	332,318.80	65,558.04
Others	5,091,726.62	3,425,581.79
Total	95,507,099.03	58,330,596.87

(LXXXII) R&D expenses

Item	The current period amount	Amount in previous period
Employee compensation	14,757,285.96	24,140,938.27
Depreciation cost	6,091,463.31	1,705,020.54
Others	493,029.00	993,953.93
Total	21,341,778.27	26,839,912.74

(LXXXIII) Financial expenses

Item	The current period amount	Amount in previous period
Interest costs	11,829,545.09	18,665,115.07
Less: interest income	5,185,764.60	7,358,119.93
Foreign exchange losses	-91,424.96	-72,164.01
Bank handling charges	263,409.57	344,806.25
Total	6,815,765.10	11,579,637.38

(LXXXIV) Other benefits

Item	The current period amount	Amount in previous period
Government subsidies	6,832,542.00	44,431,212.00
Personal tax handling charges refund	34,481.46	74,677.51
Total	6,867,023.46	44,505,889.51

Government subsidies included in other income

Subsidy project	The current period amount	Amount in previous period	Asset related/income related
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Subsidy project	The current period amount	Amount in previous period	Asset related/income related
Shenzhen air quality improvement subsidy	4,731,818.23	4,731,818.16	Asset related
Supporting funds for industrial energy conservation and comprehensive utilization projects in the Green Development and Industrial "Carbon Peak" Support Program	547,500.00	547,500.00	Asset related
Low nitrogen project renovation grants	458,768.16	5,239,056.75	Asset related
Industrial development special grants	375,000.00	375,000.00	Asset related
Special project for promoting high-quality industrial development	241,800.00		Income related
Subsidies for promoting the continuous and smooth operation of industries above designated size	139,600.00		Income related
Supporting funds for sludge drying project	128,159.05	6,625,535.60	Asset related
Stable employment subsidy	83,669.90	140,838.47	Income related
Financing plan for technological transformation investment projects	70,666.66	70,666.68	Asset related
Motor energy efficiency improvement subsidy scheme	34,560.00	34,560.00	Asset related
Subsidies for supporting industrial enterprises to increase production and efficiency	20,000.00		Income related
Lump-sum post expansion subsidy	1,000.00		Income related
Special funds for energy conservation and emission reduction		342,111.34	Asset related
Green and low-carbon development project grants		450,000.00	Income related
Thermal power plant relief grants		25,400,000.00	Income related
Special funds for industrial development		27,625.00	Income related
National high-tech enterprise doubling program		300,000.00	Income related
Pilot demonstration funding for industrial "carbon peak" work		100,000.00	Income related
Science and technology innovation voucher		46,500.00	Income related
Total	6,832,542.00	44,431,212.00	

(LXXXV) Investment income

Item	The current period amount	Amount in previous period
Investment income from disposal of long-term equity investments (Note)	66,718,753.76	
Investment income from financial assets held for trading during the holding period	11,286,239.10	18,538,064.54
Income from long-term equity investments accounted for equity method under the equity method	6,326,077.76	7,719,627.80
Dividend income received from investments in equity instruments during the holding period	201,969.03	8,740,206.13
Bill discount expenses	-44,739.75	
Total	84,488,299.90	34,997,898.47

Note: in order to actively promote the revitalization of assets in stock, during the reporting period, the Company's subsidiary Xiefu Company publicly listed and transferred its 40% equity in Huidong Xiefu through the Shenzhen United Property and Equity Exchange, signed the Property Transaction Contract on October 25,

2024, and received all the equity transfer consideration on November 11, 2024, the industrial and commercial registration change procedure was completed for the relevant equity on November 29, 2024, meeting the conditions for derecognition, and finally confirming the investment income of the equity transfer.

(LXXXVI) Losses from credit impairment

Item	The current period amount	Amount in previous period
Loss from bad debts of accounts receivable (Note)	-10,381,410.65	85,000.00
Loss from bad debts of other receivables	-1,000,000.00	1,105,348.40
Total	-11,381,410.65	1,190,348.40

Note: For details of the provision for losses from credit impairment of accounts receivable, please refer to Note V (III) "accounts receivable" 3. "Provision for bad debts accrued, reversed or recovered in the current period" to the financial statements.

(LXXXVII) Asset impairment loss

Item	The current period amount	Amount in previous period
Loss from impairment of fixed assets (Note)	-63,982,886.86	
Impairment losses of inventories, contract performance costs, etc.	-2,406,652.82	-162,985.78
Total	-66,389,539.68	-162,985.78

Note: the losses from impairment of fixed assets are provided for the power generation unit equipment and related assets of Shenzhen Nanshan Power Zhongshan Company. The above assets were listed for sale on the Shenzhen United Property and Equity Exchange on December 25, 2024 for the generating unit equipment and related assets. On February 26, 2025, the listed assets were successfully delisted, and on March 4, 2025, a Physical Asset Transaction Contract was signed with the transferee, Fujian Hengjing Investment Co., Ltd. On March 30, 2025, the delivery procedures of assets will be completed. As of the end of the reporting period, based on the principle of prudence, Shenzhen Nanshan Power Zhongshan Company has made provision for impairment for the relevant assets based on the recoverable amount of the public listing transaction amount minus the disposal expenses. The specific calculation is as follows (unit: RMB 10,000):

Item	Amount	Remark
Book value before provision for impairment	12,374.58	
Recoverable amount	5,976.29	Based on the listed transaction price in February 2025 and considering the relevant disposal costs
Accrued provision for impairment	6,398.29	

(LXXXVIII) Gains from disposal of assets

Item	The current period amount	Amount in previous period	Amount included in non-recurring profit or loss in the current period
Profit or loss from disposal of non-current assets (Note)	163,529,971.97	1,886,136.92	163,529,971.97
Total	163,529,971.97	1,886,136.92	163,529,971.97

Note: it is mainly for the land acquisition and storage of Shenzhen Nanshan Power Zhongshan Company. For details, please refer to the Note V (V) "Other receivables" to the financial statements.

Refer to the Accounting Treatment of Relocation Compensation Matters in the Guidelines for the Application of

Regulatory Rules - Accounting No. 3 issued by the CSRC: costs such as loss on demolition of buildings and other appurtenances, relocation expenses, and employee compensation paid during the period of suspension of production and business, etc., incurred in order to fulfill the above asset disposal transactions are transferred to profit or loss upon derecognition of the assets disposed of if they are expected to be reimbursed by the consideration for the disposal of the assets in the future. The compensation price for land acquisition and storage of Plot A of Shenzhen Nanshan Power Zhongshan Company was RMB 224.7116 million, the final confirmed cost and expense expenditure of Plot A was RMB 61.693 million, and the net income from land acquisition and storage was RMB 163.0186 million. The specific calculation is as follows (unit: RMB 10,000):

Item	Amount
Compensation for land acquisition and storage of Plot A	22,471.16
Subtotal of revenue	22,471.16
Losses from demolition of buildings, land use right and other appurtenances	2,688.35
Employee compensation paid during the period of suspension of production and business	2,178.32
Relocation expenses	1,302.62
Subtotal of expenditure	6,169.30
Net income from land acquisition and storage	16,301.86

(LXXXIX) Non-operating revenue

Item	The current period amount	Amount in previous period	Amount included in non-recurring profit or loss in the current period
Subsidies for house demolition and resettlement	453,068.40	2,481,631.19	453,068.40
Revenue from compensation for violation	100,000.00		100,000.00
Compensation for power outage and insurance		5,522,309.24	
Payables that cannot be paid		3,683,060.82	
Total	553,068.40	11,687,001.25	553,068.40

(XC) Non-operating expenses

Item	The current period amount	Amount in previous period	Amount included in non-recurring profit or loss in the current period
Losses from damage or scrapping of non-current assets	121,310.78	7,745.81	121,310.78
Others	14,023.70	58,370.42	14,023.70
Total	135,334.48	66,116.23	135,334.48

(XCI) Income tax expenses

1. Income tax expenses schedule

Item	The current period amount	Amount in previous period
Current income tax expenses	9,140,402.85	
Deferred income tax expenses	547,366.49	
Total	9,687,769.34	

2. Adjustment process of accounting profit and income tax expenses

Item	The current period amount
Total profit	73,615,193.82
Income tax expenses calculated at statutory [or applicable] tax rate	11,637,362.48
Impact of different tax rates applicable to subsidiaries	15,803,032.94
Impact of non-taxable revenue	-984,506.81
Impact of non-deductible costs, expenses and losses	945,463.55
Impact of deductible losses on the use of unrecognized deferred tax assets in prior periods	-53,730,954.71
Impact of deductible temporary differences or deductible losses for which no deferred tax assets have been recognized in the current period	36,017,371.89
Income tax expenses	9,687,769.34

(XCII) Earnings per share**1. Basic earnings per share**

Basic earnings per share is calculated by dividing the consolidated net profit attributable to ordinary shareholders of the parent company by the weighted average of outstanding ordinary shares of the Company:

Item	The current period amount	Amount in previous period
Consolidated net profit attributable to ordinary shareholders of the parent company	21,908,828.57	4,158,797.10
Weighted average of outstanding ordinary shares of the Company	602,762,596.00	602,762,596.00
Basic earnings per share	0.0363	0.0069

2. Diluted earnings per share

Diluted earnings per share are calculated by dividing the consolidated net profit (diluted) attributable to ordinary shareholders of the parent company by the weighted average (diluted) of the Company's outstanding ordinary shares:

Item	The current period amount	Amount in previous period
Consolidated net profit attributable to ordinary shareholders of the parent company (diluted)	21,908,828.57	4,158,797.10
Weighted average of outstanding ordinary shares of the Company (diluted)	602,762,596.00	602,762,596.00
Diluted earnings per share	0.0363	0.0069

(XCIII) Statement of cash flows items**1. Cash received from other operating activities**

Item	The current period amount	Amount in previous period
Current accounts received, etc.	9,172,925.54	9,200,800.64
Interest income	5,646,611.86	6,416,103.02
L/G deposit recovered	5,453,862.93	
Income from government subsidies	372,441.17	30,154,963.47
Total	20,645,841.50	45,771,867.13

2. Cash paid for other operating activities

Item	The current period amount	Amount in previous period
Expenses from payment period	54,929,118.83	32,799,144.64

Item	The current period amount	Amount in previous period
Paid L/G deposit	7,912,100.00	
Current accounts paid, etc.	2,225,743.89	3,524,581.70
Total	65,066,962.72	36,323,726.34

3. Cash received from other investing activities

Item	The current period amount	Amount in previous period
Redemption of structured deposits and cash of certificates of deposit	452,000,000.00	620,010,220.37
Received interest on current accounts among related parties	-	344,800.00
Total	452,000,000.00	620,355,020.37

4. Cash paid for other investing activities

Item	The current period amount	Amount in previous period
Cash of structured deposits and certificates of deposit	226,000,000.00	446,000,000.00
Cash paid for disposal of assets	-	393,066.79
Total	226,000,000.00	446,393,066.79

5. Cash paid for other financing activities

Item	The current period amount	Amount in previous period
Payment for principal and interest of lease liabilities	6,927,038.90	6,314,826.00
Total	6,927,038.90	6,314,826.00

6. Changes in liabilities arising from financing activities

Item	Balance at the end of last year	Increased amount in the current period		Decreased amount in the current period		Ending balance
		Cash changes	Non-cash changes	Cash changes	Non-cash changes	
Short-term borrowings	341,237,886.72	313,558,036.22	7,046,969.68	393,227,883.43		268,615,009.19
Long-term borrowings	58,829,426.30		1,167,282.14	59,996,708.44		
Non-current liabilities due within one year	3,926,326.45		4,466,835.32	3,926,326.45		4,466,835.32
Lease liabilities			9,182,836.13	2,280,749.20	4,776,176.75	2,125,910.18
Total	403,993,639.47	313,558,036.22	21,863,923.27	459,431,667.52	4,776,176.75	275,207,754.69

(XCIV) Supplementary information of Statement of Cash Flows**1. Supplementary information of Statement of Cash Flows**

Supplementary information	The current period amount	Amount in previous period
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Supplementary information	The current period amount	Amount in previous period
1. Adjusting net profit to cash flows from operating activities		
Net profit	63,927,424.48	-2,005,692.93
Plus: losses from credit impairment	11,381,410.65	-1,190,348.40
Provision for asset impairment	66,389,539.68	162,985.78
Depreciation and amortization of investment properties	166,556.76	168,777.60
Depreciation of fixed assets	21,518,878.65	29,328,545.77
Depreciation of right-of-use assets	4,803,425.47	5,440,671.48
Amortization of intangible assets	344,504.01	589,301.32
Amortization of long-term deferred expenses	2,393,647.01	916,014.97
Amortization of deferred income	-6,346,472.10	-17,966,248.53
Losses from disposal of fixed assets, intangible assets and other long-term assets (income expressed with "-")	-163,529,971.97	-1,886,136.92
Losses on write-off of fixed assets (income expressed with "-")	121,310.78	7,745.81
Losses from changes in fair value ("-") for gains	-	
Financial expenses (income expressed with "-")	11,829,545.09	18,665,115.07
Investment losses (income expressed with "-")	-84,488,299.90	-34,997,898.47
Decrease in deferred tax assets (increases expressed with "-")	547,366.49	
Increase in deferred tax liabilities (decreases expressed with "-")	-	
Decrease in inventories (increases expressed with "-")	16,156,331.74	-1,023,698.59
Decrease in operating receivables (increases expressed with "-")	36,300,129.85	43,475,853.03
Increase in operating payables (decreases expressed with "-")	-19,151,092.74	-140,056,963.91
Others		
Net cash flows from operating activities	-37,635,766.05	-100,371,976.92
2. Significant investments and financing activities that do not involve cash receipts and payments		
Conversion of debt into capital		
Convertible corporate bonds due within one year		
3. Net changes in cash and cash equivalents		
Ending balance of cash	471,067,121.66	310,734,919.56
Less: beginning balance of cash	310,734,919.56	648,021,672.06
Plus: ending balance of cash equivalents		
Less: beginning balance of cash equivalents	-	
Net increase in cash equivalents	160,332,202.10	-337,286,752.50

2. Composition of cash and cash equivalents

Item	Ending balance	Balance at the end of last year
I. Cash	471,067,121.66	310,734,919.56
Including: cash on hand	30,264.98	30,329.83
Bank deposits readily available for payment	471,032,644.67	310,694,227.98
Other monetary funds readily available for payment	4,212.01	10,361.75

Item	Ending balance	Balance at the end of last year
Deposits with the central bank available for payment		
Interbank deposits		
Interbank lending		
II. Cash equivalents		
Including: bond investments due within three months		
III. Balance of ending cash and cash equivalents	471,067,121.66	310,734,919.56
Including: restricted cash and cash equivalents used by the parent company or subsidiaries within the group		

3. Monetary funds that are not classified as cash and cash equivalents

Item	The current period amount	Amount in previous period	Reasons for not being classified as cash and cash equivalents
L/G deposit	7,912,100.00	5,453,862.93	Frozen, restricted
Total	7,912,100.00	5,453,862.93	

(XCV) Assets with restricted ownership or right of use

Item	Ending book value	Reason for restriction
Monetary funds	7,912,100.00	L/G deposit

(XCVI) Foreign currency monetary items

Item	Ending foreign currency balance	Conversion exchange rate	Ending converted RMB balance
Monetary funds			
Including: USD	841,884.64	7.1884	6,051,803.55
EUR	1,018.00	7.5257	7,661.17
HKD	146,681.29	0.9260	135,832.74
SGD	2,858.03	5.2562	15,022.47
Total			6,210,319.93

(XCVII) Lease

1. The Company serves as the Lessee

Item	The current period amount	Amount in previous period
Interest expenses on lease liabilities	176,995.22	264,995.49
Total cash outflow related to lease	5,048,300.00	6,314,826.00
Variable lease payments not included in the measurement of lease liabilities		
Lease expenses for short-term lease or low-value assets simplified		

2. The Company serves as the Lessor

Operating leases when serving as the Lessor

Item	Lease income	Including: revenue related to variable lease payments not included in lease
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		receipts
House lease	1,435,783.34	
Total	1,435,783.34	

R&D expenditures

Item	Amount incurred in the current period	Amount incurred in previous period
Employee compensation	14,757,285.96	24,140,938.27
Depreciation cost	6,091,463.31	1,705,020.54
Others	493,029.00	993,953.93
Total	21,341,778.27	26,839,912.74
Including: expensed R&D expenditures	21,341,778.27	26,839,912.74
Total	21,341,778.27	26,839,912.74

Equity in other entities**(XCVIII) Equity in subsidiaries****1. Composition of enterprise group**

Name of subsidiary	Main place of business	Shareholding ratio (%)		Acquisition method
		Direct	Indirect	
Shenzhen Nanshan Power (Zhongshan) Power Co., Ltd.	Zhongshan	80.00		Establishment
Shenzhen Nanshan Power Gas Turbine Engineering Technology (Shenzhen) Co., Ltd.	Shenzhen	100.00		Establishment
Shenzhen Nanshan Power Environmental Protection (Shenzhen) Co., Ltd.	Shenzhen	100.00		Establishment
Shenzhen Xiefu Energy Co., Ltd.	Shenzhen	50.00		Establishment
Shenzhen New Power Industrial Co., Ltd.	Shenzhen	100.00		Establishment
Shennan Energy (Singapore) Co., Ltd.	Singapore	100.00		Establishment
Hong Kong Syndisome Co., Ltd.	Hongkong		100.00	Establishment
Zhuhai Hengqin Zhuozhi Investment Partnership (Limited Partnership)	Zhuhai	99.96		Establishment
Shenzhen Nanshan Power Xiwan Energy (Zhongshan) Co.,Ltd.	Zhongshan		51.00	Establishment

2. Important non-wholly owned subsidiaries

Name of subsidiary	Shareholding ratio of minority shareholders (%)	Profits and losses attributable to minority shareholders in the current period	Dividends declared to be distributed to minority shareholders the current period	Ending balance of minority interests
Shenzhen Nanshan Power (Zhongshan) Power Co., Ltd.	20%	13,278,764.45		-93,004,719.71

3. Main financial information of important non-wholly owned subsidiaries

Name of subsidiary	Shenzhen Nanshan Power (Zhongshan) Power Co., Ltd.					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities

Name of subsidiary	Shenzhen Nanshan Power (Zhongshan) Power Co., Ltd.					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Ending balance	231,477,900.81	84,593,178.85	316,071,079.66	732,191,175.33	-	732,191,175.33
Amount at the end of last year	24,201,215.36	244,116,938.96	268,318,154.32	696,314,557.88	104,000,000.00	800,314,557.88

Continued

Name of subsidiary	The current period amount				Amount in previous period			
	Operating revenue	Net profit	Total comprehensive income	Cash flows from operating activities	Operating revenue	Net profit	Total comprehensive income	Cash flows from operating activities
Shenzhen Nanshan Power (Zhongshan) Power Co., Ltd.	11,113,824.47	66,876,307.89	66,876,307.89	-4,165,698.91	62,908,561.23	-31,198,053.79	-31,198,053.79	-1,869,970.79

(XCIX) Equity in joint venture arrangements or associates**1. Significant joint ventures or associates**

Name of joint ventures or associates	Main place of business	Place of registration	Nature of business	Shareholding ratio (%)		Accounting treatments for investments in joint ventures or associates	Whether the Company's activities are strategic
				Direct	Indirect		
Liaoyuan Environmental Protection (note)	Yixing, Jiangsu	Yixing, Jiangsu	Environmental protection	9.935		Equity method	No

Note: the Company invested RMB 72,873,680.00 in Liaoyuan Environmental Protection, accounting for 9.935% of the equity of Liaoyuan Environmental Protection, and is the second largest shareholder of Liaoyuan Environmental Protection. The Board of Directors of Liaoyuan Environmental Protection has five directors. On March 12, 2022, the Company appointed one director, constituting a significant impact on Liaoyuan Environmental Protection.

2. Main financial information of significant joint ventures or associates

Item	Ending balance/current amount	Balance at the end of the previous year/Amount for the previous period
	Liaoyuan Environmental Protection	Liaoyuan Environmental Protection
Current assets	651,001,263.41	545,635,587.61
Non-current assets	404,984,086.78	419,944,510.12
Total assets	1,055,985,350.19	965,580,097.73
Current liabilities	203,426,112.83	198,836,634.15
Non-current liabilities	26,261,285.84	198,836,634.15
Total liabilities	229,687,398.67	225,039,488.72
Minority interests	251,069,667.59	223,928,134.66
Equity attributable to shareholders of the parent company	575,228,283.93	516,612,474.35
Net asset share calculated based on shareholding ratio	57,148,930.01	51,325,449.33

Item	Ending balance/current amount	Balance at the end of the previous year/Amount for the previous period
	Liaoyuan Environmental Protection	Liaoyuan Environmental Protection
Adjustments	32,502,512.58	33,508,393.41
-Others	32,502,512.58	33,508,393.41
Book value of equity investments in associates	90,587,521.44	84,833,842.74
Fair value of equity investments in associates with publicly quoted prices	-	-
Operating revenue	699,720,001.48	660,404,337.83
Net profit	97,066,322.72	85,937,325.14
Net profit attributable to shareholders of the parent company	66,681,142.05	68,971,850.12
Net profit from discontinued operations		
Other comprehensive income		
Total comprehensive income	66,681,142.05	68,971,850.12
Dividends received from associates in the current period	809,700.00	1,214,550.00

Government subsidies

(C) Liability items involving government subsidies

Liabilities	Balance at the end of last year	New subsidies in the current period Amount	Amount included in non-operating revenue in the current period	Amount included in other income for the current period
Deferred income	67,869,348.07			6,346,472.10

(Continued)

Liabilities	Amount of cost offset in the current period	Other changes	Ending balance	Asset-related/income-related
Deferred income			61,522,875.97	Asset related

(CI) Government subsidies included in the current profit or loss

Subsidy project	Amount incurred in the current period	Amount incurred in previous period
Other benefits	6,832,542.00	44,431,212.00
	6,832,542.00	44,431,212.00

Risks related to financial instruments

The Company's main financial instruments include equity investments, long-term and short-term borrowings, accounts receivable, accounts payable, other receivables, etc. For details of various financial instruments, please refer to the relevant items in the Note V. The risks related to these financial instruments, and the risk management policies adopted by the Company to mitigate these risks are described below. The management of the Company manages and monitors these risk exposures to ensure that the above risks are controlled within a limited range.

The Company uses sensitivity analysis techniques to analyze the impact that reasonable and probable changes in risk variables may have on current profit or loss or shareholders' equity. As any risk variable seldom changes in isolation, and the correlation between the variables will have a significant effect on the final affected amount of the change of a risk variable, the following contents are carried out under the assumption that the change of each variable is independently:

(CII) Credit risk

Credit risk refers to the risk that one party to financial instruments fails to perform its obligations, causing the other party to suffer financial losses. The Company is mainly exposed to customer credit risk caused by credit sales. Before entering into a new contract, the Company assesses the credit risk of the new customers, including external credit ratings and, in some cases, bank references (when this information is available). The Company sets a credit limit for each customer, which is the maximum amount for which no additional approval is required.

The Company ensures that the Company's overall credit risk is within a controllable range through quarterly monitoring of credit ratings of existing customers and monthly review of aging analysis of accounts receivable. When monitoring the credit risk of customers, customers are grouped according to their credit characteristics. Customers rated as "high risk" are placed on the restricted customer list and may only be given for credit sales by the Company in the future with additional approval, otherwise they must be required to pay the corresponding amount in advance.

(CIII) Market risk

Market risk of financial instruments refers to the risk that the fair value or future cash flows of financial instruments fluctuates due to changes in market prices, including exchange rate risk, interest rate risk and other price risks.

(1) Interest rate risk

Interest rate risk refers to the risk that the fair value or future cash flows of financial instruments fluctuates due to changes in market interest rates. The Company's risk of changes in cash flows of financial instruments due to changes in interest rates is mainly related to variable-rate bank borrowings.

The sensitivity analysis of interest rate risk is based on the following assumptions:

Changes in market interest rates affect interest income or expenses of variable-rate financial instruments; For fixed-rate financial instruments measured fair value, changes in market interest rates only affect their interest income or expenses; For derivative financial instruments designated as hedging instruments, changes in market interest rates affect their fair value, and all interest rate hedging is expected to be highly effective; Changes in the fair value of derivative financial instruments and other financial assets and liabilities which are calculated by using the discounted cash flow method at the market interest rate on the balance sheet date.

As of December 31, 2024, the Company's bank borrowings with floating interest rate totaled RMB 2,309,631.11. Based on the above assumptions, with other variables unchanged, assuming a 5% changes in interest rates, the pre-tax impact on current profit or loss and shareholders' equity is as follows:

Changes in interest rates	Current year		Previous year	
	Impact on profits	Impact on shareholders' equity	Impact on profits	Impact on shareholders' equity
Increase of 5%	-115,481.56	-115,481.56	-204,375.14	-204,375.14
Decrease of 5%	115,481.56	115,481.56	204,375.14	204,375.14

(2) Exchange rate risk

Exchange rate risk refers to the risk that the fair value or future cash flows of financial instruments fluctuates due to fluctuations in foreign exchange rates. The Company tries its best to match foreign currency revenues with foreign currency expenditures to reduce exchange rate risk. In addition, the Company may also enter into forward foreign exchange contracts or currency swap contracts to avoid exchange rate risk. During the current period and the previous period, the Company did not sign any forward foreign exchange contract or currency swap contract.

The exchange rate risk exposed to the Company mainly comes from financial assets and financial liabilities denominated in foreign currencies, and the amounts of foreign-currency financial assets and foreign-currency financial liabilities converted into RMB are listed as follows:

Item	Ending balance			Balance at the end of last year		
	USD	Other foreign currencies	Total	USD	Other foreign currencies	Total
Monetary funds	6,051,803.55	158,516.38	6,210,319.93	5,931,199.10	188,141.17	6,119,340.27
Total	6,051,803.55	158,516.38	6,210,319.93	5,931,199.10	188,141.17	6,119,340.27

As of December 31, 2024, with all other variables remaining unchanged, if RMB appreciates or depreciates by 5% against foreign currencies, the Company's net profit will increase or decrease by RMB 310,516. The Management believes that 5% reasonably reflects the reasonable range of possible changes in RMB against foreign currencies in the following year.

(CIV) Liquidity risk

Liquidity risk refers to the risk of a shortage of funds when an enterprise fulfills its obligations that is settled by the delivery of cash or other financial assets. It is the Company's policy to ensure that it has sufficient cash to repay its debts as and when they fall due. Liquidity risk is centrally controlled by the Company's Finance Department. The Finance Department ensures that the Company has sufficient funds to repay its debt under all reasonable forecasts by monitoring cash balances, readily realizable securities, and rolling forecasts of cash flows over the next 12 months.

Disclosure of fair value

The input value used for measuring fair value is divided into three levels:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access on the measurement date.

Level 2 inputs are directly or indirectly observable inputs of relevant assets or liabilities other than Level 1 inputs.

Level 3 inputs are unobservable inputs of related assets or liabilities.

The level to which the results of fair value measurement belong is determined by the lowest level of inputs that are significant to fair value measurement as a whole.

1. Fair values of assets and liabilities measured at fair value as at December 31, 2024

Item	Fair value as at December 31, 2024			
	Measured at the fair value of level 1	Measured at the fair value of level 2	Measured at the fair value of level 3	Total
Continuous measurement at fair value				
Other investments in equity instruments			354,798,054.57	354,798,054.57
Including: non-trading equity instrument investments			354,798,054.57	354,798,054.57
Total assets with continuous measurement at fair value			354,798,054.57	354,798,054.57

2. Valuation techniques and qualitative and quantitative information of important parameters used for items measured at the fair value of Level 2 on a continuing and non-continuous basis

At the end of the period, the structured deposits are taken as the fair value according to the type of financial products and the forecast of future cash flows.

3. Basis for determining the market price of items measured at the fair value of Level 3 on a continuing and non-continuous basis

For non-trading equity instruments investments, the Company uses valuation techniques to determine their fair value. The valuation models used mainly are discounted cash flow model and market comparable company model, etc. The input values of valuation techniques mainly include risk-free interest rate, benchmark interest rate, exchange rate, credit spread, liquidity premium, illiquidity discount, etc.

Related parties and related transactions

(CV) Information on the parent company of the Company

The Company does not have a parent company as none of its shareholders hold more than 50% of the Company's shares and cannot form a control relationship with the Company by other means.

(CVI) Information on the Company's subsidiaries

For details of the Company's subsidiaries, please refer to "VII. (I) Interests in Other entities" in the notes.

(CVII) Information on the Company's joint ventures and associates

For details of the Company's significant joint ventures or associates, please refer to the Note "VII. (II) Equity in joint venture arrangements or associates".

(CVIII) Information on other related parties

Name of other related parties	Relationship between other related parties and the Company
Shenzhen Energy Corporation (hereinafter referred to as "Energy Corporation")	Legal person holding more than 5% of the Company's shares
Shenzhen Guangju Industrial Co., Ltd.	Legal person holding more than 5% of the Company's shares
HONG KONG NAM HOI (INTERNATIONAL) LTD	Legal person holding more than 5% of the Company's shares
Shenzhen Capital Holdings Co., Ltd.	Legal person that indirectly holds more than 5% of the Company's shares through Energy Corporation
Artron Art (Group) Co., Ltd.	Zhang Ming, the supervisor of the Company, serves as a director of the Company
Shenzhen MTC Co., Ltd.	Holding enterprise of the Company's largest shareholder
Directors, supervisors and senior officers of the Company	Key managers

(CIX) Related transactions

1. Related transactions of purchase and sale of goods and rendering and acceptance of services

Purchase of goods/acceptance of services

Related party	Details of related transactions	The current period amount	Amount in previous period
Artron Art (Group) Co., Ltd. and its subsidiaries	Purchase of goods	28,918.50	146,016.00

Sales of goods/rendering of services

Related party	Details of related transactions	The current period amount	Amount in previous period
SHENZHEN ENERGY Corporation	Services for property management	4,404,385.09	
Shenzhen MTC Co., Ltd.	Energy management services	1,226,856.89	-
China Science and Technology Development Co., Ltd.	Technical transformation service	58,800.00	-

Related party	Details of related transactions	The current period amount	Amount in previous period
Shenzhen Clou Electronics Co., Ltd. and its subsidiary	Engineering installation services	252,689.25	-

2. Related party guarantees

The Company has no related-party guarantees.

3. Remuneration of key officers

Item	The current period amount	Amount in previous period
Remuneration of key officers	RMB 6.9511 million	RMB 5.9984 million

(CX) Receivables and payables of related parties

1. Receivables

Project name	Related party	Ending balance		Balance at the end of last year	
		Book balance	Provision for bad debts	Book balance	Provision for bad debts
Other receivables	Huidong Xiefu	-		15,532,630.74	

Commitments and contingencies

(CXI) Important commitments

1. Information on letters of guarantee issued as of December 31, 2024

The Company applied to Shanghai Pudong Development Bank Co., Ltd. Shenzhen Branch for issuing a payment guarantee within the credit line, with an amount of RMB 30 million and due on July 16, 2025.

The Company's subsidiary, Shenzhen Nanshan Power Environmental Protection Company, applied to China Merchants Bank Co., Ltd. Shenzhen Branch for issuing a performance guarantee within the credit line, with an amount of RMB 2.8 million and due on March 31, 2025. Shenzhen Nanshan Power Environmental Protection Company applied to China Merchants Bank Co., Ltd. Shenzhen Branch for issuing a performance guarantee within the credit line, with an amount of RMB 3.7 million and due on March 31, 2026.

The Company's subsidiary, Shenzhen Nanshan Power Engineering Company, applied to Agricultural Bank of China Limited Shenzhen OCT Sub-branch for issuing a performance guarantee within the credit line, with an amount of RMB 1.4121 million and due on June 30, 2027.

2. Other commitments

As of December 31, 2024, except for the above matters, the Company had no other important commitments required to be disclosed.

(CXII) Contingencies

As of December 31, 2024, the Company had no contingencies required to be disclosed.

Events after the balance sheet date

As of December 31, 2024, the Company had no other subsequent events required to be disclosed.

Other important events

(CXIII) Information on segments

1. Determination basis and accounting policies of reporting segments

For management purposes, the Company and subsidiaries are divided into business units based on products and

services. The Company has three reporting segments as follows:

- (1) Power Production and Sale Division;
- (2) Integrated Energy Service Segment;
- (3) Other segments

The Company's management periodically evaluates the operating results of its operating segments to decide on the allocation of resources to them and to evaluate their performance.

Segment reporting information is disclosed in accordance with the accounting policies and measurement criteria used by the segments in reporting to the Management, which are consistent with the basis of accounting and measurement used in the preparation of the financial statements.

2. Financial information of reporting segments

Item	Power Production and Sale Division	Integrated Energy Service Segment	Other Segments	Inter-segment offsetting	Total
Operating revenue	420,334,462.86	39,382,694.07	5,364,131.87	22,109,332.95	442,971,955.85
Operating costs	405,195,393.12	28,530,461.10	1,222,824.76	19,501,946.59	415,446,732.39
Total assets	2,270,795,129.83	95,858,355.43	264,470,740.27	618,387,589.94	2,012,736,635.59
Total liabilities	702,631,828.38	42,488,019.60	12,747,325.44	253,054,378.53	504,812,794.89

(CXIV) Others

1. Annuity plan

According to the Company's enterprise annuity plan, the Company accrues and pays enterprise annuities at 8% of employees' wages.

Notes to the main items of the parent company's financial statements

(CXV) Accounts receivable

1. Disclosure of accounts receivable on an aging basis

Aging	Ending balance	Balance at the end of last year
Within 1 year	26,641,173.11	26,981,407.91
Subtotal	26,641,173.11	26,981,407.91
Less: provision for bad debts		
Total	26,641,173.11	26,981,407.91

2. Accounts receivable are classified and disclosed according to the method of provision for bad debts

Category	Ending balance				
	Book balance		Provision for bad debts		Book value
	Amount	Ratio (%)	Amount	Provision ratio (%)	
Provision for bad debts on an individual basis					
Provision for bad debts on a credit risk portfolio basis	26,641,173.11	100.00			26,641,173.11

Category	Ending balance				
	Book balance		Provision for bad debts		Book value
	Amount	Ratio (%)	Amount	Provision ratio (%)	
Total	26,641,173.11	100.00			26,641,173.11

Category	Balance at the end of last year				
	Book balance		Provision for bad debts		Book value
	Amount	Ratio (%)	Amount	Provision ratio (%)	
Provision for bad debts on an individual basis					
Provision for bad debts on a credit risk portfolio basis	26,981,407.91	100.00			26,981,407.91
Total	26,981,407.91	100.00			26,981,407.91

Provision for bad debts made by portfolio:

Items accrued on a portfolio basis:

Description	Ending balance		
	Accounts receivable	Provision for bad debts	Provision ratio (%)
Portfolio II: receivables from power production and sales	26,641,173.11		
Total	26,641,173.11		

3. Accounts receivable and contract assets of the top five ending balances by debtors

Entity name	Ending balance of accounts receivable	Ending balance of contract assets	Ending balance of accounts receivable and contract assets	Proportion to the total ending balance of accounts receivable and contract assets (%)	Ending balance of provision for bad debts of accounts receivable and provision for contract asset impairment
Shenzhen Power Supply Bureau Co., Ltd.	26,641,173.11		26,641,173.11	100.00	
Total	26,641,173.11		26,641,173.11	100.00	

(CXVI) Other receivables

Item	Ending balance	Balance at the end of last year
Interest receivable		
Dividends receivable		
Other receivables	614,157,681.93	714,553,901.02
Total	614,157,681.93	714,553,901.02

1. Other receivables

(1) Disclosure based on aging

Aging	Ending balance	Balance at the end of last year
Within 1 year	100,172,359.91	711,403,571.07
1 to 2 years	512,439,711.54	2,500.00

Aging	Ending balance	Balance at the end of last year
2 to 3 years		
Over 3 years	27,570,625.97	29,172,845.44
Total	640,182,697.42	740,578,916.51

(2) Disclosure by category

Category	Ending balance				
	Book balance		Provision for bad debts		Book value
	Amount	Ratio (%)	Amount	Provision ratio (%)	
Provision for bad debts on an individual basis	26,025,015.49	4.07	26,025,015.49	100.00	-
Provision for bad debts on a credit risk portfolio basis	614,157,681.93	95.93			614,157,681.93
Total	640,182,697.42	100.00	26,025,015.49	4.07	614,157,681.93

Continued

Category	Balance at the end of last year				
	Book balance		Provision for bad debts		Book value
	Amount	Ratio (%)	Amount	Provision ratio (%)	
Provision for bad debts on an individual basis	26,025,015.49	3.51	26,025,015.49	100.00	
Provision for bad debts on a credit risk portfolio basis	714,553,901.02	96.49			714,553,901.02
Total	740,578,916.51	100.00	26,025,015.49	3.51	714,553,901.02

(3) Provision for bad debts on an individual basis

Description	Ending balance			
	Book balance	Provision for bad debts	Provision ratio (%)	Reasons for provision
Huiyang Kangtai Industrial Company	14,311,626.70	14,311,626.70	100.00	Historical leftover items, which date back to long time ago and are expected to be irrecoverable
Receivables from employee benefit fund dividends and taxes	9,969,037.63	9,969,037.63	100.00	
Receivables from purchase of employee dormitories	1,736,004.16	1,736,004.16	100.00	
Others	8,347.00	8,347.00	100.00	
Total	26,025,015.49	26,025,015.49	100.00	

(4) Provision for bad debts on a portfolio basis

Description	Ending balance		
	Other receivables	Provision for bad debts	Provision ratio (%)
Portfolio IV: current accounts of related parties within the consolidation	611,645,846.09		
Portfolio V: guarantee, deposit and petty cash portfolio	1,528,568.67		

Description	Ending balance		
	Other receivables	Provision for bad debts	Provision ratio (%)
Portfolio VII: other receivables and temporary payments	983,267.17		
Total	614,157,681.93		

(5) Provision for bad debts

Provision for bad debts	The first stage	The second stage	The third phase	Total
	Expected credit losses over the next 12 months	Expected credit loss for the entire duration (without credit impairment)	Expected credit loss for the entire duration (with credit impairment)	
Balance at the end of last year			26,025,015.49	26,025,015.49
Balance at the end of the previous year in the current period				
--Transfer to the second stage				
--Transfer to the third stage				
--Reverse to the second stage				
--Reverse to the first stage				
Provision for the current period				
Reverse for the current period				
Charge-off for the current period				
Write-off for the current period				
Other changes				
Ending balance			26,025,015.49	26,025,015.49

(6) Classification by nature of payment

Nature of payment	Ending book balance	Book balance at the end of last year
Transactions among related parties within the combination	611,645,846.09	712,425,641.88
Other receivables and temporary payments	15,170,475.09	14,645,149.15
Receivable from employees	11,837,807.57	11,882,548.16
Margin, security deposit and petty cash portfolio	1,528,568.67	1,625,577.32
Total	640,182,697.42	740,578,916.51

(7) Centralized fund management

Amounts included in other receivables due to centralized fund management	607,171,580.03
Situation description	The Company centralizedly manages the funds, and the principal and interest of the subsidiary receivable is RMB 607,171,580.03, and the principal and interest of the subsidiary payable is RMB 130,549,686.64.

(CXVII) Long-term equity investments

Item	Ending balance			Balance at the end of last year		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Investments in	923,167,363.65	445,002,245.26	478,165,118.39	855,811,150.92	445,002,245.26	410,808,905.66

Item	Ending balance			Balance at the end of last year		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
subsidiaries						
Investments in associates and joint ventures	90,587,521.44		90,587,521.44	84,833,842.74		84,833,842.74
Total	1,013,754,885.09	445,002,245.26	568,752,639.83	940,644,993.66	445,002,245.26	495,642,748.40

1. Investments in subsidiaries

Investees	Balance at the end of last year	Increased amount in the current period	Decreased amount in the current period	Ending balance	Provision for impairment in the current period	Ending balance of provision for impairment
Shenzhen Xiefu Energy Co., Ltd.	26,650,000.00			26,650,000.00		
Shennan Energy (Singapore) Co., Ltd.	6,703,800.00			6,703,800.00		
Shenzhen New Power Industrial Co., Ltd.	175,637,763.02	257,272,360.58	49,916,147.85	382,993,975.75		13,709,556.49
Shenzhen Nanshan Power (Zhongshan) Power Co., Ltd.	410,740,001.00	-		410,740,001.00		410,740,000.00
Shenzhen Nanshan Power Gas Turbine Engineering Technology (Shenzhen) Co., Ltd.	24,460,360.00	-		24,460,360.00		
Shenzhen Nanshan Power Environmental Protection (Shenzhen) Co., Ltd.	70,191,704.81	-		70,191,704.81		20,552,688.77
Zhuhai Hengqin Zhuozhi Investment Partnership (Limited Partnership)	141,427,522.09	-	140,000,000.00	1,427,522.09		
Total	855,811,150.92	257,272,360.58	189,916,147.85	923,167,363.65		445,002,245.26

2. Investments in associates and joint ventures

Investees	Beginning balance	Beginning balance of provision for impairment	Increase and decrease in the current period			
			Additional investment	Reduced investment	Investment profit or loss recognized under the equity method	Adjustments to the other comprehensive income
Associates	84,833,842.74				6,563,378.70	
Subtotal	84,833,842.74				6,563,378.70	
Total	84,833,842.74				6,563,378.70	

Continued:

Investees	Increase and decrease in the current period				Ending balance	Ending balance of provision for impairment
	Other changes in equity	Declaration of cash dividend or profits	Provision for impairment	Others		
Associates		809,700.00			90,587,521.44	
Subtotal		809,700.00			90,587,521.44	
Total		809,700.00			90,587,521.44	

(CXVIII) Operating revenue and operating costs

1. Operating revenue and operating costs

Item	The current period amount		Amount in previous period	
	Revenue	Cost	Revenue	Cost
Main business	322,454,274.03	339,266,651.44	264,690,176.35	357,865,804.80
Other business	57,022,453.48	3,607,161.70	126,959,772.74	5,823,727.52
Total	379,476,727.51	342,873,813.14	391,649,949.09	363,689,532.32

2. Break down by product or service type

Item	The current period amount		Amount in previous period	
	Revenue	Cost	Revenue	Cost
Power production and sale	379,072,551.36	342,872,787.50	391,340,842.07	363,617,073.55
Others	404,176.15	1,025.64	309,107.02	72,458.77
Total	379,476,727.51	342,873,813.14	391,649,949.09	363,689,532.32

3. By region

Item	The current period amount		Amount in previous period	
	Revenue	Cost	Revenue	Cost
Domestic	379,476,727.51	342,873,813.14	391,649,949.09	363,689,532.32
Total	379,476,727.51	342,873,813.14	391,649,949.09	363,689,532.32

4. Revenue arising from contracts

Item	The current period amount	Amount in previous period
Classification by contract performance obligations		
Including: revenue recognized at a certain time point	379,476,727.51	391,649,949.09
Revenue recognized within a certain period of time		
Total	379,476,727.51	391,649,949.09

(CXIX) Investment income

Item	The current period amount	Amount in previous period
Income from long-term equity investments accounted for equity method under the equity method	6,563,378.70	6,966,316.30
Investment income from financial assets held for trading during the holding period	11,286,239.10	18,538,064.54
Dividend income received from investments in equity instruments during the holding period	17,474,329.61	340,206.13
Dividends from long-term equity investments		6,717,600.82
Total	35,323,947.41	32,562,187.79

Supplementary information**(CXX) Statement of non-recurring profit or loss in the current period**

Item	Amount	Remark
Profits and losses on disposal of non-current assets	163,881,112.16	
Tax returns, deduction and exemption approved beyond the authority or without official approval documents		

Item	Amount	Remark
Government subsidies included in the current profit or loss (except for government subsidies closely related to the enterprise business, obtained by quota or quantity at unified state standards)	486,069.90	
Fund occupation fees charged to non-financial enterprises included in the current profit or loss		
The investment cost in subsidiaries, associates and joint ventures acquired by an enterprise is less than the gains from the fair value of the identifiable net assets of the investees that shall be enjoyed when acquiring the investment		
Profit or loss from exchange of non-monetary assets		
Profit or loss from entrusting others to invest or manage assets		
Various provision for asset impairment made due to force majeure factors, such as natural disasters		
Profits and losses of debt restructuring		
Enterprise reorganizing expenses, such as employee accommodation costs and integration expenses, etc.		
Profit or loss in excess of the fair value arising from transactions with obviously unfair transaction price		
Current net profit or loss of subsidiaries from the beginning of the period to the combination date arising from business combination under the common control		
Profit or loss arising from contingencies unrelated to the Company's normal business operations		
Profit or loss from changes in fair value arising from holdings of financial assets held for trading, derivative financial assets, financial liabilities held for trading and derivative financial liabilities, and investment income from disposal of financial assets held for trading, derivative financial assets, financial liabilities held for trading, derivative financial liabilities and other debt investments, except for effective hedging operations related to the normal business of the Company	11,286,239.10	
Reversal of provision for impairment of receivables individually tested for impairment		
Profit or loss from external entrusted loans		
Profit or loss from fair value changes of investment properties that are subsequently measured by using the fair value model		
Impact of one-off adjustment to the current profit or loss in accordance with laws and regulations on taxation and accounting on the current profit or loss		
Revenue from custody fees obtained from entrusted operations		
Other non-operating revenue and expenses other than the above	775,495.19	
Other profit or loss items that meet the definition of non-recurring profit or loss		
Subtotal	176,428,916.35	
Less: income tax impact	9,140,402.85	
Changes in the amount of minority interests (after tax)	57,871,593.36	
Total	109,416,920.14	

(CXXI) Return on equity and earnings per share

Profit during the reporting period	Weighted average rate of return on net assets (%)	Earnings per share (RMB)	
		Basic earnings per share	Diluted earnings per share
Net profit attributable to ordinary shareholders of the Company	1.49	0.0363	0.0363
Net profit attributable to ordinary shareholders of the Company after deducting non-recurring profit or loss	-5.95	-0.1452	-0.1452

Shenzhen Nanshan Power Co., Ltd.

(Official seal)

April 21, 2025