Stock Code: 200771 Stock ID: Hangqilun B Announcement No.: 2025-26

Hangzhou Turbine Power Group Co., Ltd.

2024 Annual Report

（Stock Code: 200771）

April 2025

I. Important Notice , Table of Contents, and Definitions

The Board of Directors, the Supervisory Committee, the directors, the supervisors, and executives of the Company guarantee that there are no significant omissions, fictitious or misleading statements carried in the Report and we will accept individual and joint responsibilities for the truthfulness, accuracy and completeness of the Report.

Chairman Mr. Ye Zhong, Chief Financial Officer Zhao Jiamao, and the Chief of Accounting Department Mr.Lv Lin hereby declare: the Financial Statement in the report is guaranteed to be truthful and complete.

All of the directors attended the board meeting on which this report was examined.

This Report contains prospective descriptions, which doesn’t constitute substantial commitment to investors. Investors are requested to be aware of the risks attached to their investment decisions.

For the risks existing in the Company's operation, please refer to the section "Prospects for the future development of the Company" in Section III "Management Discussion & Analysis". The company's designated information disclosure media are: Shanghai Securities News (Chinese), Securities Times (Chinese), Hong Kong Commercial Daily (English), http://www.cninfo.com.cn (In English and Chinese), all information of the company is subject to the information published in the above selected media. Investors are advised to pay attention to investment risks.

The Company's profit distribution plan approved by the board of directors is: based on the Company's total share capital of 1,175,009,597 shares at the end of 2024 by deducting 104,832 shares of treasury shares to be repurchased and cancelled due to the resignation of equity incentive recipients, that is, based on 1,174,904,765 shares, a cash dividend of 2.1 yuan will be distributed to all shareholders for every 10 shares， without converting the reserve fund into share capital.

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Documents available for inspection

1. Accounting statements carried with personal signatures and seals of legal representative, General Manager, Chief Financial officer and Financial Principal.

2. Original of Auditors' Report carried with the seal of Certified Public Accountants as well as personal signatures of certified Public accountants.

3. The texts of all the Company's documents publicly disclosed on the newspapers and periodicals designated by China Securities Regulatory Commission in the report period.

4. Original copy of Resolutions of the Meeting of Board.

Definition

Terms to be defined	Refers to	Definition
Company, the Company	Refers to	Hangzhou Turbine Power Group Co., Ltd.
Holding shareholder, Turbine Holdings	Refers to	Hangzhou Turbine Holdings Co., Ltd.
Hangzhou Qitong	Refers to	Hangzhou Qitong Equity Investment Partnership（LP）
Hangzhou SASAC	Refers to	State-owned Assets Supervision and Administration Commission of Hangzhou Municipal People's Government
Hangzhou Capital	Refers to	Hangzhou State-owned Capital Investment and Operation Co., Ltd.
The report period, the current period, the current year	Refers to	January 1,2024-December 31,2024
Zhongneng Co.	Refers to	Hangzhou Zhongneng Turbine Machinery Equipment Co., Ltd.
Hangfa Company	Refers to	Hangzhou Hangfa Power Generation Equipment Co., Ltd.
Casting Co.	Refers to	Hangzhou Steam Turbine Casting Co., Ltd.
Anhui Casting Company	Refers to	Anhui Hangqi Casting Technology Co., Ltd.
Packaged Tech. Co.	Refers to	Zhejiang Steam Turbine Packaged Technology Development Co., Ltd.
Machinery Co.	Refers to	Hangzhou Steam Turbine Machinery Equipment Co., Ltd.
Huayuan Company	Refers to	Zhejiang Huayuan Steam Turbine Machinery Co., Ltd
Auxiliary Machine Co.	Refers to	Hangzhou Steam Turbine Auxiliary Machinery Co., Ltd.
Guoneng Company	Refers to	Hangzhou Guoneng Steam Turbine Engineering Co., Ltd.
Turbine Co.	Refers to	Zhejiang Turbine Import & Export Co., Ltd.
New Energy Company	Refers to	Hangzhou Steam Turbine New Energy Co., Ltd.
Ranchuang Company	Refers to	Zhejiang Ranchuang Turbine Machinery Co., Ltd.
Western Power	Refers to	Pengzhou Western Power Blue Technology Co., Ltd.
Sales Company	Refers to	Hangzhou Steam Turbine Sales Service Co., Ltd.
Industry and trade company	Refers to	Hangzhou Steam Turbine Industry and trade Co., Ltd
The Board of Directors	Refers to	The Board of Directors of Hangzhou Turbine Group Co., Ltd.
The Supervisory Committee	Refers to	The Supervisory Committee of Hangzhou Turbine Power Group Co., Ltd.
The Shareholders' Meeting	Refers to	The Board of Directors of Hangzhou Turbine Power Group Co., Ltd.
RMB, RMB0'000, RMB000'000'000	Refers to	RMB Yuan, RMB10 thousand Yuan, RMB100 million Yuan
MW	Refers to	Unit of power: 1000KW
ERP	Refers to	Enterprise Resources Planning
SRM	Refers to	Supplier relationship management

II. Basic Information of the Company and Financial index

I. Basic Information

Stock ID	Hangqilun B	Stock Code	200771
Modified stock ID (if any)	Not applicable		
Stock Exchange Listed	Shenzhen Stock Exchange		
Company Name in Chinese	杭州汽轮动力集团股份有限公司		
Short form of Company Name in Chinese	杭汽轮		
Name in English	HANGZHOU TURBINE POWER GROUP CO.,LTD.		
Abbreviation in English	HTC		
Legal representative:	Ye Zhong		
Reg. Add.	Building 1, No.608, Kangxin Road, Linping District, Hangzhou City, Zhejiang		
Post Code	311106		
Historical change of the company's registered address	In May 2021, The registered address of the company has been changed from No.357, Shiqiao Road, Hangzhou city, Zhejiang Province to Building 1, No.608, Kangxin Road, Economic and Technological Development Zone, Yuhang District, Hangzhou City, Zhejiang In June 2022, The registered address of the company has been changed from Building 1, No.608, Kangxin Road, Economic and Technological Development Zone, Hangzhou City, Zhejiang to Building 1, No.608, Kangxin Road, Linping District, Hangzhou City, Zhejiang		
Office address	No.1188, Dongxin Road, Gongshu District, Hangzhou, Zhejiang		
Post code of the office address	310022		
Internet Web Site	www.htc.cn		
E-mail	wg@htc.cn		

II. Contact person and contact manner

	Board secretary	Securities affairs Representative
Name	Wang Gang	Li Xiaoyang
Address	No.1188, Dongxin Road, Gongshu District, Hangzhou, Zhejiang	No.1188, Dongxin Road, Gongshu District, Hangzhou, Zhejiang
Tel.	0571-85780198	0571-85780438
Fax.	0571-85780433	0571-85780433
Email.	wg@htc.cn	lixiaoyang@htc.cn

III. Place for information disclosure

Press media for information disclosure	Shenzhen Stock Exchange http://www.szse.cn
Web address for the annual report as assigned by CSRC.	Securities Times, Shanghai Securities Daily, Hong Kong Commercial Daily and www.info.com.cn
The place where the Annual report is prepared and placed	Office of the Board of directors

IV. Changes in Registration

Unified social credit code	913300007042026204
Change of main business since listed	The original scope of main businesses of the Company: The design and manufacturing of steam turbine, gas turbine, other rotating and to-and-fro machinery and auxiliary equipment, and spare parts and components, sales of self-manufactured products and the providing of relevant after-sales service and import & export service. In July 2008, the business scope was modified to: Design and manufacturing of steam turbine, gas turbine, other rotating and to-and-fro machinery and auxiliary equipment, and spare parts and components, sales of self-manufactured products and the providing of relevant after-sales service; sales and import & export of power plant, industrial driving, industrial turbine equipment and complete equipment. For those involve in quota or licensing shall follow legal procedures. In March 2009, the business scope was modified to: Design and manufacturing of steam turbine, gas turbine, other rotating and to-and-fro machinery and auxiliary equipment, and spare parts and components, sales of self-manufactured products and the providing of relevant after-sales service; sales and import & export of power plant, industrial driving, industrial turbine equipment and complete equipment. In December 2016, the business scope was modified to: Design and manufacturing of steam turbine, gas turbine, other rotating and to-and-fro machinery and auxiliary equipment, and spare parts and components, sales of self-manufactured products and the providing of relevant after-sales service; sales and import & export of power plant, industrial driving, industrial turbine equipment ,complete equipment and Energy conservation and environmental protection projects.
Change of holding shareholder (if any)	Hangzhou Turbine Power Group Co., Ltd. is the controlling shareholder of the Company, and the actual controller of the Company is the State-owned Assets Supervision and Administration Commission of Hangzhou Municipal People's Government. On December 2020, Hangzhou SASAC transferred 90% of the shares of the Company held by itself to its wholly-owned company Hangzhou State-owned Capital Investment and Operation Co., Ltd., thus Hangzhou Capital became the indirect controlling shareholder of the company, and neither the direct controlling shareholder nor the actual controller of the company changed.

V. Miscellaneous information

CPA hired by the Company

Name of the CPA	Grant Thornton Certified Public Accountants LLP
Address of the CPA	Floor 5, Scitech Plaza, No. 22 Jianguomenwai Street, Chaoyang District, Beijing
Name of CPA signed on the auditors’ report	Li Shilong, Zhu Zemin

The sponsor performing persist ant supervision duties engaged by the Company in the reporting period.

□ Applicable √Not applicable

The Financial advisor performing persist ant supervision duties engaged by the Company in the reporting period

□ Applicable √Not applicable

VI. Summary of Accounting data and Financial index

Indicate by tick mark whether there is any retrospectively restated datum in the table below.
□Yes √No

	2024	2023	Changed over last year（%）	2022
Operating revenue（Yuan）	6,638,914,993.24	5,924,238,021.22	12.06%	5,518,841,939.82
Net profit attributable to the shareholders of the listed company（Yuan）	539,962,304.02	517,680,522.56	4.30%	522,396,807.32
Net profit after deducting of non-recurring gain/loss attributable to the shareholders of listed company（Yuan）	411,553,193.68	362,006,895.23	13.69%	379,955,440.30
Cash flow generated by business operation, net（Yuan）	450,946,811.55	877,209,485.62	-48.59%	324,140,805.63
Basic earning per share(Yuan/Share)	0.46	0.44	4.55%	0.45
Diluted gains per share(Yuan/Share)	0.46	0.44	4.55%	0.45
Net asset earning ratio（%）	6.46%	6.38%	0.08%	6.47%
	End of 2024	End of 2023	Changed over last year（%	End of 2022
Gross assets（Yuan）	17,252,082,445.96	15,927,680,116.23	8.32%	15,374,999,610.32
Net assets attributable to shareholders of the listed company（Yuan）	8,954,601,724.44	7,899,275,900.66	13.36%	8,328,481,114.19

The lower of the company’s net profit before and after the deduction of non-recurring gains and losses in the last three fiscal years is negative, and the auditor's report of the previous year shows that the Company’s going concern ability is uncertain.
□ Yes √No
The lower of the net profit before and after the deduction of the non-recurring gains and losses is negative.
□ Yes √No

VII. The differences between domestic and international accounting standards

1. Differences between the net profit and net asset in the financial reports prepared under IAS and Chinese Accounting Standard

□ Applicable √Not applicable

No difference in the reporting period.

2. Differences between the net profit and net asset in the financial reports prepared under IAS and Chinese Accounting Standard

□ Applicable √Not applicable

No difference in the reporting period.

VIII. Main Financial Index by Quarters

In RMB

	First quarter	Second quarter	Third quarter	Fourth quarter
Operating revenue	1,059,263,685.89	1,552,400,091.07	1,651,736,130.81	2,375,515,085.47
Net profit attributable to the	9,663,903.49	181,835,660.36	-1,884,498.53	350,347,238.70

shareholders of the listed company				
Net profit after deducting of non-recurring gain/loss attributable to the shareholders of listed company	-6,160,934.41	125,488,998.65	-15,328,054.23	307,553,183.67
Net Cash flow generated by business operation	-364,441,664.54	30,856,060.97	-26,902,245.01	811,434,660.13

Any material difference between the financial indicators above or their summations and those which have been disclosed in quarterly or semi-annual reports?

□ Yes √ No

IX. Items and amount of non-current gains and losses

√ Applicable □ Not applicable

In RMB

Item	Amount (2024)	Amount (2023)	Amount (2022)	Notes
Non-current asset disposal gain/loss(including the write-off part for which assets impairment provision is made)	2,048,611.06	80,700,238.39	-792,933.90	Mainly due to the income from the disposal of assets of the subsidiary machinery company and Hangfa company in the current period
Government subsidy recognized in current gain and loss(excluding those closely related to the Company's business and granted under the state's policies)	79,501,721.38	82,198,992.80	57,161,745.42	Mainly due to the government subsidy for the compensation for the relocation of the company's Shiqiao Road plant and other government subsidies such as R&D subsidies confirmed in the current period
Gain and loss from change of the fair value arising from transactional monetary assets, transactional financial liabilities as held as well as the investment income arising from disposal of the transactional monetary assets, transactional financial liabilities and financial assets available for sale excluding the effective hedging transaction in connection with the Company's normal business	9,144,457.96	14,106,890.90	36,974,039.31	Mainly due to the investment income of bank wealth management products
Capital occupation charges on non-			127,908.28	

financial enterprises that are recorded into current gains and losses				
Reverse of the provision for impairment of accounts receivable undergoing impairment test individually	12,534,831.10		20,281,569.00	Mainly due to received receivables that were separately impaired by subsidiaries of New Energy Company and Hangfa Company
Gains/losses of debt restructure	5,495,530.91	6,496,130.62	7,035,391.36	Mainly due to the profit and loss of accounts payable debt restructuring of Jiangsu Shuangliang Cooling System Co., Ltd. and Zhengzhou Machinery Research Institute Co., Ltd
Operating income and expenses other than the aforesaid items	51,983,999.18	64,888,473.66	54,844,106.11	Mainly due to liquidated damages income
Other gains and losses that meet the definition of exceptional gain/loss			-1,732,271.11	
Less: Influenced amount of income tax	19,936,659.13	32,530,196.68	17,931,285.99	
Amount of influence of minority interests （After tax）	12,363,382.12	60,186,902.36	13,526,901.46	
Total	128,409,110.34	155,673,627.33	142,441,367.02	--

Details of other gains/losses items that meets the definition of non-recurring gains/losses:

□Applicable☑Not applicable

There are no other gains/losses items that meet the definition of non-recurring gains/losses in the Company.

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.

III. Management Discussion & Analysis

I. Industry information of the Company during the reporting period

In 2024, in the face of the complex and severe situation of increasing external pressure and internal difficulties, China's economic operation was generally stable and progressive, new progress has been made in high-quality development, and the main goals and tasks of economic and social development have been successfully completed. According to the data released by the National Bureau of Statistics on January 17, 2025, the annual GDP was 134,908.4 billion yuan, an increase of 5.0% over the previous year at constant prices. For the whole year, the added value of industrial enterprises above designated size increased by 5.8 percent over the previous year, of which the added value of equipment manufacturing increased by 7.7 percent. The analysis of the Company's main upstream industries is as follows:

During the reporting period, China's petrochemical industry overcame the impact of unfavorable factors such as insufficient downstream market demand, low product prices, and a significant decline in enterprise efficiency, and the economic operation of the industry remained basically stable. According to the National Bureau of Statistics, in 2024, the petrochemical industry achieved the operating income of 16.28 trillion yuan, a YOY increase of 2.1%, and achieved a total profit of 789.71 billion yuan, a YOY decrease of 8.8%; Judging from the annual data, especially the YOY data, the industry shows a trend of bottoming out and stabilizing. According to the "Economic Operation of China's Petroleum and Chemical Industry in 2024" released by the China Petroleum and Chemical Industry Federation, China's petrochemical production and consumption continued to grow in 2024, with the total oil and gas equivalent production increased by 4.0% YOY and the total output of major chemicals increased by 7.2%. The apparent consumption of major petrochemical products increased simultaneously, with the total apparent consumption of oil and gas increased by 1.8% YOY, and the total consumption of major chemicals increased by 6.1%. In 2024, the prices of major petrochemical products continued to fall, and the market prices of a variety of petrochemical products and chemical materials have fallen to historical lows, among which urea, polyvinyl chloride and other products have fallen to the price level of 20 years ago. At present, the petrochemical industry is facing a painful period of deep adjustment, and the prominent contradiction is that supply exceeds demand. The current situation of supply is that over the years, for China's more than 20 kinds of bulk basic chemicals and general materials, its production capacity and output ranked first in the world, especially since the "13th Five-Year Plan", the centralized construction of new refining and chemical integration units, centralized production and the development of chemical parks, the industrial concentration and the overall competitiveness of the industry has been continuously improved, the production capacity has also increased rapidly, and the supply capacity has been greatly enhanced. When faced with the downturn in the international market and the lack of effective domestic demand, the industry competition continues to intensify, the product prices continue to decline, many enterprises and the entire industry have suffered serious losses in profitability, with a significant decline in profits. The deep adjustment of the petrochemical industry will accelerate the elimination of outdated production capacity with weak competitiveness, and promote the high-quality and sustainable development of the petrochemical industry.

During the reporting period, the country's power supply was safe and stable, the electricity consumption grew steadily and rapidly, the power supply and demand were generally balanced, and the green and low-carbon transformation of power continued to advance. According to the "2024-2025 National Electricity Supply and Demand Situation Analysis and Forecast Report" released by the China Electricity Council, in 2024, the electricity consumption of the whole society was 9.85 trillion kWh, a YOY increase of 6.8%, and the growth rate was 0.1 percentage points higher than that of the previous year. The overall stability of the national economy and the improvement of the level of electrification have driven the electricity consumption of the whole industry to maintain a steady and rapid growth in recent years. By the end of 2024, the country's installed full-caliber power generation capacity was 3.35 billion kilowatts, a YOY increase of 14.6%. From the perspective of different types of investment, the growth rate of installed power generation capacity and structural changes, the green and low-carbon transformation of the power industry has achieved remarkable results. The installed capacity of new energy power generation reached 1.45 billion kilowatts, exceeding the installed capacity of thermal power for the first time, and the installed capacity of new gas power and pumped storage power increased significantly, further improving the regulation capacity of the power system. According to the forecast of the China Electricity Council, the new installed power generation capacity in the country is expected to exceed 450 million kilowatts in 2025, of which the new installed power generation capacity will exceed 300 million kilowatts. It is estimated that by the end of 2025, the installed power generation capacity of the country is expected to exceed 3.8 billion kilowatts, a YOY increase of about 14%. Among them, the proportion of coal-fired power plants in the total installed capacity will drop to one-third by the end of 2025; The installed capacity of non-fossil energy power generation will be 2.3 billion kilowatts, accounting for about 60% of the total installed capacity.

During the reporting period, the State Council issued the "Action Plan for Promoting Large-scale Equipment Renewal and Trade-in of Consumer Goods", clearly promoting the renewal and transformation of equipment in key industries, focusing on promoting new industrialization, energy conservation and carbon reduction, ultra-low emission, safe production, digital transformation, and intelligent upgrading, and focusing on key industries such as steel, nonferrous metals, petrochemicals, and chemicals, and vigorously promoting the renewal and technological transformation of production equipment, energy-using equipment, power generation, transmission and distribution equipment. The State-owned Assets Supervision and Administration Commission of the State Council said that in the next five years, the central enterprises are expected to arrange large-scale equipment renovation and transformation, with a total investment of more than 3 trillion yuan. The Company will conduct in-depth research on market policies and development trends, and strive to seize market opportunities.

II.Main Business the Company is Engaged in During the Report Period

During the reporting period, the Company's main business and operating model did not undergo significant changes. As the leading provider of turbo machinery equipment and relevant service in China, our company is mainly famous for designing and producing rotating turbo machinery like industrial steam turbines and gas turbines. Our company, one of the major companies drafting the industrial standard in Chinese domestic industry of industrial steam turbine, has developed into the biggest base to research, develop and produce industrial steam turbines in China and ranks first among industrial steam turbine producers in terms of the market occupancy. Holding the principle "our products should be based on clients' demands" as our business mode and characteristic, our company designs and produces in accordance with every client's personal demands so as to meet personalized needs in engineering projects to the utmost. To realize the fast research and development of our products, our company has adopted the advanced modular design technique and, on the other hand, introduces information technique to assist the collaborative production to achieve the resource saving and flexible production. In addition, our company also provides our clients with relevant service such as engineering programs, general engineering contracting, operation and maintenance of our products as well as remote control and so on.

Industrial steam turbines use the steam featuring high temperature and high pressure as their working medium so as to convert the thermal energy into mechanical energy to drive various industrial equipments through the rotating steam turbines. As for different objects driven by industrial steam turbines, the steam turbines could be divided into industrial driving steam turbines and industrial power-generation steam turbines. Mainly driving rotating machines like compressors, air blowers, pumps and squeezers, industrial driving steam turbines, as the core power part in numerous large-scale industrial equipments, are always introduced into some industries like oil refining, chemical engineering, chemical fertilizer, building materials, metallurgy, electric power, light industry and environmental production. The industrial power-generation steam turbines, mainly utilized to drive electric generators and provide thermal energy, are mainly adopted in private stations, regional projects of combined heat and power generation, power generation by recycling waste heat in industrial production, urban waster power plants and gas-steam combined cycle power stations in various industrial sectors. The gas turbines produced by our company are mainly used by metallurgical industry to recycle the waste heat from the blast furnace exhaust to generate power.

In the gas turbine business, the company cooperated with Siemens Energy on SGT-800, an advanced natural gas turbine with high efficiency, high reliability and low emission, to enter the field of natural gas distributed energy, with its models gradually expanded to SGT-300, SGT-700 and SGT-2000E. As the general supplier of Siemens gas turbine in China, the company has carried out gas turbine business from two aspects of project procurement and integrated implementation, and has the ability of selecting combined cycle projects for distributed energy, has established the complete system supporting standards and material systems, and can complete the independent processing and supporting work of equipment other than the gas turbine itself. In the industrial fields including the cogeneration /combined cycle power plant and the oil & gas project with distributed energy projects that adopt the small and medium gas turbines, the Company not only can provide gas turbine equipment for customers, but also can provide customers with complete sets of equipment for gas turbine power plant and the efficient integrated solutions. Especially, it can provide customers with operational support services throughout the product life, and this service model is conductive for the establishment of long-term business cooperation relationships between the company and its customers.

As the major producer of industrial equipments in China, our company is mainly benefited from the following factors in terms of the elements driving our business performance:

1. On the basis of market demands. The relevant market demands fluctuate differently due to various business condition and investment cycles in different industrial fields. The company further made more specified positions toward the market for the products, implemented the differentiated marketing strategy, and integrated the business sectors and tapped into the potential, According to different customers' needs, it has further consolidated the original market position and broadened the market share in new fields through precise matching and precise policies.

2. Innovation and further reform in difficult areas of product technology：Our company continuously improves product technical performance and tackles hard issues in the scientific researches of product structure, core parts, basic design, manufacturing technology, material technology, etc. In addition, basing on clients' demands, To push forward the intelligence of our products and the development of the integration technology. Meantime, the company cooperated with universities, scientific research institutes to build the technological exchange and cooperation platform.

3. Upgrading of industrial structure transformation：The company jointed with Siemens to enter the distributed energy market and enhance the development and utilization of natural gas distributed energy. In the industrial fields including the cogeneration /combined cycle power plant and the oil & gas project with distributed energy projects that adopt the small and medium gas turbines, the Company not only can provide gas turbine equipment for customers, but also can provide customers with complete sets of equipment for gas turbine power plant and the efficient integrated solutions. The Company established a new energy company to deeply explore the cogeneration needs of customers in the petrochemical field, and gradually transformed to engineering, systematization and financialization.

4. Brand and market position：The company's products have a good reputation and extensive brand influence in the domestic market, The company has maintained a leading market share in the domestic industrial drive. The company's products have a high reputation and brand influence in the domestic market.

5.Cost controlling level：As domestic labor costs continue to rise and the price of industrial products continue to decline, the product profitability is facing a severe test. In recent years, the company continuously improves the level of costs controlling by improving the organizational structure, optimizing business processes, enhancing the supply chain controlling, strengthening risk management, raising the efficiency of all the staff and so on.

6.Emphasis on quality engineering and services: promote the key project management, meticulously plan key projects, implement dynamic quality supervision; attach importance to products' after-sales service market, integrate existing resources to increase after-sales service initiative, extend product value chain, and promote the company's transformation from manufacturing to service.

III. Analysis On core Competitiveness

Firstly. A complete technical innovation system was established. The Company has under its possession of national, provincial, and municipal grade technical centers, a doctorial workstation, and an academician workstation. Close co-operations were carried out with institutions and universities from throughout the country. As the main drafter of national standard on industrial steam turbine, the Company has the newest technical trend under its close observation. The Company is now providing nearly 800 different models of steam turbines to the customers， It has R&D capabilities covering industrial drive steam turbines below 150MW and industrial power generation steam turbines below 200MW. with Siemens Energy in the field of gas turbine, our company has been capable of selecting the model of the combined recycling project of distributed energy. our company has also been able to finish the independent processing or supporting work which doesn't need to depend on the gas turbine machine.

Secondly .The advantages of solutions. The modular design of industrial steam turbine and the production pattern featuring parallelization production enable our company to give considerations to the cost, date of delivery and clients' demands in the process of production in accordance with clients' personalized designs, thereby making our company capable of advancing with the development trend of individual requirements. Our company has always been devoting to the localization in terms of the gas turbine business so as to achieve the localized one-stop service step by step including the sale, production, installation, debugging, operation, training and after-sale service. Our company has always been striving to provide clients with the complete equipment of gas turbine power station and the efficient total solutions.

Thirdly, the Company has established strategic co-operations with main customers in the country. Further marketing approaches were carried on by involving itself in the customers' value. A sound and steady image has been set up in the domestic steam turbine market. In the global market, the Company has acquired multiple important certifications and has established a primary global recognition.

Fourthly, the Company has its complete service providing system. The Company is not only capable to provide onsite 24-hour service for the Company's own products, but also accumulated rich experiences in technical maintenance and reengineering of other manufacturers' products.

Fifthly, the Company has cultivated a significant advantage in human resources. Great importance has been attached to construction of work teams with collection of high-end workforce in the areas of research & development, At the same time, our company values the cooperation with universities. "Zhejiang Technical Association for Gas Turbines in Equipment Manufacturing Industry" was officially founded jointly by our company and Zhejiang University and other scientific research institutions to build a new platform for integration of production and research in terms of gas turbine technology. The Company has cultivated a significant advantage in human resources. Great importance has been attached to construction of work teams with collection of high-end workforce in the areas of research & development, designing, technique, testing, and quality control.

IV. Main business analysis

(1)General

In 2024, facing the severe challenges of a persistently sluggish global economy as well as the complex and volatile geopolitical dynamics, the Company resolutely implemented its annual work principles of "cost reduction and efficiency enhancement, lean improvement, cultural focus, and service transformation", and demonstrated remarkable resilience and vitality in adversity through a series of measures such as optimizing resource allocation, improving operational efficiency, and strengthening cost control. Thanks to the collective efforts of all employees, the Company successfully achieved its annual operational objectives, laying a solid foundation for consolidating strategic transformation and reform achievements.

In 2024, the Company achieved an operating income of RMB 6,638.915 million, a total profit of RMB 637.5095 million, and a net profit of RMB 579.4962 million, of which the net profit attributable to shareholders of listed company was RMB 539.9623 million, compared with the same period of the previous year, with an operating income increase of 12.06%, a total profit decrease of 13.33%, a net profit decrease of 13.02%, while net profit attributable to shareholders of the listed company increased by 4.30%. During the reporting period, the key work of the Company was completed as follows:

I. Focus on four major tasks and gather high-quality development synergies

Development of gas turbine

The construction of Gas Turbine Testing Center was completed on schedule, providing infrastructure support for independent gas turbine full-scale testing. Major breakthroughs were achieved in independent gas turbine development, and the first HGT51F gas turbine with complete independent intellectual property rights was officially manufactured in July 2024 and successfully completed its first ignition test in January 2025. The HGT51F gas turbine features multi-fuel adaptability, having undergone 20%, 30%, and 40% hydrogen-blended full-temperature and full-pressure tests with stable and excellent performance.

Energy transformation

The new energy company experienced rapid growth, achieving record-high sales revenue, with the localization benefits of the SGT800 gradually emerging. The domestic market share of the SGT series gas turbines significantly increased, accelerating the localization substitution process. The strategic cooperation with Siemens achieved a leap from product introduction to absorption and localization, with most peripheral equipment already replaced by domestically produced alternatives, expanding business into packaging and assembly. The development of the integrated smart energy platform was more than halfway completed.

Transformation acceleration

During the reporting period, the Company integrated internal service resources and established a "Service Center", comprehensively advancing the digitization of the "Full Lifecycle Management" service framework while continuously improving the dual-framework platform and service management platform functionalities. Throughout the year, 464 on-site equipment services were completed, largely restoring normalized overseas services. The Company explored independent operation and maintenance (O&M) business directions, actively developing the gas turbine self-O&M and overhaul market, conducted localization research on high-temperature blades and fuel nozzles for light gas turbines, and expanded light gas turbine O&M services. Efforts were made to identify demonstration power plant partners for independent gas turbines, accelerating the transition from R&D to commercial application.

Deepening reforms

During the reporting period, the Company took a critical step in its major asset restructuring initiative, releasing the preliminary plan for major asset restructuring on November 11, 2024.

II. Comprehensively enhance market competitiveness based on the three business sectors

Tap into the market potential

During the reporting period, under the dual impact of domestic economic restructuring and the "carbon peaking and carbon neutrality" policy, the Company seized market opportunities in the drive sector, further expanding its competitive advantage in integrated refining and chemical projects. Throughout the year, it secured contracts for 9 ethylene projects, including the successful bid for the world's largest 1.8 million tons/year single-line ethylene unit, showcasing its independent innovation capabilities in high-end chemical equipment. In the large-scale air separation sector, the Company achieved new milestones with 100,000 and 120,000 air separation steam turbines; In the fertilizer sector, it signed multiple project contracts, consolidating its market dominance. It actively targeted feed water pump and induced draft fan customers, securing 7 project contracts for the year; It deepened strategic customer collaborations, reinforced its leading position in backpressure turbine markets and supported unit replacement and modification for clients such as Jiangxi Liwen and Rizhao Guangyuan Thermal Power.

During the reporting period, the Company actively enhanced its overseas market capabilities, maintained steady growth in international drive business, which surpassed power generation business in revenue share for the first time, and further optimized its product structure in global markets. The Company successfully penetrated core petrochemical facilities in overseas open markets, exemplified by winning the bid for Spain TR Engineering's Celeno million-ton ethylene compressor-turbine project, providing valuable experience for future expansion into high-end international markets.

Strengthen technical guidance

Throughout the year, the Company initiated 42 R&D projects, with 38 completed and accepted; It obtained 23 invention patents, 6 utility model patents, and 2 software copyrights, while drafting 26 corporate standards for standard components and leading or participating in 4 national standards and formulating 8 industry standards; It successfully completed the first-unit application for the Dalian Hengli flash evaporation unit. The 125,000 air separation high-efficiency steam turbine developed by the Company achieved world-leading levels in both scale and efficiency; The subcritical unit of a project was successfully developed and applied cylinder steam heating device; High-efficiency air cooling series low-pressure twisted blades completed the technical system construction and were applied in many foreign trade projects such as those in Côte d'Ivoire. The establishment of shafting dynamics calculation and evaluation criteria for complete units provided critical support for multi-equipment integrated business development.

Focus on the connection between production and marketing

During the reporting period, the Company overcame challenges such as uneven production scheduling and successfully completed critical manufacturing tasks. Adhering to a lean production and sales mechanism that prioritizes both customer satisfaction and operational quality, the Company achieved a 98.94% product fulfillment rate for the year, with a 96.3% fulfillment rate for urgently needed market products, exceeding the target of 93%. The Company explored and advanced a contract-plan-driven lean management model, continuously strengthening the forward control capability of its three-tier planning system, leading to a gradual improvement in plan achievement rates.

III. Promote the three major projects and optimize the efficiency of organization and operation

Digital construction

The Company progressed with Phase II of its ERP system implementation, launching functions such as forward-plan performance evaluation and control and an expense budgeting and reporting system; It enhanced digital control in production sites, steadily increasing digital coverage of key workstations; It focused on data integration and utilization, interconnected production progress and complete unit matching data with its product catalog, creating synergies; It also optimized management dashboards and quality data analysis screens across five major workshops, deepening the analytical use of smart monitoring data to enable more efficient and precise production management.

Deepening Lean 2.0

The Company initiated its full-value-chain Lean Management 2.0 project, adopting a problem-oriented approach and systematically driving lean operational improvements under the philosophy of "prioritizing safety, refining quality, improving efficiency, reducing costs, and increasing profitability". Emphasizing lean tool training and hands-on guidance, the Company organized 19 lean training sessions throughout the year, covering four key modules: design, sales, production, and supply chain & cost management.

Intelligent enhancement

The Company solidly advanced the implementation of its intelligent manufacturing strategy, releasing the *Future Factory Blueprint and Lean Intelligent Manufacturing Plan* to establish a framework for digital transformation; It was recognized as a "Future Factory" of Hangzhou City and is striving to become the "Future Factory" of Zhejiang Province. It explored innovative technological applications by setting up computing workstations and deploying open-source large language models, enabling the retrieval and feedback of quality issues related to units, thereby injecting new momentum into its intelligent development. It actively pursued automated and intelligent processing, and conducted research on automatic welding for key components such as turbine guide blade carriers, driving production processes toward greater intelligence.

IV. Benchmark the world first-class companies, improve business support ability

Strengthen top-level design

To adapt to changes in the external market environment and accelerate the achievement of strategic goals during the 14th Five-Year Plan period, the Company restructured its service and sales business units to enhance strategic coordination of resources; It conducted a comprehensive evaluation of 2023 strategic tasks, releasing the *2023 Strategic Execution Evaluation Report* and initiated preliminary research for the 15th Five-Year Plan to lay the groundwork for the next phase of strategic planning; It organized a company-wide discussion on

"Charting the Future Path of the Enterprise", hosted over 70 discussion sessions and collected more than 400 suggestions, collectively shaping high-quality development strategies.

Benchmark first-class standards

The Company established a compliance management system covering 13 key areas, completed the compliance obligation list and defined the departmental responsibilities and obligations. It rectified 120 internal audit problems, and produced 5 exemplary rectification cases. By leveraging the Supplier Relationship Management (SRM) system, it optimized supplier management, and conducted second-party audits on external supporting suppliers. It streamlined the product certification processes, preliminarily established a supply chain system for Russian-speaking markets, and defined the documentation integration procedures for international certification, advancing a serialized product certification model.

Highlight value creation

The Company piloted simulated accounting for five workshop units, integrating employee engagement in business operations with talent training. It issued the Employee Performance Management Measures and the Employee Probationary Assessment Measures, shifting from broad assessment to refined management for employee management; It established a dual-track career development system, and completed pilot programs, laying a foundation for full-scale implementation. later It optimized performance assessment and compensation assessment models, initially trialing them in sale lines and subsidiary units.

(2) Revenue and cost

1. Component of Business Income

In RMB

	2024		2023		Increase /decrease
	Amount	Proportion	Amount	Proportion	
Total operating revenue	6,638,914,993.24	100%	5,924,238,021.22	100%	12.06%
On Industry					
Boiler and power machine manufacture	6,169,873,855.47	92.93%	5,585,889,316.50	94.29%	10.45%
Other	469,041,137.77	7.07%	338,348,704.72	5.71%	38.63%
On product					
Industrial steam turbine, Supporting and spare parts	4,428,295,435.01	66.70%	4,397,928,073.50	74.24%	0.69%
Gas turbine and parts	1,592,385,802.11	23.99%	1,095,436,738.37	18.49%	45.37%
Hydroelectric generating set	149,192,618.35	2.25%	92,524,504.63	1.56%	61.25%
Service	406,786,032.26	6.13%	239,590,321.03	4.04%	69.78%
Other	62,255,105.51	0.94%	98,758,383.69	1.67%	-36.96%
On Area					
Domestic	6,136,406,444.06	92.43%	5,662,655,362.16	95.58%	8.37%

Overseas	502,508,549.18	7.57%	261,582,659.06	4.42%	92.10%
Sub-sale model					
Direct selling	6,638,914,993.24	100.00%	5,924,238,021.22	100.00%	12.06%

2.Situation of Industry, Product and District Occupying the Company's Business Income and Operating Profit with Profit over 10%

√ Applicable □ Not applicable

In RMB

	Turnover	Operation cost	Gross profit rate(%)	Increase/decrease of revenue in the same period of the previous year(%)	Increase/decrease of business cost over the same period of previous year (%)	Increase/decrease of gross profit rate over the same period of the previous year (%)
On Industry						
Boiler and power machine manufacture	6,169,873,855.47	5,069,407,313.63	17.84%	10.45%	18.11%	-5.32%
On product						
Industrial steam turbine, Supporting and spare parts	4,428,295,435.01	3,489,121,250.79	21.21%	0.69%	17.89%	-11.49%
Gas turbine and parts	1,592,385,802.11	1,451,505,133.12	8.85%	45.37%	57.23%	-6.87%
On Area						
Domestic	6,136,406,444.06	4,946,913,189.43	19.38%	8.37%	14.72%	-4.47%
Sub-sale model						
Direct selling	6,638,914,993.24	5,353,541,188.04	19.36%	12.06%	19.13%	-4.79%

Under circumstances of adjustment in reporting period for statistic scope of main business data, adjusted main business based on latest on year's scope of period-end.

□ Applicable √ Not applicable

3.Whether the Company's Physical Sales Income Exceeded Service Income

√ Yes □ No

Business categories	Items	Unit	2024	2023	Change over same period last year
Steam turbine	Sales	Set/package	361	462	-21.86%
	Output	Set/package	360	454	-20.70%
	Inventory	Set/package	108	109	-0.92%
Gas turbine	Sales	Set/package	8	9	-11.11%
	Output	Set/package	8	9	-11.11%
	Inventory	Set/package	1	1	0.00%
Electric generator	Sales	Set/package	171	131	30.53%
	Output	Set/package	149	120	24.17%
	Inventory	Set/package	36	58	-37.93%

Reasons for y-o-y relevant data with over 30% changes

☑Applicable □Not applicable

During the reporting period, under the dual impact of domestic economic restructuring and the "carbon peaking and carbon neutrality" policy, the demand for industrial steam turbines continued to decline, leading to reduced production and sales of steam turbines; Meanwhile, with China's power supply remaining secure and stable, electricity consumption maintained a steady and relatively rapid growth, achieving an overall balance between power supply and demand, while the green and low-carbon transition of the power sector advanced steadily. By the end of 2024, China's total installed power generation capacity reached 3.35 billion kilowatts, with a year-on-year increase of 14.6%. Seizing this market opportunity driven by rising demand for generators, the Company achieved significant growth in generator production and sales.

4.Degree of Performance of the Significant Sales Contract Signed up to this Report Period

□Applicable √ Not applicable

5.Component of business cost

Products category

In RMB

Products category	Item	2024		2023		Increase/ Decrease (%)
		Amount	Proportion in the operating costs (%)	Amount	Proportion in the operating costs (%)	
Industrial steam turbine, Supporting and spare parts	——	3,489,121,250.79	65.17%	3,219,996,933.16	71.65%	8.36%
Gas turbine and parts	——	1,451,505,133.12	27.11%	990,992,593.72	22.05%	46.47%
Hydroelectric generating set	——	128,780,929.72	2.41%	81,155,058.11	1.81%	58.69%
Service	——	248,384,975.89	4.64%	138,212,063.41	3.08%	79.71%
Other	——	35,748,898.52	0.67%	63,452,244.82	1.41%	-43.66%
Subtotal		5,353,541,188.04	100.00%	4,493,808,893.22	100.00%	19.13%

Note：None

6.Whether Changes Occurred in Consolidation Scope in the Report Period

□Yes ☑No

7.Relevant Situation of Significant Changes or Adjustment of the Business, Product or Service in the Company's Report Period

□ Applicable √ Not applicable

8.Situation of Main Customers and Main Supplier

Information of Main sales customers

Total sales amount to top 5 customers (Yuan)	2,614,923,239.13
Proportion of sales to top 5 customers in the annual sales(%)	39.39%
Proportion of the sales volume to the top five customers in the total sales to the related parties in the year	0.00%

Information of the Company's top 5 sales customers

No	Name	Amount（RMB）	Proportion

1	Customer 1	1,079,422,117.78	16.26%
2	Customer 2	1,042,322,935.52	15.70%
3	Customer 3	212,711,814.16	3.20%
4	Customer 4	147,103,539.82	2.22%
5	Customer 5	133,362,831.85	2.01%
Total	--	2,614,923,239.13	39.39%

Other notes

□ Applicable √ Not applicable

Principal suppliers

Total purchase of top 5 Suppliers（Yuan）	1,681,794,292.73
Percentage of total purchase of top 5 suppliers In total annual purchase(%)	35.51%
Proportion of purchase amount from the top 5 suppliers in the total purchase amount from the related parties in the year	0.00%

Information about the top 5 suppliers

No	Name	Amount（RMB）	Proportion
1	Supplier 1	715,577,821.78	15.76%
2	Supplier 2	423,590,148.96	9.33%
3	Supplier 3	264,389,380.52	5.82%
4	Supplier 4	107,788,392.80	2.37%
5	Supplier 5	100,978,397.98	2.22%
Total	--	1,612,324,142.04	35.51%

Other notes

□ Applicable √ Not applicable

(3)Expenses

In RMB

	2024	2023	Increase/Decrease(%)	Notes
Sale expenses	298,441,433.49	291,436,241.50	2.40%	No major changes
Administration expenses	540,420,241.50	539,443,616.46	0.18%	No major changes
Financial expenses	-21,202,045.57	-31,569,142.17	-32.84%	Mainly due to the impact of foreign exchange gains and losses.
R & D expenses	178,466,573.91	276,685,638.98	-35.50%	Mainly due to the decrease in R&D projects in the current period.

(4) Research and Development

√ Applicable □ Not applicable

Name of main R&D project	Project purpose	Project progress	Goal to be achieved	Expected impact on the future development of the Company
Development of	Address issues such as	The project units have	Develop internal	Strengthen

saturated steam internal dehumidification steam turbine	low operational efficiency and blade water erosion during the operation of saturated steam waste heat power generation units under wet steam conditions, and improve unit efficiency and reliability.	completed no-load test runs, with all technical indicators meeting requirements.	dehumidification technology for steam turbines to enhance the Company's technical system, and provide energy-saving and carbon-reduction solutions for high-energy-consuming industrial enterprises.	competitiveness in saturated steam waste heat power generation sector, secure advantages particularly in the energy-saving and carbon-reduction market for high-energy-consuming industries, and further expand market share.
Development of steam turbine for 1.8 million tons/year ethylene tri-compressor	Develop high-efficiency and reliable industrial drive steam turbines for 1.8 million tons/year ethylene projects, meet the high-power demand of propylene compressor units under new process packages and enhance unit reliability and efficiency.	As of the end of 2024, the project's design phase is nearing completion.	Design and manufacture a propylene compressor unit with a rated power of 81,165 kW to ensure efficient and stable operation under conditions of high extraction pressure and large extraction volume, and support a maximum plant capacity of 1.8 million tons/year.	Enhance the Company's competitiveness in the high-end industrial drive steam turbine market. Successful implementation of the project will drive technological innovation, expand market share, and lay a solid foundation for the Company's long-term development in the ethylene industry chain.
Development of HNKS63/89 steam turbine for overseas 70,000 air separation project	Develop a steam turbine for a 70,000 air separation unit in an overseas methanol project to meet requirements for high efficiency, high reliability and short delivery cycles, address challenges such as complex certification and non-standard design, strengthen the Company's high-end competitiveness in the air separation market and establish a foundation for expanding into the target country's market.	The unit has been delivered, awaiting commissioning at the customer site.	Ensure efficient and reliable operation of turbines under high-temperature, high-pressure, dual-drive air-cooled conditions.	Enhance the Company's technical capabilities and competitiveness in the air separation market. Successful implementation of the project will drive overseas market expansion, elevate brand recognition, and lay a solid foundation for the Company's long-term development in the air separation sector.
Development of axial exhaust steam turbine for overseas 2×23MW biomass power plant project	Develop high-efficiency air-cooled biomass power generation steam turbines to meet the demands of the African market, enhance the Company's competitiveness in the international biomass	The project unit shipped in September 2024, awaiting commissioning at the customer site.	Through the development of AGK series high-speed, high-efficiency air-cooled low-pressure stages and optimization of axial exhaust structure design, improve the unit performance and meet	Help the Company penetrate high-end markets such as EDF, strengthen its competitiveness in Africa's clean energy sector, and promote its international expansion.

	power generation sector, and deepen collaboration with Électricité de France (EDF).		stringent grid requirements including 24h island operation and load rejection ≤7%.	
Development of steam turbine for Ningxia Baofeng syngas facility	Develop a new high-power, make a technical breakthrough in high-speed syngas steam turbines to enhance the Company's market competitiveness in large-scale syngas applications, and meet premium demands under carbon neutrality objectives.	The project unit successfully completed integrated testing at the customer site in October 2024, with all performance indicators meeting expectations.	Achieve safe, reliable and highly adaptable model design, develop innovative valve-casing combinations, optimize steam extraction port design, and ensure superior strength, vibration and stability.	Enrich the Company's technical portfolio in syngas applications, strengthen the competitiveness in the field of syngas, provide guidance for future projects, and secure a leading position in high-end market segments.
Development of ultra-large lightweight high-efficiency modular condensing exhaust system	Develop ultra-large lightweight high-efficiency exhaust sections to enhance industrial steam turbine performance, meet the demands of the ultra-large air separation market, and strengthen the Company's competitiveness.	The project has completed thermal scheme design, performance calculations, and preliminary flow path/structural design, and is preparing to conduct aerodynamic analysis as planned.	Through lightweight and modular design, the low-pressure section achieves a 20% weight reduction while optimizing stiffness and deformation, improving overall unit efficiency by 0.15%-1%, and reducing manufacturing costs.	Fill a gap in the ultra-large air separation market, enhance technological advantages, strengthen market competitiveness, and drive growth in the Company's industrial steam turbine business.

Company's research and development personnel situation

	2024	2023	Increase /decrease
Number of Research and Development persons (persons)	753	745	1.07%
Proportion of Research and Development persons	19.34%	19.03%	0.31%
Academic structure of R&D personnel			
Bachelor	242	208	16.35%
Master	409	429	-4.66%
Other	102	108	-5.56%
Age composition of R&D personnel			
Under 30 years old	156	128	21.88%
30-40 years old	304	303	0.33%
Over 40 years old	293	314	-6.69%

The Company's R & D investment situation

	2024	2023	Increase /decrease
Amount of Research and Development Investment (Yuan)	259,841,512.84	349,888,331.28	-25.74%
Proportion of Research and Development Investment of Operation Revenue	3.91%	5.91%	-2.00%
Amount of Research and Development Investment Capitalization (Yuan)	0.00	0.00	0.00%
Proportion of Capitalization Research and Development Investment of Research and Development Investment	0.00%	0.00%	0.00%

Reasons and influence of significant changes in R&D personnel composition of the Company

□ Applicable √Not applicable

The Reason of the Prominent Change in Total Amount of Research and Development Input Occupying the Business Income Year on Year

☑Applicable □Not applicable

Mainly due to the reduction of R & D projects in the period

Reasons for the drastic change of capitalization rate of R&D investment and its rationality explanation

□ Applicable √Not applicable

（5）Cash Flow

In RMB

Item	2024	2023	Increase/Decrease(%)
Subtotal of cash inflow received from operation activities	5,514,145,593.61	6,140,720,008.74	-10.20%
Subtotal of cash outflow received from operation activities	5,063,198,782.06	5,263,510,523.12	-3.81%
Net cash flow arising from operating activities	450,946,811.55	877,209,485.62	-48.59%
Subtotal of cash inflow received from investing activities	1,310,066,794.12	2,239,393,936.49	-41.50%
Subtotal of cash outflow for investment activities	1,804,252,264.74	2,046,873,949.40	-11.85%
Net cash flow arising from investment activities	-494,185,470.62	192,519,987.09	-356.69%
Subtotal cash inflow received from financing activities	872,145,407.50	687,125,165.91	26.93%
Subtotal cash outflow for financing activities	1,346,684,062.30	906,849,928.23	48.50%
Net cash flow arising from financing activities	-474,538,654.80	-219,724,762.32	-115.97%
Net increase in cash and cash equivalents	-516,372,501.76	856,588,179.26	-160.28%

Notes to the year-on-year change of the relevant data

√Applicable □ Not applicable

In RMB

Item	2024	2023	Increase/Decrease(%)	Reason
Net cash generated from /used in operating activities	450,946,811.55	877,209,485.62	-48.59%	Mainly due to the decrease in the margin of operating banks recovered during the period.
Net cash flow generated by investment	-494,185,470.62	192,519,987.09	-356.69%	Mainly due to the increase in investment in projects under construction in the current period.
Net cash flow generated by financing	-474,538,654.80	-219,724,762.32	-115.97%	Mainly due to the increase in the repaid amount of bank borrowings in the current period.
Net increase of cash and cash equivalents	-516,372,501.76	856,588,179.26	-160.28%	Based on the reasons for the above changes

Based on the reasons for the above changes It is mainly for the recovery of the payment of the long-aged unit whose income has been confirmed in the pervious period.

☑Applicable □Not applicable

It is mainly due to dividends from Hangzhou Bank.

V.Analysis of Non-core Business

√ Applicable □Not applicable

In RMB

	Amount	Proportion in total profit	Explanation of cause	Sustainable (yes or no)
Investment income	253,840,158.89	39.82%	It is mainly due to dividends from Hangzhou Bank.	
Fair value change profit or loss	-109,867.16	-0.02%	Mainly due to change in the fair value of trading financial assets.	
Impairment of asset	-90,766,629.43	-14.24%	Mainly due to inventory impairment.	
Non-operating income	82,333,372.70	12.91%	Mainly due to the compensation income from termination of agreements with customers.	
Non-operating expenses	30,756,871.27	4.82%	Mainly due to the compensation expenses from termination of agreements with customers.	

VI. Condition of Asset and Liabilities

(1)Condition of Asset Causing Significant Change

In RMB

	End of 2024		End of 2023		Proportion increase/decrease	Notes to the significant change
	Amount	Proportion in the total assets(%)	Amount	Proportion in the total assets(%)		
Monetary fund	2,249,624,409.13	13.04%	2,798,168,129.50	17.57%	-4.53%	——
Accounts receivable	2,519,384,588.01	14.60%	2,242,141,940.94	14.08%	0.52%	——
Contract assets	856,704,611.36	4.97%	640,386,559.53	4.02%	0.95%	——
Inventories	2,557,564,668.61	14.82%	2,429,496,037.81	15.25%	-0.43%	——
Investment real estate	5,161,268.80	0.03%	1,544,449.40	0.01%	0.02%	——
Long-term equity investment		0.00%		0.00%	0.00%	——
Fixed assets	1,912,357,802.93	11.08%	1,995,150,533.24	12.53%	-1.45%	——
Construction in process	867,580,986.71	5.03%	298,071,246.03	1.87%	3.16%	——
Use right assets	20,524,948.08	0.12%	34,274,571.45	0.22%	-0.10%	——
Short-term borrowing	454,539,898.33	2.63%	504,428,866.04	3.17%	-0.54%	——
Contract liabilities	2,390,788,170.22	13.86%	2,753,211,717.09	17.29%	-3.43%	——
Long-term borrowing	327,281,413.06	1.90%	222,819,841.07	1.40%	0.50%	——
Lease liabilities	6,690,983.41	0.04%	15,945,346.47	0.10%	-0.06%	——

Overseas assets account for a relatively high proportion.

□ Applicable √ Not applicable

(2)Asset and Liabilities Measured by Fair Value

√Applicable □ Not applicable

In RMB

Item	Opening amount	Gain/Loss on fair value	Cumulative fair value change	Impairment provisions in the	Purchased amount in the	Sold amount in the	Other changes	Closing amount

		change in the reporting period	recorded into equity	reporting period	reporting period	reporting period		
Financial assets								
1.Transactional financial assets（Excluding Derivative financial assets）	568,162,727.49	-109,867.16			1,154,100,000.00	1,052,302,021.25		669,850,839.08
2. Derivative financial assets	724,756.61						-724,756.61	
3.Other creditor’s Rights investment								
4.Other Equity Instrument Investment	2,721,470,812.06	1,250,625,947.60	3,581,142,719.66					3,972,096,759.66
5.Other non-current financial assets	5,534,773.22							5,534,773.22
6.Financing of receivable	756,873,166.56						-158,082,315.51	598,790,851.05
Subtotal of financial assets	4,052,766,235.94	1,250,516,080.44	3,581,142,719.66		1,154,100,000.00	1,052,302,021.25	-158,807,072.12	5,246,273,223.01
Total	4,052,766,235.94	1,250,516,080.44	3,581,142,719.66	0.00	1,154,100,000.00	1,052,302,021.25	-158,807,072.12	5,246,273,223.01
Financial Liability	0.00							0.00

Other change

None

Did great change take place in measurement of the principal assets in the reporting period ?

□ Yes √ No

(3) Restricted asset rights as of the end of this Reporting Period

Item	Ending balance			
	End of Book balance	End of Book value	Restricted type	Restricted reason
Monetary fund	104,380,329.87	104,380,329.87	Pledge/Freeze	Bank acceptance bill deposit, bond deposit and lawsuit frozen , etc.

Note receivable	23,056,960.05	21,380,743.86	Endorsed	Endorsed bills undue that have not been derecognized
Receivable financing	67,101.00	67,101.00	Pledge	Used to open a pool of bills
Inventory	15,843,431.73	15,843,431.73	Mortgage	Financing sale and leaseback
Fixed assets	252,096,444.14	174,427,425.24	Mortgage	Mortgage to obtain bank loans
Construction in process	424,859,553.60	424,859,553.60	Mortgage	Mortgage to obtain bank loans
Intangible assets	168,171,277.27	142,937,265.34	Mortgage	Mortgage to obtain bank loans
Total	988,475,097.66	883,895,850.64		

VII. Investment situation

1. General

√ Applicable □ Not applicable

Investment Amount in 2024(Yuan)	Investment Amount in 2023(Yuan)	Change rate
757,705,449.81	616,366,679.56	22.93%

2.Condition of Acquiring Significant Share Right Investment during the Report Period

√ Applicable □ Not applicable

In RMB

Name of the Company Invested	Main Business	Investment Way	Investment Amount	Share Proportion %	Capital Source	Partner	Investment Horizon	Product Type	Progress up to Balance Sheet Date	Anticipated Income	Gain or Less or the Current Investment	Whether to Involve in Lawsuit	Date of Disclosure	Disclosure Index
Zhejiang Steam Turbine Packaged Technology Development Co., Ltd.	Development of electromechanical equipment control devices, complete equipment services	Purchase	27,300,027.15	100.00%	Self-fund	/	Long-term	Commerce	Completed	0.00	0.00	No	/	/
Hangzhou Steam Turbine Machinery Equipment Co., Ltd.	Steam turbine and auxiliary machine manufacturing, general equipment repair, etc	Purchase	72,981,000.00	100.00%	Self-fund	/	Long-term	Steam turbine parts and repair business	Completed	0.00	0.00	No	October 31, 2023	http//.www.cninfo.com.cn Announcement No.:2023-87
Total	--	--	100,281,027.15	--	--	--	--	--	--			--	--	--

3.Situation of the Significant Non-equity Investment Undergoing in the Report Period

√ Applicable □ Not applicable

In RMB

New plant project	Self-built	Yes	General equipment manufacturing	Investment amount in this reporting period	Accrued Actual Investment Amount up to the End of Reporting Period	Capital Source	Project schedule	Anticipated income	Accrued Realized Income up to the End of Reporting Period	Reasons for not Reaching the Planned Schedule and Anticipated Income	Disclosure date	Disclosure Index
Annual output of 10 sets of gas turbine unit project	Self-built	Yes	General equipment manufacturing	198,573,493.69	432,811,721.50	Self fund+Loan for financial institutions	86.56%	0.00	0.00	N/A	December 22,2022	Announcement No.:2022-90
Production line project with an annual output of 15,000 tons of steel castings and 40,000 tons of forged blanks	Self-built	Yes	General equipment manufacturing	210,261,953.92	243,918,619.87	Self fund+Loan for financial institutions	72.79%	0.00	0.00	N/A	September 28,2021	Announcement No.:2021-82
Energy saving, carbon reduction, high-efficiency turbo machinery intelligent manufacturing service integration industrial base	Self-built	Yes	General equipment manufactu	163,850,379.10	180,940,933.73	Self fund+Loan for financial institutions	17.23%	0.00	0.00	N/A	July 26,2022	Announcement No.:2022-70

project			ring									
Total	--	--	--	572,685,826.71	857,671,275.10	--	--	0.00	0.00	--	--	--

4.Investment of Financial Asset

（1）Securities investment

√ Applicable □ Not applicable

In RMB

Security category	Security code	Stock Abbreviation:	Initial investment cost	Mode of accounting measurement	Book value balance at the beginning of the reporting period	Changes in fair value of the this period	Cumulative fair value changes in equity	Purchase amount in the this period	Sale amount in the this period	Gain/loss of the reporting period	Book value balance at the end of the reporting period	Accounting items	Sauce of the shares
Domestic and foreign stocks	600926	Hangzhou Bank	390,954,040.00	FVM	2,721,470,812.06	1,250,625,947.60	3,581,142,719.66				3,972,096,759.66	Other equity Instrument investment	Self funds
Domestic and foreign stocks	000912	LUTIANHUA	2,869,219.80	FVM	1,960,706.24	-109,867.16					1,850,839.08	Financial assets transaction	Debt restructuring
Total			393,823,259.80	--	2,723,431,518.30	1,250,516,080.44	3,581,142,719.66	0.00	0.00	0.00	3,973,947,598.74	--	--

（2）Investment in Derivatives

□ Applicable√ Not applicable

The Company had no investment in derivatives in the reporting period.

5.Application of the raised capital

□ Applicable√ Not applicable

None

VIII. Sales of major assets and equity

(1) Sales of major assets

□ Applicable √ Not applicable

The Company had no sales of major assets in the reporting period.

(2)Sales of major equity

□ Applicable √ Not applicable

IX. Analysis of the Main Share Holding Companies and Share Participating Companies

√ Applicable □ Not applicable

Situation of Main Subsidiaries and the Joint-stock Company with over 10% net profit influencing to the Company

In RMB

Company name	Type	Main business	Registered capital	Total assets	Net assets	Turnover	Operating profit	Net Profit
Auxiliary Machine Co.	Subsidiaries	Manufacturing	80,000,000.00	724,434,524.28	341,351,951.18	668,692,215.69	65,690,336.48	58,871,729.60
Packaged Tech. Co.	Subsidiaries	Commerce & trade	51,000,000.00	279,477,972.36	117,814,556.78	297,936,833.10	33,038,479.01	24,779,108.68
Machinery Co.	Subsidiaries	Manufacturing	30,000,000.00	438,899,727.20	328,722,195.75	433,909,187.55	131,456,241.19	107,847,669.78
Turbine Co.	Subsidiaries	Commerce & trade	20,000,000.00	110,646,038.18	68,514,377.97	163,559,104.20	7,243,709.00	5,017,405.12
Zhongneng Company	Subsidiaries	Manufacturing	120,000,000.00	2,179,666,303.34	419,627,677.71	1,419,159,339.60	26,549,572.90	27,062,851.53
Casting Company	Subsidiaries	Manufacturing	29,500,000.00	889,158,943.24	382,873,144.65	510,491,210.25	27,217,125.83	24,738,765.34
New Energy Company	Subsidiaries	Manufacturing	500,000,000.00	1,560,561,276.19	472,281,749.20	1,871,932,630.71	106,509,451.85	83,475,445.26
Ranchuang Company	Subsidiaries	Manufacturing	155,000,000.00	386,976,540.02	185,067,700.33	84,252,838.19	-24,910,901.12	-23,116,307.30

Subsidiaries obtained or disposed in the reporting period

□Applicable☑Not applicable

X. Structured subject situation controlled by the company

□ Applicable √ Not applicable

XI.Prospect for future development of the Company

(I) Development strategy and business plan for 2025

The year of 2025 is the concluding year of the Company's "14th Five-Year" strategic plan and serves as a critical foundation-laying period for the "15th Five-Year Plan". The Company has proposed its working principles of "Reform and Innovation, Global Marketing, Lean Operations, and Culture-Based Talent Development" to comprehensively deploy its 2025 annual work plan.

I. Reform and innovation

The Company has completed its 2024 strategic execution evaluation. Based on an in-depth analysis of deviations in the strategic execution of the "14th Five-Year Plan", the Company has formulated its "15th Five-Year" strategic plan with innovative thinking and forward-looking vision to ensure high quality.

It has anchored the transformation toward service-oriented business and the expansion of service operations, continuously improved the Service Center's business processes, and well ensured standardized and productized services. It has expanded its service channels and business scope comprehensively, tapped into market opportunities such as energy-saving retrofits and trade-in programs to unlock incremental service potential within the existing installed base.

It promoted the HGT51F independent gas turbine R&D and full-scale testing as scheduled, and explored multi-fuel applications including hydrogen-blended, syngas, and coke oven gas adaptations to broaden operational scenarios. It conducted forward design for high-value hot-section components of light gas turbines and advanced supply chain localization. It prepared for the construction of demonstration power plants to accelerate commercial deployment. It strengthened EPC (Engineering, Procurement, Construction) capabilities to build differentiated competitive advantages.

It developed diversified rotary turbine machinery products with high efficiency, wide application scenarios and multi-parameter series, promoted the R&D of key project units and new products of the Company, and made new breakthroughs in the R&D of products and technologies suitable for 125,000 air separation plant, 1.8 million tons/year ethylene plants, steam turbines for new material chemical plants, overseas ethylene/air separation units, steam turbines for low-temperature environment, innovative turbines, as well as serialized and standardized power generation product models.

II. Global marketing

The Company comprehensively enhanced the influence of the key account management system in core drive markets, while actively cultivating emerging markets including chemical new materials, waste heat power generation, biomass backpressure power generation, air compressor stations, and steam-electric dual-drive systems. It consolidated market share in high-end drive sectors and strengthened its position in traditional strongholds such as ethylene, petrochemical refining, and coal chemical industries, focused on high-end differentiated products, vigorously expanded the large air separation market, and deeply explored the potential of coal chemical markets. In thermal power market, it allocated resources with precision, and in the feedwater pump turbine market, it identified target customers and strengthened early-stage project tracking.

The Company established specialized response mechanisms to adapt to international development and overseas business transformation as soon as possible, systematically advanced supplier qualification processes with renowned international engineering companies and large enterprises, further strengthened strategic deployment and resource allocation in key overseas target markets, developed tailored marketing strategies for emerging and high-potential markets, accelerated the alignment of corporate standards with international norms, improved its comprehension and application level of foreign industry standards such as API 612, and enhanced execution capabilities for overseas projects.

Using lean project management as a key driver, the Company committed to comprehensive improvement of marketing efficiency to achieve lean marketing. It continuously deepened strategic synergy among group entities, intensified joint promotion efforts, built integrated marketing teams, strengthened the development of marketing talent team and cultivated interdisciplinary marketing professionals.

III. Lean operations

Adopting a problem-oriented approach with lean methodologies as the tool, the Company rigorously adhered to the core principles of Lean 2.0 - "Safety First, Quality Foremost, Efficiency Enhancement, Cost Reduction, and Profitability Growth", to deeply, comprehensively, and sustainably integrate lean operations into Hangzhou Steam Turbine's culture and DNA, making continuous improvement and the pursuit of excellence an unremitting mission for all employees of Hangzhou Steam Turbine.

The Company continuously optimized the customer satisfaction evaluation system, implemented a tiered tracking mechanism, accelerated the pull-type production management model to improve unit-time production efficiency based on real-time production-sales dynamics, systematically advanced the deep integration of digitalization with business operations according to the Future Factory construction plan, comprehensively implemented the "Hangzhou Steam Turbine Full Value Chain Lean Management Project," using practical case studies as the driving force to build a lean management system tailored to the Company's developmental needs.

It leveraged budgeting as a strategic tool for scientific resource allocation to enhance cost control capabilities, and implemented target cost management across the entire process chain from design, manufacturing, and cost control to sales negotiations.

IV. Culture-based talent development

The Company promoted deep integration of culture and business operations by establishing a culture assessment mechanism oriented toward business outcome transformation efficiency, created grassroots cultural demonstration units and refined the grassroots cultural evaluation system; deepened the quadripartite synergy mechanism integrating "Party building, culture, strategy, and business operations", and systematically constructed a virtuous cycle framework of "led by Party building, with culture consolidating strength, strategy driving development, and business achieving growth".

The Company summarized the cultivation and practical experience of high-level engineers, striving to develop the Excellence Engineer Practice Base into the distinctive branded training facility of Hangzhou Steam Turbine. Aligning with the development needs of "three major business formats", it implemented the "Five Major Talent Development Programs", to improve talent growth and utilization mechanisms, and established a comprehensive talent development system featuring dual-career pathways as the main body, complemented by excellence engineer cultivation, lean talent development, and five-type team building; comprehensively advanced the construction of dual-career pathways, further refined talent mobility mechanisms, promoted rational circulation and efficient allocation of human resources, and continuously optimized the enterprise's human cost structure.

In 2025, the Company's Board of Directors will continue to enhance the overall standardized operation and management level of the listed company, persistently strengthen investor relations management, promote positive interaction between the Company and investors, effectively safeguard shareholders' rights such as the right to know and voting right, and earnestly protect the legitimate interests of all shareholders and the Company. The Board will maintain its core role in corporate governance, adhere to the development strategy, and conduct its work with integrity, diligence, initiative, and solidity. It will strictly comply with laws, regulations, and CSRC requirements to advance institutional development, strengthen standardized corporate governance, and ensure normative and efficient operations as well as scientific and prudent decision-making. The Board will remain focused, concentrate on core businesses, persist in innovation-driven approaches, and promote high-quality sustainable development from multiple dimensions and perspectives. It will actively utilize capital market platforms to boost industrial development, providing strong safeguards for protecting shareholder interests, enhancing investor confidence, and ensuring the Company's sustainable and healthy growth!

XII. In the report period, reception of research, communication and interview

√Applicable □Not applicable

Time	Location	Way	Reception object	Type	Main contents of the discussion and the information provided	Basic situation index of investigation
December 20,2024	Conference room 303, turbine power	Field research	Institute	Penghua Fund Management Co., Ltd.	The Company's major asset restructuring	Investor Relations Live Activity Record

	building				matter, independent gas turbine development progress, future strategic layout, market challenges and opportunities	Form （No.:2024-01）

XIII. Formulation and implementation of market value management system and valuation boost plan

Whether the Company has established a market value management system

□Yes☑No
Whether the Company has disclosed plans for valuation boost.
□Yes☑No

XIV. The implementation of the action plan of "Double improvement of quality and return".

Whether the Company has disclosed the action plan of "Double improvement of quality and return".
□Yes☑No

IV. Corporate Governance

I. General situation

(1)Standardized operation of corporate governance structure

In accordance with the "company law" provisions, The Company has its executive, decision making and supervisory bodies operated strictly according to the Articles of Association, Shareholders’ Meeting Criteria, Board Meeting Criteria, and Supervisory Committee Criteria. Meetings were held by legal procedures, Corporate governance in accordance with the relevant provisions of the laws and regulations of China Securities Regulatory Commission and the Shenzhen Stock Exchange. During the reporting period, the Company convened 7 meetings of the Board of Directors, 6 meetings of the Board of Supervisors, 4 General Meetings of Shareholders, 11 specialized Board committee meetings, 2 independent director special meetings, and 2 annual report communication meetings. The Company deliberated and made decisions on major business matters in strict accordance with the *Articles of Association* and relevant laws and regulations, and defined the powers and responsibilities of the General Manager's office meetings, the meetings of Board of Directors, the meetings of Board of Supervisors and the General Meetings of Shareholders. During the reporting period, the Company duly deliberated on various critical operational and governance matters in accordance with regulations, including: periodic financial reports, asset impairment and write-offs, profit distribution, change of accounting firms, entrusted wealth management, related-party transactions, compensation schemes for directors and senior management, property leasing to subsidiaries via agreements, share repurchase and cancellation, registered capital adjustment, articles of association amendments, external donations, election of non-independent directors, appointment of general manager/deputy general managers/board secretary, formulation of independent director working regulations and board committee implementation rules, revision of internal audit systems and implementation rules, restricted stocks repurchase & cancellation and release under equity incentive plans, and the significant asset restructuring involving Hirisun's absorption of Hangzhou Steam Turbine, implemented proper approval procedures for material matters and exercised operational oversight to ensure compliant operation.

（2）Effectiveness of organization

The Board of Directors is the executive body of the decisions made by the Shareholders’ Meeting. The Board is also responsible to establish and improve the internal control system of the Company, and make it works effectively. Chairman of the Board is the caller of the Board. Strategy, Investment, Remuneration, and Auditing Committees were established within the Board, and were supporting the decision-making of the Board. The Supervisory Committee is responsible to report to the Shareholders’ Meeting and supervise the legal performance of duties of directors, managers, and executives. The management is responsible to the Board, and take charge of daily operation of the Company. Functional departments were deployed according to the needs of business with clear responsibilities.

（3）Basis for material decisions

The Company has setup practical rules for all material aspects of management, including but not limited to, external investment, trusteeship, related transactions, information disclosure, investors' relationship, information insider, executive shares, and management of controlled subsidiaries. These documents of rules were constantly revised and improved to maintain effectiveness upon changing situation.

（4）Establishing of internal control system

The Company kept close observation on the whole business process identifying risk points according to Enterprise Internal Control Standards, Internal Control Guidelines, Internal Assessment Guidelines, and Internal Control Guidelines for PLCs issued by Shenzhen Stock Exchange. Effective mechanisms on risk control and internal auditing were conducted. The Auditing Committee of the Board was responsible to supervise the internal control practices.

（5）Corporate Information Disclosure and Transparency

The company attaches great importance to the information disclosure and the investor relations management, and it has designated Securities Times, Hong Kong Commercial Daily and http://www.cninfo.com.cn as its statutory information disclosure media and website. With fair treatment to all investors, the company in a timely manner discloses the information with truthfulness, accuracy and completeness, which well ensures the transparency of the company and the legitimate rights and interests of all shareholders.

Does there exist any difference in compliance with the corporate governance , the PRC Company Law and the relevant provisions of CSRC,

□ Yes √No

There exist no difference in compliance with the corporate governance , the PRC Company Law and the relevant provisions of CSRC.

II. Independence and Completeness in business, personnel , assets, organization and finance

The Company kept independence and separated with holding shareholders on the aspects of business, human resource, capital, organization, and accounting. And the Company established independent and complete business operating systems.

1. On business operations

The Company's majors of design, manufacture, sale business of industrial steam turbine was independent from the holding company (Hangzhou Steam Turbine Power Group).（

2. On personnel management

The Company kept independence with the holding shareholders on the aspects of human resource and remuneration management. the Company's management was employed and gotten salary exclusively in the Company instead of any management duty in the holding-share share holders except the duty of chairman of the Board. The Company's accountant shad no part-time job in their parent company or related companies.

3. On capital operation

The property relationship between the Company and the holding-share shareholders was clear and explicit. The capital and business injected by the holding-share shareholders was independent and complete. And at the same time, the Company owned system of manufacturing and operation, sale, accessorial manufacturing and relevant equipments which independent from holding shareholder.

4. On organization structure

The Company kept total independence from the controlling shareholder on the organization configuration. The Company owned separate and independent manufacturing, supplying, and sales system, there was no horizontal competition with the controlling shareholder, and the Company owned independent management and operation systems. The establishment plans for all internal management departments of the Company were formulated by the management and approved by the Board of Directors, with subsequent performance evaluations conducted under the Company's economic responsibility system.

The Company signed related trading agreements with the subsidiaries of the share-holding company. The Company’s intermediate managers are employed by the Company’s executives, and was evaluated under the economic responsibility system.

5. On accounting management

The Company had independent accounting department, and established independent account re-calculation system and accounting system; the Company also had the regulated and independent finance management on the share-holding and subsidiaries; the Company had independent finance policies and bank account and its tax, there was no joint account with controlling shareholder.

III. Competition situations of the industry

□ Applicable √ Not applicable

IV. Annual General Meeting and Extraordinary Shareholders' Meetings in the Reporting Period

1.Annual General Meeting

Sessions	Type	Investor participation ratio	Meeting Date	Disclosure date	Disclosure index
2022 Annual Shareholders' general meeting	Annual Shareholders' Meeting	69.19%	May 22,2024	May 23,2024	Announcement No.:2024-44
1st Provisional Shareholders' Meeting 2024	Provisional Shareholders' Meeting	67.46%	February 2,2024	February 3,2024	Announcement No.:2024-15
2nd Provisional Shareholders' Meeting 2024	Provisional Shareholders' Meeting	66.80%	July 18,2024	July 19,2024	Announcement No.:2024-51
3rd Provisional Shareholders' Meeting 2024	Provisional Shareholders' Meeting	73.54%	November 14,2024	November 15,2024	Announcement No.:2024-82

2. Request for extraordinary general meeting by preferred stockholders whose voting rights restore

□ Applicable √ Not applicable

V. Information about Directors, Supervisors and Senior Executives

(1)Basic situation

Name	Sex	Age	Positions	Office status	Starting date of tenure	Expiry date of tenure	Shares held at the year-begin(share)	Number of shares increased in the current period (shares)	Number of shares reduced in the current period(shares	Other changes (shares)	Number of shares held at the end of the period(shares)	Reasons for increase or decrease of shares
Ye Zhong	Male	56	Board chairman	In office	April 29,2024	June 29,2026	390,000	0	0	0	390,000	/
Zheng Bin	Male	60	Board chairman	Dimission	May 18,2016	April 29,2024	390,000	0	0	0	390,000	/
Li Binghai	Male	42	Director, GM	In office	July 2,2024	JUNE 29,2026	156,000	0	0	0	156,000	/
Li Shijie	Male	56	Vice Chairman	In office	February 2,2024	June 29,2026	312,000	0	0	0	312,000	/
Yang Yongming	Male	60	Vice Chairman	Dimission	June 24,2013	January 15,2024	312,000	0	0	0	312,000	/
Pan Xiaohui	Male	46	Director	In office	May 10,2021	June 29,2026	0	0	0	0	0	/
Wang Shaolong	Male	51	Director	In office	October 28,2024	June 29,2026	0	0	0	0	0	/
Li Bo	Male	50	Director	Dimission	June 30,2023	October 28,2024	0	0	0	0	0	/
Zhang Hejie	Male	66	Independent Director	In office	December 10,2019	June 29,2026	0	0	0	0	0	/
Xu Yongbin	Male	62	Independent Director	In office	July 25,2022	July 29,2026	0	0	0	0	0	/
Yao Jianhua	Male	59	Independent Director	In office	July 25,2022	June 29,2026	0	0	0	0	0	/
Jin Yingchun	Female	55	Independent Director	In office	July 25,2022	June 29,2026	0	0	0	0	0	/
Zhang Weijie	Female	39	Chairman of the Supervisory Committee	In office	July 23,2021	June 29,2026	0	0	0	0	0	/
Xie Xueqing	Female	33	Supervisor	In office	June 30,2023	June 29,2026	0	0	0	0	0	/
Yan Ying	Female	43	Employee Supervisor	In office	December 7,2022	June 29,2026	3,240	0	0	0	3,240	/
Wang Gang	Male	52	Secretary of the board	In	October 28,2024	June 29,2026	312,000	0	0	0	312,000	/

				office								
Cai Weijun	Male	54	Deputy GM	In office	October 28,2024	June 29,2026	312,000	0	0	0	312,000	/
Kong Jianqiang	Male	54	Deputy GM	In office	June 24,2013	June 29,2026	312,000	0	0	0	312,000	/
Wang Zhengrong	Male	54	Deputy GM	In office	June 9,2017	June 29,2026	312,000	0	0	0	312,000	/
Zhao Jiamao	Male	49	Deputy GM	In office	January 1,2018	June 29,2026	312,000	0	0	0	312,000	/
Liao Weibing	Male	45	Deputy GM	In office	January 16,2024	June 29,2026	156,100	0	0	0	156,100	/
Shao Jianwei	Male	44	Deputy GM	In office	October 28,2024	June 29,2026	157,248	0	0	0	157,248	/
Li Guiwen	Female	54	Deputy GM, secretary of the board	Dimission	January 9,2019	October 28,2024	312,000	0	0	0	312,000	/
Total	--	--	--	--	--	--	3,748,588	0	0		3,748,588	--

During the reporting period, whether there is dismissal of directors and supervisors and decruitment of senior managers

□Yes√No

Changes of directors, supervisors and senior executives

√ Applicable □ Not applicable

Name	Positions	Types	Date	Reason
Zheng Bin	Chairman	Dimission	April 28,2024	Retire
Ye Zhong	Chairman	Elected	April 28,2024	Job change
Li Binghai	Director	Elected	May 22,2024	Job change
Ye Zhong	GM	Dimission	July 2,2024	Job change
Li Binghai	Deputy GM	Dimission	July 2,2024	Job change
Li Binghai	GM	Appoint	July 2,2024	Job change
Li Shijie	Vice Chairman	Elected	February 2,2024	Job change
Yang Yongming	Vice Chairman	Dimission	January 15,2024	Retire
Wang Shaolong	Director	Elected	October 28,2024	Job change
Li Bo	Director	Dimission	October 28,2024	For personal reasons
Wang Gang	Secretary of the board	Appoint	October 28,2024	Job change
Li Guiwen	Deputy GM, secretary of the board	Dimission	October 28,2024	Job change
Cai Weijun	Deputy GM	Appoint	October 28,2024	Job change
Shao Jianwei	Deputy GM	Appoint	October 28,2024	Job change

(2) Posts holding

The professional background, working experience and main responsibilities of the current board members, supervisors and senior managers in the company

Mr. Ye Zhong: born in April 1968, CCP member; bachelor degree; professor and senior engineer. He served as director of Hangzhou Turbine Power Group Co., Ltd. Started working in July 1990. he was the director of the 2nd term of Board, Chief Engineer; director of the 3rd term of Board, Vice General Manager; Director of the 4th and 5th terms of Board, Vice General Manager, and Chief Engineer. He’s the Standing Vice General Manager, director and Chief Engineer of the 6th term of Board of the Company, and General Manager of the 4 Company since December 2014. He was elected as director and General Manager of the 7th term of board of directors on May 2016; He was elected as Director and General Manager of the 8th term of board of directors on December 2019. Currently is the 9th Chairman of the company.

Mr. Li Binghai, born in April 1982, is a member of the Communist Party of China and holds a university degree and a master's degree. From August 2005 to March 2010, he worked in Hangzhou Machine Tool Group and successively served as assistant manager of the manufacturing department and deputy manager of the manufacturing department. He joined the Company in March 2010 and successively served as the chief of the market section of the contract management office, the deputy division chiefand division chiefof the contract management department, the director of the Jingzi workshop, the director of the management committee of the manufacturing base, and the minister of the manufacturing department. In May 2022, he was appointed as the deputy general manager of the Company; Since May 2024, he has been a director and deputy general manager of the ninth board of directors of the Company; He is currently the director and general manager of the ninth board of directors of the Company.

Mr. Li Shijie, born in July 1969, is a member of the Communist Party of China with a university degree, and he is senior engineer and senior economist. He has successively served as Section Chief and Secretary of the Party Branch of the Supply Division of Hangzhou Turbine Co., Ltd., General Manager and Secretary of the General Party Branch of Hangzhou Turbine Auxiliary Machinery Co., Ltd., Deputy Secretary of the Party Committee, Secretary of the Discipline Inspection Commission and Chairman of the Labor Union of Hangzhou Turbine Power Group Co., Ltd., Chairman of the 6th, 7th and 8th Board of Supervisors of the Company. He has served as the deputy secretary of the Party committee and the chairman of the labor union of the Company. Currently is the 9th Vice chairman of the company.

Mr. Pan Xiaohui, born in November 1978, is a member of the Communist Party of China and a senior accountant, with a university degree. In 2003, he joined the Hangzhou Municipal Finance Bureau and successively served as a staff member of the Financial Supervision and Supervision Bureau, the deputy division chief of the General Division and the division chief of the Accounting Division of the Hangzhou Municipal Finance Bureau. In February 2021, he joined Hangzhou State-owned Capital Investment and Operation Co., Ltd. and served as the deputy general manager of Hangzhou State-owned Capital Investment and Operation Co., Ltd. Currently, he is the chairman and general manager of Hangzhou Industrial Investment Group Co., Ltd., the chairman and general manager of Hangzhou Industrial Investment Co., Ltd., the chairman of Hangzhou Guoshun Equity Investment Co., Ltd., and a director of the ninth board of directors of the Company.

Mr. Pan Xiaohui, born in November 1978, a member of the Communist Party of China, is a senior accountant with a university degree. He served as vice chairman of Hangzhou Steam Turbine Holdings Co., Ltd. He joined the Hangzhou Municipal Finance Bureau in 2003 and served successively as a section member, deputy division chief of Comprehensive Office and division chief of account of Bureau of Financial Supervision and Inspection of Hangzhou Municipal Finance Bureau. From February 2021, Currently is the 8th Director of the company. Currently is the 9th Director of the company.

Mr. Wang Shaolong, born in April 1974, is a member of the Communist Party of China, and is a master's degree candidate, with a bachelor's degree in engineering from Tsinghua University and a master's degree in business administration from Purdue University. He started his career in August 2000 and had worked in Electronic Arts, Hewlett-Packard China, Accenture, Ernst & Young, Deloitte and other companies. He joined China Guoxin Holdings Co., Ltd. in September 2019. He is currently the managing director of the asset management department of Guoxin Guotong (Hangzhou) Equity Investment Co., Ltd., the managing director of the investment department of Comprehensive Reform Pilot (Hangzhou) Enterprise Management Co., Ltd., and the director of the ninth board of directors of the Company since November 2024.

Mr. Zhang Hejie, born in January 1958, holds a master's degree in philosophy, a doctorate in management, a visiting scholar at the University of Cambridge, and a professor and doctoral tutor at the School of Economics and Management of Zhejiang University of Technology. the Communication Review Expert of the National Natural Science Foundation. Currently is the 9th Independent director of the company.

Mr. Xu Yongbin, born in December 1962, is a member of the Communist Party of China and is a doctor of management. He served as a lecturer, associate professor and professor of the Department of Accounting of Hangzhou Business College, dean and professor of the School of Accounting of Zhejiang Gongshang University, vice president of Zhejiang Accounting Society and vice president of Zhejiang Audit Society. He is currently a second-level professor and doctoral supervisor of Zhejiang Gongshang University, a scholar of West Lake, a "151" talent in Zhejiang Province, a leading talent in "five batches" in Zhejiang Province, the person in charge of the national talent training innovation experimental area, and the person in charge of the national first-class major in accounting. He concurrently is also the convener of the Zhejiang Provincial Management Professional Degree Graduate Education and Guidance Committee, the vice president of the Zhejiang Association of Chief Accountants, and an independent director of Zheshang Zhongtuo Group Co., Ltd., Zheshang Bank Co., Ltd., and Hangzhou United Rural Commercial Bank Co., Ltd. He is currently an independent director of the ninth board of directors of the Company.

Mr. Yao Jianhua, born in December 1965, is a member of the Communist Party of China, with a doctorate degree of Zhejiang University of Technology, and he is a Ph.D. Director of Engineering and professor of Zhejiang University of Technology, he is a Special Expert of Zhejiang Province, and an independent director of Hangzhou Oxygen Group Co., Ltd. He is currently the dean of the School of Mechanical Engineering and the dean of the Laser Advanced Manufacturing Research Institute of Zhejiang University of Technology, concurrently holds the director of Chinese Mechanical Engineering Society and vice-chairman of Zhejiang Nontraditional Machining Branch Engineering Society, and Standing member of heat treatment branch, standing member of extreme manufacturing branch committee, Director of China Optical Engineering Society, Vice Chairman of Zhejiang Mechanical Engineering Society, Vice Chairman of Zhejiang Shipbuilding Society, etc. He’s selected into the National Hundred Thousand Talents Project, the first batch of outstanding talents in Zhejiang Province's Ten Thousand Talents Program, the first level of Zhejiang Province's 151 Talent Project, and won the "National Young and Middle-aged Experts with Outstanding Contributions", "Zhou Zhihong Science and Technology Achievement Award", "Young and Middle-aged Experts with Outstanding Contributions in Zhejiang Province", "Outstanding Teachers in Zhejiang Province Colleges", "Excellent Communist Party Members in Zhejiang Province Colleges and Universities" and other honors, and he is member of the 11th CPPCC Zhejiang Provincial Committee, enjoying the Special government allowances. Currently is the 9th Independent director of the company.

Ms. Jin Yingchun, born in November 1969, is a member of the Communist Party of China, and she is senior lawyer, master of civil and commercial law from Zhejiang University, intermediate economist, intermediate merger and acquisition expert, tutor of master of law at Zhejiang University of Finance and Economics and Zhejiang Gongshang University, and she has obtained the qualification certificate of independent director. She has served as a full-time and part-time lawyer of Zhejiang Economic Law Firm, the founder and director of Zhejiang Tianyi Law Firm, and she has severed as a special inspector of Zhejiang Provincial Political and Legal Committee; currently, she is director of the Management Committee of Yingke Hangzhou Law Firm, vice chairman of Hangzhou Lawyers Association, and Vice President of Zhejiang M&A Federation, perennial legal advisor of Hangzhou Shangcheng District Committee, an independent director of Zhejiang Communications Technology Co., Ltd. And an independent director of Zhejiang Zheneng Gas Co., Ltd.;Won the honors of the outstanding female lawyer of the first session in Zhijiang Province, the outstanding corporate lawyer of Zhejiang Lawyers Association, and the outstanding lawyer Serving small and medium-sized enterprises in Zhejiang Province. Currently is the 9th Independent director of the company.

(II) The Supervisors

Ms. Zhang Weijie, senior accountant. Served as the Project Manager of Pan-China Certified Public Accountants; Full-time Supervisor and Chief Financial Officer of the State-owned Assets Supervision and Administration Commission of Hangzhou Municipal People's Government; Head of Financial Special Group of Hangzhou State-owned Capital Investment and Operation Co., Ltd. She is currently the Employee Director and Director of Finance Management Dept of Hangzhou Capital, the director of Hangzhou United Rural Commercial Bank Co., Ltd, and the Chairman of the 9th Board of Supervisors of the Company.

Ms. Xie Xueqing, born in November 1991, holds a master's degree in international accounting and financial management, and she is certified public accountant, intermediate accountant and tax agent; She used to be a senior auditor of Tianjian Accounting Firm (LLP) and a junior supervisor of the internal audit department of Hangzhou Investment Development Co., Ltd; She is currently the head of the audit supervision department of Hangzhou State-owned Capital Investment and Operation Co., Ltd. Currently is the 9th supervisor of the company.

Ms. Yan Ying, born in November 1981, a member of the Communist Party of China, with a master's degree, is a certified public accountant, a certified internal auditor and a senior economist. She graduated from Dongbei University of Finance and Economics in January 2008 with majored in finance, and entered Hangzhou Turbine Power Group Co., Ltd in March of the same year. She now works in the operation management department of Hangzhou Turbine Power Group Co., Ltd, engaged in the Company's state-owned asset property rights management in long-term; She is currently the employee supervisor of the 9th board of supervisors of the Company.

(III) Senior Executives

Profiles of General Manager Li Binghai is available among the directors above.

Mr. Wang Gang, born in February 1972, is a member of the Communist Party of China, holds a master's degree in business administration from Zhejiang University, and is a senior engineer and senior economist. In 1993, he joined Hangzhou Steam Turbine Power Group Co., Ltd. and successively served as the head of the company's organization and personnel department, first turbine workshop, security department, securities regulation department, operation management department and other departments. He served as a director of the 7th and 8th board of directors, secretary of the board of directors, deputy general manager, deputy secretary of the party committee, secretary of the discipline inspection committee, and chairman of the labor union of the Company; He is currently the deputy secretary of the Party Committee, the chairman of the labor union and the secretary of the board of directors of the Company.

Mr. Cai Weijun, born in July 1970, is a member of the Communist Party of China and holds a university degree. He used to be the deputy mayor of Sankou Town, Lin'an County (City), the deputy director, the deputy secretary of the Party Working Committee and the secretary of the Discipline Inspection Committee of the Shanggan Sub-district Office of Lin'an City, the deputy secretary of the Party Committee and the secretary of the Discipline Inspection Commission of Taihuyuan Town, Lin'an City, the commander (director level)of the Jinzishan Township Branch Headquarter of the Hangzhou Municipal Headquarter for Supporting Qingchuan Post-disaster Recovery and Reconstruction, the secretary of the Party Working Committee of Jinnan Street, Lin'an City, the deputy secretary of the Commission for Discipline Inspection, the director of the Supervision Bureau, the member of the Working Committee of the District Organs directly under the District, and the deputy director of the District Supervision Committee of Lin'an District. In May 2020, he served as a member of the Party Committee and Secretary of the Discipline Inspection Committee of Hangzhou Steam Turbine Power Group Co., Ltd. From July 2021, he has served as a member of the Party Committee and Secretary of the Discipline Inspection Committee of the Company, and he is the Deputy General Manager of the Company since October 2024.

Mr. Kong Jianqiang, born in May 1970, CCP member, Master of Engineering, certified senior engineer. Started working in July 1992. He used to be technician, head of workshop, vice director, and director of Steam Turbine Institute of the company. He’s the director of the 6th term of Board since June 2013, and Engineer General of the Company since December 2014. He was elected as director of the 7th term of board of directors on May 2016. Appointed as deputy general manager and Chief engineer of the company. He was engaged the Deputy General Manager and Chief engineer at the 8th term of Board on December 2019, He Currently the Deputy General Manager and Chief engineer of the company.

Mr. Wang Zhengrong, born in October 1970, member of the Communist Party of China, university degree, Bachelor of Engineering, Zhejiang University, senior engineer. In 1992 to enter the company work, served as deputy director of the company sales, director, marketing party branch secretary. Since March 2010, he has been a member of the Party Committee of the Company. He has been Assistant General Manager of the Company and Director of Steam Turbine Marketing since June 2015. Mr. Wang was engaged the Deputy general manager of the Company since June 2017.

Mr. Zhao Jiamao, born in March 1975, member of the Communist Party of China, university degree, certified public accountant and senior accountant. He joined Hangzhou Steam Turbine Power Group Co., Ltd. Finance Office in 1995 and was once the Vice Minister of Finance of Hangzhou Steam Turbine Power Group Co., Ltd., Chief Accountant, Deputy General Manager and General Manager of Hangzhou Steam Turbine Power Technology Co., Ltd. In December 2014, he was the Deputy Chief Accountant and Chief Financial Officer of the Company. Since March 2016, he has been the General Manager Assistant, the Director of Asset Management Department and the Finance Department and the Contract Department. Mr. Zhao was engaged the Deputy general manager and Chief accounting of the Company since January 2018.

Mr. Liao Weibing, born in July 1979, is a member of the Communist Party of China, with a university degree, a bachelor's degree in engineering, and is a senior engineer. In July 2001, he joined Hangzhou Turbine Power Group Co., Ltd., and successively served as Assistant Section Chief of Foreign Trade Division, Deputy Section Chief of Foreign Trade Division, Section Chief of Foreign Trade Division, Deputy Minister of Turbine Marketing Division. He is currently Minister of Turbine Marketing Division and Assistant to Deputy General Manager. Since January 2024,he was engaged the Deputy General Manger of the Company.

Mr. Shao Jianwei, born in December 1980, is a member of the Communist Party of China, with a university degree, a bachelor's degree in engineering, and is an engineer. He joined the Company in 2002 and successively served as assistant division chief of the supply outsourcing department, deputy division chief of the supply outsourcing department, division chief of the planning department of the manufacturing department, minister of the operation management department, and assistant to the deputy general manager. He is currently a member of the Company's party committee, assistant to the deputy general manager, minister of the manufacturing department, director of the manufacturing base management committee, and safety officer of the manufacturing base. Since October 2024,he was engaged the Deputy General Manger of the Company.

Office taking in shareholder companies

□Applicable☑Not applicable

Offices taken in other organizations

√Applicable □Not applicable

Name of the persons in office	Name of other organizations	Titles engaged in the other organizations	Starting date of office term	Expiry date of office term	Does he/she receive remuneration or allowance from other organization
Ye Zhong	New Energy Company	Board chairman	November 30,2021		No
Li Binghai	Hangzhou Turbine Casting Co., Ltd.	Board chairman	July 13,2022		No
Li Binghai	Hangzhou Turbine Auxiliary Machine Co., Ltd.	Director	June 15,2022		No
Li Binghai	Zhejiang Ranchuang Turbine Machinery Co., Ltd.	Director	October 28,2022		No
Li Shijie	Hangzhou Zhongneng Turbine Power Co., Ltd.	Chairman of the Supervisory Committee	December 9,2021		No
Wang Gang	Hangzhou Zhongneng Turbine Power Co., Ltd.	Board chairman	June 15,2022		No
Kong Jianqiang	Hangzhou Turbine Auxiliary Machine Co., Ltd.	Board chairman	June 15,2022		No
Wang Zhengrong	Hangzhou Turbine Mechanical Equipment Co., Ltd	Board chairman	May 30,2022		No
Wang Zhengrong	Hangzhou Zhongneng Turbine Power Co., Ltd.	Director	June 15,2022		No
Wang Zhengrong	New Energy Company	Director	N ovember 30,2021		No
Zhao Jiamao	Zhejiang Turbine Import & Export Co., Ltd.	Executive director	June 2,2020		No
Zhao Jiamao	Hangzhou Zhongneng Turbine Power Co., Ltd.	Director	June 15,2022		No
Zhao Jiamao	New Energy Company	Supervisor	November 30,2021		No
Liao Weibing	New Energy Company	Director	November 30,2021		No
Liao Weibing	Zhejiang Ranchuang Turbine Machinery Co., Ltd.	Director	October 28,2022		No
Liao Weibing	Zhejiang Steam Turbine Packaged Technology Development Co., Ltd.	Director	December 26,2024		No

Shao Jianwei	Hangzhou Turbine Auxiliary Machine Co., Ltd.	Director	April 19,2023		No
Shao Jianwei	Pengzhou West Blue Power Technology Co., Ltd	Director	February 28,2022		No

Punishments to the current and leaving board directors, supervisors and senior managers during the report period by securities regulators in the recent three years

□ Applicable √Not applicable

(3) Remuneration to directors, supervisors and senior executives

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

The remuneration plan for directors and executives was examined at the meeting. The Remuneration and Assessment Committee of the Board conducted assessment on the performances of the directors and executives, Assessment principles and procedures determined in accordance with the executive compensation management system of directors(revised in 2023),The plan is subject to examination of the meeting of the Board.

Allowances for independent directors and supervisors are subject to approval by the Board and the Shareholders' Meeting thereafter. The proposal of allowances of independent directors and supervisors was adopted at the 1st Provisional Shareholders' Meeting held on June 30, 2023, and the allowance for independent directors is RMB150,000 (tax included) per year, while it is RMB20,000 for supervisors for the period of three years (tax included).Non employee supervisors do not enjoy the allowance

Remuneration of directors, supervisors, and executives in the report period

In RMB10,000

Name	Sex	Age	Position	Statue of duty	Total of reward from the Company(Pre-tax)	Actual reward in total at end of report term
Ye Zhong	Male	56	Chairman	In Office	170.00	No
Zheng Bin	Male	60	Chairman	Dimission	56.67	No
Li Binghai	Male	42	Director, GM	In Office	162.09	No
Li Shijie	Male	56	Vice Chairman	In Office	141.37	No
Wang Gang	Male	52	Secretary of the board	In Office	141.80	No
Pan Xiaohui	Male	46	Director	In Office	0	Yes
Wang Shaolong	Male	51	Director	In Office	0	Yes
Li Bo	Male	50	Director	Dimission	0	Yes
Zhang Hejie	Male	66	Independent Director	In Office	15.00	No
Yao Jianhua	Male	59	Independent Director	In Office	15.00	No
Xu Yongbin	Male	62	Independent Director	In Office	15.00	No
Jin Yingchun	Female	55	Independent Director	In Office	15.00	No
Zhang Weijie	Female	39	Chairman of the Supervisory Committee	In Office	0	Yes

Xie Xueqing	Female	33	Supervisor	In Office	0	Yes
Yan Ying	Female	43	Employee Supervisor	In Office	18.50	No
Cai Weijun	Male	54	Deputy GM	In Office	137.43	No
Kong Jianqiang	Male	54	Deputy GM, Chief engineer	In Office	144.88	No
Wang Zhengrong	Male	54	Deputy GM	In Office	144.70	No
Zhao Jiamao	Male	49	Deputy General Manger, Chief accountant	In Office	148.12	No
Liao Weibing	Male	45	Deputy GM	In Office	134.54	No
Shao Jianwei	Male	44	Deputy GM	In Office	27.36	No
Li Guiwen	Female	54	Deputy GM, secretary of the board	Dimission	117.72	No
Total	--	--	--	--	1,372.53	--

Other note

□ Applicable √Not applicable

VI. Performance of directors' duties during the reporting period

(1) Information of the board meetings during the reporting period

Session	Convening date	Disclosure date	Meeting resolution
The 4th meeting of the 9th term of Board	January 16,2024	January 18,2024	（Announcement No.:2024-05）
The 5th meeting of the 9th term of Board	February 2,2024	February 3,2024	（Announcement No.:2024-16）
The 6th meeting of the 9th term of Board	April 28,2024	April 30,2024	（Announcement No.:2024-18）
The 7th meeting of the 9th term of Board	July 2,2024	July 3,2024	（Announcement No.:2024-47）
The 8th meeting of the 9th term of Board	August 26,2024	August 27, 2024	（Announcement No.:2024-53）
The 9th meeting of the 9th term of Board	October 28,2024	October 29,2024	（Announcement No.:2024-59）
The 10th meeting of the 9th term of Board	November 9,2024	November 11,2024	（Announcement No.:2024-77）

(2) Attendance of directors at the board meetings and the general meeting of shareholders

Attendance of directors at the board meetings and the general meeting of shareholders							
Name of director	Number of board meetings attended during the reporting period	Number of board meetings attended in person	Number of board meetings attended by means of communication	Number of board meetings attended by proxy	Number of board meetings absent from	Whether to attend the board meeting in person twice in a row	General meetings of shareholders attended
Zheng Bin	3	3	0	0	0	No	1

Ye Zhong	7	6	1	0	0	No	4
Li Binghai	4	3	1	0	0	No	3
Yang Yongming	1	1	0	0	0	No	0
Li Shijie	6	6	0	0	0	No	4
Pan Xiaohui	7	6	1	0	0	No	4
Li Bo	7	4	3	0	0	No	4
Wang Shaqolong	0	0	0	0	0	No	0
Zhang Hejie	7	4	3	0	0	No	4
Xu Yongbin	7	5	2	0	0	No	4
Yao Jianhua	7	6	1	0	0	No	4
Jin Yingchun	7	7	0	0	0	No	4

Explanation of failure to attend the board meeting in person twice in a row

Not applicable

(3) Directors' objections to related matters of the Company

Whether the director raises any objection to the relevant matters of the Company

□ Yes √ No

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

(4) Other descriptions of directors' performance of duties

Whether the directors' suggestions on the Company have been adopted

√Yes □ No

The director's statement on whether the relevant suggestions of the Company have been adopted or not

During the reporting period, in accordance with the provisions of The Company Law, The Securities Law, the Articles of Association and other laws and regulations, the directors paid attention to the standardization of the Company's operation, and put forward reasonable suggestions based on the long-term development of the Company in the process of deliberation on proposals such as regular reports, change in accounting firm, and formulation of the "Working System for Independent Directors" from the perspective of the Company's interests. The Company listened carefully to the suggestions of the directors, organized relevant personnel to evaluate and verify relevant matters, and gave full play to the leading role of directors in scientific decision-making and standardized management.

VII. Situation of special committees under the Board of Directors during the reporting period

Committee name	Member information	Number of meetings convened	Convening date	Meeting content	Put forward important opinions and suggestions	Other information of duty performance	Details of objections (if any)
Nomination committee	Jin Yingchun（Convenor）, Zhang Hejie, Xu Yongbin, Yao Jianhua, Zheng Bin	1	January 16,2024	1. Proposal on Nominating Li Shijie as a Non-Independent Director Candidate for the Ninth Board of Directors 2. Proposal on Nominating Liao Weibing as Deputy General Manager	N/A	N/A	N/A
Remuneration and Assessment Committee	Zhang Hejie（Convenor）, Xu Yongbin, Yao Jianhua, Jin Yingchun, Pan Xiaohui	1	January 16,2024	Proposal on the condition met for the lifting of the first phase of the reserved grant part of the restricted stock incentive plan in 2021	N/A	N/A	N/A
Audit Committee	Xu Yongbin（Convenor）, Zhang Hejie, Yao Jianhua, Jin Yingchun, Ye Zhong	1	April 15,2024	1. 2023 Annual Report 2. The Financial Report 2023 3. Proposal of the provision for impairment of assets and Bad debt provision of 2023 4. Proposal on the Write-offs Asset of 2023 5. The Dividend Plan 2023 6. Proposal on the use of idle funds for short-term and medium-term financial management by the company in 2024 7.Summary of Internal Audit Work in 2023 and Internal Audit Plan in 2024. 8. The Internal Control Introspective Report 2023 9. Report on the evaluation of the performance of duties of the accounting firm namely the report on the performance of the supervisory duties of the audit committee 10. The First Quarterly Report 2024	N/A	N/A	N/A
Remuneration and Assessment Committee	Zhang Hejie（Convenor）, Xu Yongbin, Yao Jianhua, Jin Yingchun, Pan Xiaohui	1	April 15,2024	2023 annual remuneration plan for directors and executives	N/A	N/A	N/A
Nomination committee	Jin Yingchun（Convenor）, Zhang Hejie, Xu Yongbin, Yao Jianhua, Zheng Bin	1	April 28,2024	Proposal on Nominating Li Binghai as a Non-Independent Director Candidate for the Ninth Board of Directors	N/A	N/A	N/A
Audit Committee	Xu Yongbin(Convenor), Zhang Hejie, Yao Jianhua, Jin Yingchun, Li Bo	1	July 2,2024	. Proposal on Changing the Accounting Firm	N/A	N/A	N/A
Nomination	Jin Yingchun（Convenor）,	1	July 2,2024	Proposal on the Nomination of the General Manager of the Company	N/A	N/A	N/A

committee	Zhang Hejie, Xu Yongbin, Yao Jianhua, Ye Zhong						
Audit Committee	Xu Yongbin(Convenor), Zhang Hejie, Yao Jianhua, Jin Yingchun, Li Bo	1	August 26,2024	The Semi-annual Report 2024 and the Summary	N/A	N/A	N/A
Remuneration and Assessment Committee	Zhang Hejie（Convenor）, Xu Yongbin, Yao Jianhua, Jin Yingchun, Pan Xiaohui	1	October 28,2024	1.Report on the assessment results of restricted stock incentive recipients in 2021 2. Proposal regarding the lifting conditions met for the restricted stock in the first lifting period for the first grant portion of the 2021 restricted stock incentive plan	N/A	N/A	N/A
Audit Committee	Xu Yongbin(Convenor), Zhang Hejie, Yao Jianhua, Jin Yingchun, Li Bo	1	October 28,2024	1. The Third Quarterly Report 2024 2. Proposal on Revising the Internal Audit System and Implementation Rules for Internal Audit	N/A	N/A	N/A
Nomination committee	Jin Yingchun（Convenor）, Zhang Hejie, Xu Yongbin, Yao Jianhua, Ye Zhong	1	October 28,2024	1. Proposal on Nominating Non-Independent Director Candidates for the Ninth Board of Directors 2. "Proposal on Nominating the Deputy General Manager of the Company" 3. Proposal on the nomination of the secretary of the board of directors of the Company	N/A	N/A	N/A

VIII. The working status of the board of supervisors

The board of supervisors finds out whether the company has risks during the monitoring activities during the re porting period

□ Yes √ No

The Supervisory Committee has no objection to the supervision matters during the reporting period.

IX. Particulars about employees.

(1)Number of staff, professional structure and educational background

Number of in-service staff of the parent company(person)	1,997
Number of in-service staff of the main subsidiaries(person)	1,922
The total number of the in-service staff(person)	3,919
The total number of staff receiving remuneration in the current period(person)	3,919
Retired staff with charges paid by the parent company and main subsidiaries (person)	0
Professional	
Category	Number of persons（person）
Production	2,014
Sales	356
Tech	861
Finance	87
Administration	601
Total	3,919
Education	
Category	Number of persons（person）
Master’s Degree	377
Bachelor	1,585
College diploma	768
High school and below	1,189
Total	3,919

2.Particulars about the employees:

Under the premise of considering the annual benefit, with the level of competition, the ability to pay of enterprises, price levels and other factors, in 2024 the company adequate remuneration be adjusted according to the value of the unpaid position, according to the performance of the performance fee, adhere to labor distribution, taking into account efficiency and equity, the maximum level of protection of the interests of employees, to achieve a win-win business and employees. Company on a monthly basis, full and timely payment of wages, overtime pay in accordance with national regulations, on a monthly basis.

3. Educational training for employees:

In 2024, the staff education and training work strived for realize the goal of “Talents invigorate enterprises”, and set the work objectives of training and optimizing the “the three teams namely the management team, the professional and technical personnel team and the high-skilled personnel team”, and upon combining with the company’s strategic goals and the departmental performance targets and the employees’ development goals, it well did the annual training work, formulated the “2024 Company Education and training Plan”, implemented various training programs in an orderly manner as required, continuously improved the staff's business level and comprehensive capabilities and made contributions to the company’s stable operation. In terms of the funding, the company drew 1% of the total salary as the staff education fund, which effectively guaranteed the expenditure of the training program. According to statistics, 152 training classes were held in 2024, the person-time of staff received trainings reached 5156. For 2024, the company plans to carry out 103 training programs in aspects of management, engineering technology, operation skills, quality, environment and safety education.

4. Outsourcing situation

□ Applicable √ Not applicable

X. Specification of profit distribution and capitalizing of common reserves

Formulation, implementation or adjustment of the profit distribution policy, especially the cash dividend policy during the reporting period
√ Applicable □ Not applicable
(1) Company dividend policy principle: The Company's profit distribution policy maintains its continuity and stability, with full attention to the reasonable return on investment for investors, and consideration of the long-term interests of the Company, the overall interests of all shareholders and the sustainable development of the Company;
(2) Cash dividend priority: The Company can distribute dividends by cash, stock or by combination of both. On the premise that the Company is profitable and has sufficient cash flow to meet its sustainable operation and long-term development, the Company will give priority to the profit distribution method of cash dividend;
(3) Listen to the opinions and demands of independent directors and minority shareholders: the Board of Directors of the Company fully considers the development stage, profit scale, cash flow status and current capital demand of the Company, and formulates a specific dividend plan based on the opinions of shareholders, especially minority shareholders, which is submitted to the General Meeting of Shareholders of the Company for deliberation after the independent directors express their independent opinions; When the General Meeting of Shareholders of the Company deliberates the specific cash dividend plan, it shall actively communicate and exchange with shareholders, especially minority shareholders, through various channels, fully listen to the opinions and demands of minority shareholders, and timely address to their concerns;
(4) Dividend period: In principle, the Company implements profit distribution on an annual basis. The Company announces the dividend plan within four months after each fiscal year, and implements the distribution plan within two months after the General Meeting of Shareholders approves it;
(5) Dividend ratio: On the premise that the Company is profitable and the cash can meet its continuous operation and long-term development, the accumulated profit distributed by the Company in cash in the last three years is not less than 30% of the annual distributable profit realized in the last three years;
(6) Decision-making procedure of dividend plan: According to the *Articles of Association*, the dividend plan of the Company is proposed by the Board of Directors, and submitted to the General Meeting of Shareholders of the Company for deliberation after being reviewed and approved by the Board of Directors and expressed opinions on by independent directors;
(7) Adjustment procedure of dividend policy: If the Company is required to adjust the profit distribution policy according to the needs of production and operation, investment planning and long-term development, the adjusted profit distribution policy shall not violate the relevant regulations of China Securities Regulatory Commission and the stock exchange. Opinions of independent directors and the board of supervisors shall be solicited in advance for the proposal for adjusting the profit distribution policy, which shall be submitted to the Company's General Meeting of Shareholders after deliberation by the Company's Board of Directors, and be implemented only after

more than two-thirds of the voting rights held by shareholders present at the General Meeting of Shareholders.

Special description of cash dividend policy	
Whether it meets the requirements of the Articles of Association or the resolution of the general meeting of shareholders:	Yes
Whether the dividend standard and proportion are explicit and clear:	Yes
Whether the relevant decision-making procedures and mechanisms are complete:	Yes
Whether the independent directors have performed their duties and played their due role:	Yes
If a company does not distribute cash dividends, it should disclose the specific reasons and the measures it intends to take to enhance the level of investor returns:	Yes
Whether the minority shareholders have the opportunity to fully express their opinions and demands, and whether their legitimate rights and interests have been fully protected:	Yes
Whether the cash dividend policy is adjusted or changed, and whether the conditions and procedures are compliant and transparent:	Yes

During the reporting period, the Company made a profit and the profit available to shareholders of the parent company was positive, but no cash dividend distribution plan was put forward.

□ Applicable √ Not applicable

Profit distribution and capitalization of capital reserve during the reporting period

√ Applicable □ Not applicable

Bonus shares for every ten shares(Shares)	0
Cash dividend for every ten shares (Yuan)(Tax-included)	2.1
A total number of shares as the distribution basis(shares)	1,174,904,765
Cash dividend amount (yuan, including tax	246,730,000.65
Other means (such as repurchase of shares) cash dividend amount (yuan)	0.00
Total cash dividend (yuan, including tax)	246,730,000.65
Distributable profit (yuan)	3,052,762,328.46
Proportion of cash dividend in the distributable profit	100%
Cash dividend distribution policy	
Where the distribution of profits is carried out in the company's development stage that belongs to a mature stage and there is significant capital expenditure arrangement, the proportion of cash dividends in this profit distribution shall be at least 40%.	
Detail explanation on profit distribution or capitalization from capital public reserve	
The Company's profit distribution plan approved by the board of directors is: based on the Company's total share capital of 1,175,009,597 shares at the end of 2024 by deducting 104,832 shares of treasury shares to be repurchased and cancelled due to the resignation of equity incentive recipients, that is, based on 1,174,904,765 shares, a cash dividend of 2.1 yuan will be distributed to all shareholders for every 10 shares，without converting the reserve fund into share capital.	

XI. Implementation Situation of Stock Incentive Plan of the Company, Employee Stock Ownership Plan or Other Employee Incentive Measures

√ Applicable □ Not applicable

(1) Equity incentive

(I) On July 11, 2021, the 14th Meeting of the Eighth Board of Directors reviewed and approved the Proposal on the Company's Restricted Stock Incentive Plan (Draft) in 2021 and its Summary, the Proposal on the Company's Implementation Assessment Management Measures for the Restricted Stock Incentive Plan in 2021, and the Proposal on Requesting the General Meeting of Shareholders to Authorize the Board of Directors to Handle Matters Related to the Restricted Stock Incentive Plan in 2021, and the Ninth Meeting of the Eighth Supervisors of the Company reviewed and approved the above related proposals. The Company disclosed related announcements such as the Restricted Stock Incentive Plan (Draft) and its Summary in 2021, the Implementation Assessment Management Measures for the Restricted Stock Incentive Plan in 2021, the Incentive Object List of the Restricted Stock Incentive Plan in 2021, the Self-inspection Form of Equity Incentive Plan, and the Legal Opinions of Shanghai Allbright Law Offices on the 2021 Restricted Stock Incentive Plan of Hangzhou Steam Turbine Co., Ltd.

Independent directors of the Company expressed their independent opinions on whether the equity incentive plan is conducive to the sustainable development of the Company and whether there is any harm to the interests of the Company and all shareholders.

(II) On August 12, 2021, the Company disclosed the Announcement on the Approval of Equity Incentive Plan by Hangzhou SASAC. The Company received the Reply of Hangzhou Steam Turbine Co., Ltd. on Implementing the Restricted Stock Incentive Plan in 2021 (HGZK [2021] No.45), and Hangzhou SASAC agreed in principle that the Company should implement the restricted stock incentive plan in 2021.

(III)From July 12, 2021 to July 21, 2021, the company will post the "Announcement of the Company's 2021 Restricted Stock Incentive Objects" through the company's business premises, publicizing the names and positions of the incentive objects, and clarifying the circumstances under which they cannot become equity incentive objects. , as well as the ways and means of feedback during the publicity period. As of the expiration of the publicity period, the company has not received any objection from any organization or individual to the incentive objects of this incentive plan. On August 23, 2021, the Company disclosed the Publicity and Verification Opinions of the Board of Supervisors of the Company on the List of Incentive Objects of Restricted Stock Incentive Plan. The Board of Supervisors of the Company believes that the incentive objects listed in this incentive plan comply with the Administrative Measures, Trial Measures, Notice and other laws, regulations, normative documents and the scope and conditions of incentive objects stipulated in the Incentive Plan (Draft), and there is no circumstances that forbids to be incentive objects, and its qualification as the incentive objects of this incentive plan is legal and effective.

On August 23, 2021, the Company disclosed the Independent Financial Advisor's Report of CITIC Securities Co., Ltd. on the Restricted Stock Incentive Plan (Draft) in 2021 of Hangzhou Steam Turbine Co., Ltd.

(IV) On August 27, 2021, the Company held the Second provisional Shareholders' General Meeting in 2021, which reviewed and approved the Proposal on the Company's Restricted Stock Incentive Plan in 2021 and its Summary, the Proposal on the Company's Implementation Assessment Management Measures for the Restricted Stock Incentive Plan in 2021, and the Proposal on Requesting the General Meeting of Shareholders to Authorize the Board of Directors to Handle Matters Related to the Restricted Stock Incentive Plan in 2021.

Meanwhile, the Company disclosed the Self-inspection Report on Insider Information of Restricted Stock Incentive Plan in 2021 and Stock Trading of Incentive Objects.

(V) On August 30, 2021, the Company convened the 16th Meeting of the Eighth Board of Directors and the 11th Meeting of the Eighth Board of Supervisors, and respectively reviewed and approved the Proposal on Granting Restricted Stocks to Incentive Objects for the First Time. The Board of Directors of the Company considered that the granting conditions of restricted stocks stipulated in this incentive plan had been fulfilled, and agreed to grant 18.17 million restricted stocks to 457 incentive objects who meet the granting conditions on September 1, 2021 for the first time, at a price of HK$ 6.825 per share. The Board of Supervisors of the Company verified the list of incentive objectives again and issued a clear consent opinion. Independent directors of the Company expressed their agreed independent opinions on this.

(VI) On October 22, 2021, the Company completed the registration of granting restricted shares for the first time, with 455 people registered for the first time and 18,060,000 shares registered.

(VII) On December 16, 2021, the 20th Meeting of the 8th Board of Directors and the 13th Meeting of 8th Board of Supervisors of the Company reviewed and approved the Proposal on Granting Reserved Restricted Shares to Incentive Objects.. it is agreed that December 16, 2021 will be reserved for granting restricted shares, and 1,380,000 restricted shares will be granted to 37 eligible incentive objects at a grant price of HK$ 6.825 per share. Independent directors of the Company expressed independent opinions on relevant proposals of the Board of Directors

（VIII) On January 14, 2022, the Company completed the registration of reserved grant of restricted shares, with 37 registered shareholders reserved and 1,380,000 registered shares.

(IX)On December 21, 2022, the Company held the 30th meeting of the 8th session of the Board of Directors and the 19th meeting of the 8th session of the Board of Supervisors, in which it deliberated and passed the "Proposal on Repurchase and Cancellation of Some Restricted Shares" and "Proposal on Adjusting the Repurchase Quantity and Repurchase Price of the 2021 Restricted Stock Incentive Plan". In view of the fact that 9 of the incentive objects are no longer eligible for incentive objects due to retirement reasons, and 1 person is no longer eligible for incentive object due to personal reasons, it’s agreed to repurchase and cancel a total of 531,180 shares of restricted shares held by them that have been granted but have not yet been lifted. Meanwhile, As the Company has implemented the profit distribution plan for 2021, according to the provisions of the *Incentive Plan*, the repurchase price and repurchase quantity of restricted stocks will be adjusted accordingly.

(X)On October 30, 2023, the Company convened the Third Meeting of the Ninth Board of Directors and the Third Meeting of the Ninth Board of Supervisors, and reviewed and approved the Proposal on Adjusting the Repurchase Quantity and Repurchase Price of the Restricted Stock Incentive Plan in 2021 and the Proposal on Repurchase and Cancellation of Some Restricted Stocks. In view that 14 incentive objects became ineligible due to retirement, 3 due to personal resignation, and 2 due to failure to achieve "Good" or above in performance ratings, the Company agreed to repurchase and cancel 434,803 restricted stocks in aggregate according to the Incentive Plan. As two people failed to achieve good or above performance assessment results, according to the Incentive Plan, it is agreed to repurchase and cancel their 12,355 restricted stocks that fail to meet the conditions for lifting the restricted sales in the first lifting period. In the meantime, as the Company has implemented the profit distribution plan for 2021, according to the provisions of the Incentive Plan, the repurchase price and repurchase quantity of restricted stocks will be adjusted accordingly.

At the same time, the Third Session of the Ninth Board of Directors and the Third Session of the Ninth Board of Supervisors of the Company reviewed and approved the Proposal on Achievement of Partial First-phase Lifting of Restricted Sale of the First Grant Part of the Restricted Stock Incentive Plan in 2021, and the Board of Directors of the Company agreed to handle the lifting of the restricted sales for 451 incentive objects who met the conditions for lifting the restricted sales in the first lifting period of the first grant. The total number of restricted stocks lifted this time was 9,254,045. The independent directors of the Company expressed their independent opinions on this matter, and the Board of Supervisors expressed their opinions on this matter.

(XI) On January 16, 2024, the Fourth Session of the Ninth Board of Directors and the Fourth Session of the Ninth Board of Supervisors of the Company reviewed and approved the Proposal on Achievement of Partial First-phase Lifting of Restricted Sale of the Reserved Grant Part of Restricted Stock Incentive Plan in 2021, and the Board of Directors of the Company agreed to handle the lifting of the restricted sales for 36 incentive objects who met the conditions for lifting the restricted sales in the first lifting period of the reserved grant part. The total number of restricted stocks lifted this time was 700,128. The Board of Supervisors issued a clearly agreed opinion on this matter.

（XII）.On October 28, 2024, the Company held the ninth meetingof the ninth session board of directors and the eighth meeting of the ninth session board of supervisors, at which the "Proposal on Adjusting the Repurchase Price of the 2021 Restricted Stock Incentive Plan" and "Proposal on Repurchasing and Canceling Part of the Restricted Shares" were deliberated and passed. In view of the fact that 3 of the incentive recipients resigned due to personal reasons and no longer qualified as incentive recipients, according to the Incentive Plan, it’s agreed to repurchase and cancel a total of 62,712 restricted shares held by them that had been granted but had not yet been released. Meanwhile, since the Company has completed the implementation of the 2023 profit distribution plan, the repurchase price of restricted shares shall be adjusted accordingly in accordance with the provisions of the incentive plan.

Meanwhile, the "Proposal on the Achievement of the Second Phase of the Lifting of the Restricted Stock for the First Grant of the 2021 Restricted Stock Incentive Plan" was passed in the ninth meeting of ninth board of directors and in the the eighth meeting of the ninth sessionboard of supervisors of the Company, and agreed to handle the lifting of the restriction on the sale of 440 incentive recipients who meet the conditions for the second release of the restricted stock of the first grant part, and the total number of restricted shares released this time is 8,936,928 shares. The Supervisory Board issued an unequivocal opinion on the matter.

(XIII). On January 17, 2025, the Company held the 11th meeting of the 9th session board of directors and the 10th meeting of the 9th session board of supervisors, in which the "Proposal on Repurchasing and Canceling Part of the Restricted Shares" was deliberated and passed. In view of the fact that 3 of the incentive recipients resigned due to personal reasons and no longer qualified as incentive recipients, according to the Incentive Plan, it’s agreed to repurchase and cancel a total of 42,120 restricted shares held by them that had been granted but had not yet been released.

The "Proposal on the Achievement of the Second Phase of the Lifting of the Restricted Sale Conditions of the Reserved Grant Part of the 2021 Restricted Stock Incentive Plan" was passed in the 11th meeting of the 9th session board of directors and in the10th session meeting of the 9th session board of supervisors of the Company, and agreed to handle the lifting of the restriction on sale of 35 incentive recipients who meet the conditions for the second release of the restricted stock of the reserved grant part, and the total number of restricted shares released this time is 689,832 shares. The Supervisory Board issued an unequivocal opinion on the matter.

Evaluation mechanism and incentives of senior managers

√ Applicable □ Not applicable

In shares

Name	Position	Number of stock options held at the beginning of the year	Number of newly granted stock options during the reporting period	umber of vested shares during the reporting period	Number of exercised shares during the reporting period	Strike price and the number of the exercised shares during the reporting period (CNY/share)	Number of stock options held at the end of the reporting period	Market price at the end of the reporting period (CNY/share)	Quantity of restricted shares held at the beginning of the reporting period	Quantity of the shares unlocked in the reporting period	Quantity of restricted shares newly granted during the reporting period	Price of the restricted shares granted (CNY/share)	Quantity of restricted shares held at the end of the reporting period
Zheng Bin	Board Chairman	0	0	0	0	0	0	0	261,300	128,700	0	0	132,600
Li Binghai	Director, GM	0	0	0	0	0	0	0	104,520	51,480	0	0	53,040
Li Shijie	Vice Board Chairman	0	0	0	0	0	0	0	312,000	102,960	0	0	209,040
Wang Gang	Secretary of the board	0	0	0	0	0	0	0	209,040	102,960	0	0	106,080
Cai Weijun	Deputy GM	0	0	0	0	0	0	0	209,040	102,960	0	0	106,080
Kong Jianqiang	Deputy GM	0	0	0	0	0	0	0	209,040	102,960	0	0	106,080
Wang Zhengrong	Deputy GM	0	0	0	0	0	0	0	209,040	102,960	0	0	106,080
Zhao Jiamao	Deputy GM	0	0	0	0	0	0	0	209,040	102,960	0	0	106,080
Liao Weibing	Deputy GM	0	0	0	0	0	0	0	104,520	51,480	0	0	53,040
Shao Jianwei	Deputy GM	0	0	0	0	0	0	0	104,520	51,480	0	0	53,040
Total	--	0	0	0	0	--	0	--	1,932,060	900,900	0	--	1,031,160

Remark（If any）	/

Evaluation mechanism and incentive situation of senior managers

The Company conducts performance appraisal for senior managers according to the Management Measures for the Implementation of Restricted Stock Incentive Plan in 2021, Detailed Rules for Performance Appraisal of Restricted Stock Incentive Objects of Hangzhou Steam Turbine Co., Ltd. (Trial) and the Remuneration Management System for Directors and Senior Managers of the Company.

(2) Implementation of ESOP

□ Applicable √ Not applicable

(3) Other employee incentives

□ Applicable √Not applicable

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

(1) Construction and implementation of internal control

According to Basic Standards for Internal Control of Enterprises, Guidelines for Application of Internal Control, Guidelines for Evaluation of Internal Control and Guidelines for Internal Control of Listed Companies issued by Shenzhen Stock Exchange, the Company formulated the Internal Control Manual of the Company, comprehensively combed the Company's business processes, identified key risk points, controlled the risk points according to the Company's actual situation, and the internal audit organization of the Company regularly evaluated the above control process and effect, and put forward rectification items and improvement suggestions. The Audit Committee of the Company guided and supervised the internal control of the Company.

During the reporting period, according to the identification of major internal control defects in the Company's financial report, there were no major internal control defects in the financial report on the base date of the internal control evaluation report.

According to the identification of major defects in the internal control of the Company's non-financial reports, the Company found no major defects in the internal control of non-financial reports on the base date of the internal control evaluation report.

There were no factors influencing the evaluation conclusion of internal control effectiveness between the base date of the internal control evaluation report and the date of issuance of the internal control evaluation report.

(2)Details of major internal control defects found during the reporting period

□ Yes √ No

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

Company name	Integration plan	Integration progress	Problems encountered in integration	Measures taken for solution	Solution progress	Subsequent planned solution
Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

XIV. Internal control self-evaluation report or internal control audit report

(1)Self-evaluation report on internal control

Disclosure date of appraisal report on internal control	April 15,2025
Disclosure index of appraisal report on internal control	Disclosed by http://www.cninfo.com.cn dated April 15, 2025
Proportion of total unit assets covered by appraisal in the total assets of the consolidated financial statements of the company	100.00%
Proportion of total unit incomes covered by appraisal in the total business incomes	100.00%

of the consolidated financial statements of the company		
Standards of Defects Evaluation		
Type	Financial Report	Non-financial Report
Standard	Deficiency characterized as below will be treated as fatal defects: To correct the fatal errors already published in the financial report （except for the retrospection and adjustments of previous years because of policies changing and other objective factors changing);fatal errors already discovered by auditor, unidentified in the current financial report; any fraud among top management; invalid monitoring to the financial report from audit committee and internal audit department.	(1) Punishment received by governments below provincial level (including provincial level) but no negative effects for our company's periodic report disclosure will be considered as a general deficiency; (2) or punishments from national governments above provincial level but no negative effects for our company's periodic report disclosure will be considered as a significant deficiency; (3) external official disclosure has been already carried out and brought certain negative effects to our company's periodic report disclosure will be considered as a fatal deficiency.
Standards of Quantization	In accordance with the degree of importance of deficiency that may cause financial report errors, our company defined quantitative identification standard of financial report internal deficiency control as per the average of the last three-year total profit. 1) errors reported indicator < consolidating 3% of pre-tax profit, will be asserted as general deficiencies; (2) 3% of combined pre-tax profit ≤ errors reported indicator < 5% of combined pre-tax profit, will be asserted as significant deficiencies; (3) errors reported indicator ≥5% of combined pre-tax profit, will be asserted as fatal deficiencies.	1) Losses < consolidating 3% of pre-tax profit, will be asserted as general deficiencies; (2) 3% of combined pre-tax profit ≤ losses < 5% of combined pre-tax profit, will be asserted as significant deficiencies; (3) losses ≥5% of combined pre-tax profit, will be asserted as fatal deficiencies.
Number of major defects in financial reporting（a）	0	
Number of major defects in non financial reporting (a)	0	
Number of important defects in financial reporting（a）	0	
Number of important defects in non financial reporting（a）	0	

(2) Internal Control audit report

√ Applicable □Not applicable

Review opinions in the internal control audit report	
As far as our best understanding, Hangzhou Turbine Power Group Co., Ltd. has been conducting effective internal control over its financial reporting system in all material aspects we observed as of December 31, 2024, and has been following with the Enterprise Internal Control Criteria.	
Disclosure of internal audit report	Disclosure
Disclosure date of audit report of internal control	April 15,2025
Index of audit report of internal control (full-text)	Disclosed by http://www.cninfo.com.cn dated April 15, 2025
Internal audit report's opinion	Unqualified audit opinion
Non-financial reporting the existence of significant deficiencies	No

Has the CPAs issued a qualified auditor’s report of internal control .

□ Yes √No

Does the internal control audit report issued by the CPAs agree with the self-assessment report of the Board of Directors

√Yes □No

XV. Rectification of self-examination problems in special governance actions of listed companies

None

V. Environmental & Social Responsibility

I. Significant environmental issues

Whether the Company or any of its subsidiaries is identified as a key polluter by the environment authorities

□Yes ☑No

Administrative penalties for environmental problems during the reporting period

Name of company or subsidiary	Reasons for punishment	Violation situation	Penalty result	Impact on the production and operation of listed companies	Company's rectification measures
Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

Prevention and control of pollution facilities construction and operation
None
Administrative penalties for environmental problems during the reporting period
☑Applicable□ Not applicable

During the reporting period, the Company actively expanded its product market in traditional energy conservation sector, accelerated the establishment of an autonomous system for gas turbine products and services in the new energy field, continuously enhanced waste heat recovery and energy-saving emission reduction technologies, expedited the independent development and commercialization of gas turbine products, and provided clean energy solutions - progressively transitioning from traditional energy towards new energy domains.

The Company has consistently regarded the establishment of an environmental management system as a crucial strategy for sustainable development. Guided by the core philosophy of "Green Intelligent Manufacturing, Low-Carbon Future" and the environmental policy of "Energy Conservation and Emission Reduction for an Eco-Friendly Environment," with energy consumption standards set at "comprehensive energy consumption per RMB 10,000 output value ≤0.01 and carbon emissions per RMB 10,000 output value in steam turbine manufacturing ≤28kg/RMB 10,000", the Company has established a comprehensive environmental management system covering R&D design, production and manufacturing, supply chain collaboration, and product lifecycle management, which deeply integrates with the quality management and occupational health management systems, providing systematic support for promoting green transformation in the industry.

Reasons for not disclosing other environmental information

（I）Environmental protection

The company has adopted cleaner production management in an all-round way and started cleaner production audit, which not only reduces consumption and efficiency, but also reduces the pressure and cost of end treatment. The company's environmental management system has been operating for many years, and has strictly abided by the provisions of relevant national laws and regulations and the principle of continuous improvement. The company formulates annual environmental protection targets and environmental management plans every year. During the reporting period, there was no environmental pollution accident or over-emission incident.

The company also continues to promote the awareness of social responsibility in the process of product design and process design, and embodies the concept of green environmental protection in the design process. The product design process fully considers the possibility of environmental pollution and the impact on occupational health, meets the international environmental protection requirements, reduces noise, reduces emissions, and uses harmless materials and processes. For example, by taking measures such as sound insulation enclosure, the running noise of steam turbine can meet the standard. Set up thermal insulation layer to reduce its thermal radiation to a safe level. In all kinds of nonmetallic materials used in steam turbines, components harmful to human body are eliminated.

(II) Energy conservation and emission reduction

In recent years, the company has attached great importance to energy conservation and emission reduction according to the overall arrangement and requirements of its superiors. It has strengthened its leadership and carefully deployed various work measures to further promote energy conservation and emission reduction at various levels to ensure solid results in energy conservation and emission reduction.

II. Social responsibilities

For details of the Company's social responsibility report, please refer to the Social Responsibility Report of the Company for 2025-41 published by the Company on CNINF (http://www.cninfo.com.cn) on April 15, 2025.

III. Consolidate and expand the achievements of poverty alleviation and rural revitalization

(1) Participating in Hangzhou's poverty alleviation program of "Town and Village Pairing for Assistance", the Company has committed to providing RMB 150,000 annually from 2022 to 2025 to support Zitong Town in Chun'an County;

(2) To bolster rural revitalization, the Company purchased agricultural products worthy of over RMB 400,000 from Zitong Town this year.

VI. Important Events

I. Commitments to fulfill the situation

I. The fulfilled commitments in the reporting period and under-fulfillment commitments by the end of the reporting period made by the company, shareholder, actual controller, acquirer, director, supervisor, senior management personnel and other related parities.

☑Applicable □Not applicable

Commitment	Commitment market	Commitment type	Contents	Time of making commitment	Period of commitment	Fulfillment
Other commitments made to the minority shareholders of the company	Hangzhou Turbine Power Group Co., LTD., Hangzhou Turbine Power Technology Co., LTD., and other transferor	Commitment to the transfer of the target company's accounts receivable recovery and other matters	http://www.cninfo.com.cn(Announcement No.:2021-101 and 2021-102)	November 16,2021		Normal performance
Other commitments	Directors and senior managers	Commitment not to reduce the Company's shares	http://www.cninfo.com.cn(Announcement No.:2023-96 and 2024-12)	November 22,2023	As of November 21,2024	Has been fulfilled
Whether commitments are fulfilled on time	Yes					

Note: Hangzhou Turbine Power Group Co., Ltd has been renamed as Hangzhou Turbine Holdings Co., Ltd, and Hangzhou Turbine Power Technology Co., Ltd has been renamed as Hangzhou Guoyu Property Management Co., Ltd.

2. Where there had been an earnings forecast for an asset or project and the Reporting Period was still within the forecast period, explain why the forecast has been reached for the Reporting Period.II Occupation of the Company’s Capital by the Controlling Shareholder or any of Its Related Parties for Non-Operating Purposes

□ Applicable √ Not applicable

II. Particulars about the non-operating occupation of funds by the controlling shareholder

□ Applicable √ Not applicable

No such cases in the reporting period.

III. Illegal provision of guarantees for external parties

□ Applicable √ Not applicable

No such cases in the reporting period.

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

□ Applicable √ Not applicable

V. Notes for "non-standard audit report" of CPAs firm during the Reporting Period by board of directors and supervisory board

□ Applicable √ Not applicable

VI.Explain change of the accounting policy, accounting estimate and measurement methods as compared with the financial reporting of last year.

√Applicable □Not applicable

1. Changes in important accounting policies

① Interpretation No.18 of Accounting Standards for Business Enterprises

On December 6, 2024, the Ministry of Finance issued the Interpretation No.18 of Accounting Standards for Business Enterprises (CK [2024] No.24, Interpretation No.18).

Accounting Treatment for Warranty-Type Quality Assurance Not Constituting a Separate Performance Obligation

Interpretation No. 18 stipulates that for estimated liabilities arising from warranty-type quality assurance not constituting separate performance obligations, enterprises should, according to the relevant provisions of Accounting Standards for Business Enterprises No. 13 - Contingencies, debit the "Main Business Cost", "Other Business Cost" and other subjects according to the determined estimated amount of liabilities, and credit the "Estimated Liabilities", and accordingly record the "Operating Costs" in the income statement and "Other Current Liabilities", "Non-current Liabilities Due within One Year" and "Estimated Liabilities" in the balance sheet.

The Company adopted this provision retroactively from January 1, 2024, the effective date of Interpretation No. 18.

VII.Explain change of the consolidation scope as compared with the financial reporting of last year.

□ Applicable √ Not applicable

No such cases in the reporting period.

VIII. Engagement/Disengagement of CPAs

CPAs currently engaged

Name of the domestic CPAs	Grant Thornton Certified Public Accountants LLP
Remuneration for domestic accounting firm（In RMB 10,000）	109.9
Successive years of the domestic CPAs offering auditing services	1
Names of the certified public accountants from the domestic CPAs	Li Shilong, Zhu Zemin
Successive years of the domestic CPAs offering auditing services	1 year

Has the CPAs been changed in the current period

☑ Yes □No

A detailed explanation of the change of employment and accounting firm

□Yes☑No

Whether the change of accounting firm has implemented the examination and approval procedures

☑ Yes □No

Detailed explanation of the change of employment and change of the accounting firm

The Company convened the Seventh meeting of the Ninth Board of Directors and the Sixth meeting of the Ninth Board of Supervisors on July 2, 2024, followed by the 2024 Second Extraordinary General Meeting of Shareholders on July 18, 2024, where the Proposal Regarding Change of Accounting Firm was reviewed and approved, agreeing to appoint Grant Thornton Certified Public Accountants LLP as the audit institution for fiscal year 2024.

Reason for changing accounting firms: In accordance with relevant regulations issued by the Ministry of Finance, SASAC, and CSRC concerning the maximum consecutive service years for accounting firms conducting financial audits of state-owned enterprises and listed companies, the previously engaged Pan-China Certified Public Accountants had exceeded the permitted service period. To implement the requirements of the Management Measures for the Selection and Appointment of Accounting Firms by State-Owned Enterprises and Listed Companies (CK [2023] No. 4) and ensure audit independence and objectivity, the Company engaged Grant Thornton for 2024 audit services. The Company has conducted thorough communication with the predecessor accounting firm regarding such change, to which the predecessor firm raised no objections.

Engaging of CPA for internal auditing, financial consultants or sponsors

√ Applicable □ Not applicable

Grant Thornton Certified Public Accountants is engaged the auditor of internal control system for the current year. With payment of RMB 300,000 for its service.

IX.Situation of Facing Listing Suspension and Listing Termination after the Disclosure of the Yearly Report

□Applicable √ Not applicable

X. Relevant Matters of Bankruptcy Reorganization

□Applicable √ Not applicable

No such cases in the reporting period.

XI. Matters of Important Lawsuit and Arbitration

□Applicable √ Not applicable

No such cases in the reporting period.

XII. Situation of Punishment and Rectification

□Applicable √ Not applicable

No such cases in the reporting period.

XIII. Credit Condition of the Company and its Controlling Shareholders and Actual Controllers

□Applicable √ Not applicable

XIV. Material related transactions

1. Related transactions in connection with daily operation

☑Applicable □Not applicable

Related party	Relationship	Type of related transaction	Content of related transaction	Pricing principle	Related transaction price (in 10 thousand Yuan)	Related transaction amount (in 10 thousand Yuan)	Proportion in similar transactions (%)	Trading limit approved (in 10 thousand Yuan)	Whether over the approved limited or not (Y/N)	Clearing form for related transaction	Available similar market price	Date of disclosure	Index of disclosure
Hangzhou Turbine Automobile Sales Service Co., Ltd. and its subsidiaries	The associated enterprise of turbine holding	Purchase	Freight, bagging, and rental fee	Market price	Market price	6,862.54	44.03%	6,086	Yes	Bank deposit	Not applicable	January 18,2024	Announcement No.:2024-07
Total				--	--	6,862.54	--	6,086	--	--	--	--	--
Detail of sales return with major amount involved				N/A									
Report the actual implementation of the daily related transactions which were projected about their total amount by types during the reporting period (if applicable)				Not applicable									
Reasons for major differences between trading price and market reference price (if applicable)				Not applicable									

2. Related-party transactions arising from asset acquisition or sale

□Applicable √ Not applicable

No such cases in the reporting period.

3. Related-party transitions with joint investments

□Applicable √ Not applicable

No such cases in the reporting period.

4. Credits and liabilities with related parties

□Applicable √ Not applicable

No such cases in the reporting period.

5. Transactions with related finance company, especially one that is controlled by the Company

□Applicable √ Not applicable

No such cases in the reporting period.

6. Transactions between the financial company controlled by the Company and related parties

□ Applicable √Not applicable
There is no deposit, loan, credit or other financial business between the financial company controlled by the Company and related parties.

7. Other significant related-party transactions

□Applicable √ Not applicable

No such cases in the reporting period.

XV.Significant contracts and execution

1.Entrustments, contracting and leasing

（1）Entrustment

□Applicable √ Not applicable
No such cases in the reporting period.

（2）Contracting

□Applicable √ Not applicable
No such cases in the reporting period.

（3）Leasing

□Applicable √ Not applicable
No such cases in the reporting period.

2.Significant Guarantees

√ Applicable □ Not applicable

In RMB10,000

Outward guarantees offered by the Company and its subsidiaries (Excluding guarantee to the subsidiaries）										
Name of the Company	Relevant disclosure date/No. of the guaranteed amount	Amount of Guarantee	Date of happening (Date of signing agreement)	Actual mount of guarantee	Guarantee type	Guaranty（If any）	Counter-guarantee（If any）	Guarantee term	Complete implementation or not	Guarantee for associated parties (Yes or no)
Guarantee of the company for its subsidiaries										
Name of the Company	Relevant disclosure date/No. of the guaranteed amount	Amount of Guarantee	Date of happening (Date of signing agreement)	Actual mount of guarantee	Guarantee type	Guaranty（If any）	Counter-guarantee（If any）	Guarantee term	Complete implementation or not	Guarantee for associated parties (Yes or no)
New Energy Company	January 26,2022	30,000	September 26,2022	11,123.01	The joint liability guaranty	Three years from the date of expiration of the principal debt	No	No	Yes	No
New Energy Company	March 22,2023	30,000	May 19,2023	27,304.57	The joint liability guaranty	Three years from the date of expiration of the principal debt	No	No	Yes	No
New Energy Company	October 31,2023	30,000	January 18,2024	10,146.39	The joint liability guaranty	Two years from the date of expiration of the principal debt	No	No	Yes	No
Total of guarantee for subsidiaries approved in the period(B1)		0		Total of actual guarantee for subsidiaries in the period (B2)		10,146.39				
Total of guarantee for subsidiaries approved at period-end(B3)		90,000		Total of actual guarantee for subsidiaries at period-end(B4)		48,573.97				
Guarantee of the subsidiaries for the controlling subsidiaries										
Name of the Company	Relevant	Amount of	Date of	Actual	Guarantee	Guaranty（If	Counter-	Guarantee	Complete	Guarantee

	disclosure date/No. of the guaranteed amount	Guarantee	happening (Date of signing agreement)	mount of guarantee	type	any）	guarantee （If any）	term	implementation or not	for associated parties (Yes or no)
Guoneng Company	November 15,2023	6,000	August 24,2023	3,377.11	The joint liability guaranty	Two years from the date of expiration of the principal debt	No	No	No	No
Guoneng Company	November 15,2023	6,000	August 24,2023	96.98	The joint liability guaranty	Two years from the date of expiration of the principal debt	No	No	No	No
Guoneng Company	November 15,2023	5,000	August 30,2023	2,335.6	The joint liability guaranty	Two years from the date of expiration of the principal debt	No	No	No	No
Hangzhou Hangfa Company	March 29,2023	8,000	October 14,2022	7,173.14	The joint liability guaranty	Two years from the date of expiration of the principal debt	No	No	No	No
Hangzhou Hangfa Company	March 29,2023	4,000	November 3,2022	2,919.06	The joint liability guaranty	Two years from the date of expiration of the principal debt	No	No	No	No
Hangzhou Hangfa Company	September 16,2023	1,500	August 25,2023	4,036.36	The joint liability guaranty	Three years from the date of expiration of the principal debt	No	No	No	No
Anhui Hangqilun Casting Technology Co., Ltd.	August 3,2024	5,453	July 18,2024	2,179.11	The joint liability guaranty	Three years from the date of expiration	No	No	No	No

<table>
<tr><td></td><td></td><td></td><td></td><td></td><td></td><td>of the principal debt</td><td></td><td></td><td></td><td></td></tr>
<tr><td colspan="2">Total guarantee quota to the subsidiaries approved in the reporting period (C1)</td><td colspan="2">0</td><td colspan="2">Total amount of guarantee to the subsidiaries actually incurred in the reporting period (C2)</td><td colspan="5">4,737.56</td></tr>
<tr><td colspan="2">Total guarantee quota to the subsidiaries approved at the end of the reporting period (C3)</td><td colspan="2">35,953</td><td colspan="2">Total balance of actual guarantee to the subsidiaries at the end of the reporting period (C4)</td><td colspan="5">22,117.36</td></tr>
<tr><td colspan="11">Total of Company’s guarantee（namely total of the large three aforementioned）</td></tr>
<tr><td colspan="2">Total of guarantee in the Period（A1+B1+C1）</td><td colspan="2">0</td><td colspan="2">Total of actual guarantee in the Period（A2+B2+C2）</td><td colspan="5">14,883.95</td></tr>
<tr><td colspan="2">Total of guarantee at Period-end（A3+B3+C3）</td><td colspan="2">125,953</td><td colspan="2">Total of actual guarantee at Period-end A4+B4+C4）</td><td colspan="5">70,691.33</td></tr>
<tr><td colspan="4">The proportion of the total amount of actually guarantee in the net assets of the Company(that is A4+B4+C4)</td><td colspan="7">7.89%</td></tr>
<tr><td colspan="11">Including</td></tr>
<tr><td colspan="4">Amount of guarantee for shareholders, actual controller and its associated parties（D）</td><td colspan="7">0</td></tr>
<tr><td colspan="4">The debts guarantee amount provided for the Guaranteed parties whose assets-liability ratio exceed 70% directly or indirectly（E）</td><td colspan="7">14,128.56</td></tr>
<tr><td colspan="4">Proportion of total amount of guarantee in net assets of the company exceed 50%（F）</td><td colspan="7">0</td></tr>
<tr><td colspan="4">Total guarantee Amount of the abovementioned guarantees（D+E+F）</td><td colspan="7">14,128.56</td></tr>
<tr><td colspan="4">Explanations on possibly bearing joint and several liquidating responsibilities for undue guarantees (If any)</td><td colspan="7">N/A</td></tr>
<tr><td colspan="4">Explanations on external guarantee against regulated procedures(If any)</td><td colspan="7">N/A</td></tr>
</table>

Description of the guarantee with complex method

Not applicable

3.Situation of Entrusting Others for Managing Spot Asset

(1)Situation of Entrusted Finance

√ Applicable □Not applicable

Overview of entrusted wealth-management during the reporting period

In RMB 10,000

Specific type	Source of funds for entrusted financial management	The Occurred Amount of Entrusted Wealth-management	Undue balance	Amount overdue	Un-recovered of overdue amount
Bank financing product	Self funds	66,300	66,800	0	0
Total		66,300	66,800	0	0

The detailed information of entrusted wealth-management with significant amount or low safety, poor liquidity or high risk with no promise of principal

□Applicable √ Not applicable

Entrusted financing appears to be unable to recover the principal or there may be other circumstances that may result in impairment

□ Applicable √ Not applicable

(2)Situation of Entrusted Loans

□ Applicable √ Not applicable

No such cases in the reporting period.

4. Other significant contract

□ Applicable √ Not applicable

No such cases in the reporting period.

XVI. Explanation on other significant events

√ Applicable □Not applicable

1. The company held the 10th meeting 9th term of Board on November 9,2024, The meeting examined and adopted the Proposal on the Share Exchange and Merger of Hangzhou Turbine Power Group Co., Ltd. Namely the Related Party Transaction Plan by Hangzhou Hirisun Technology Incorporated. And other major asset restructuring related proposals. please refer to the announcement published by the Company on the Cninfo Information Network (http://www.cninfo.com.cn) on November 11, 2024.

XVII. Significant event of subsidiary of the Company

□ Applicable √ Not applicable

VII. Change of share capital and shareholding of Principal Shareholders

1.Changes in share capital

1.Changes in share capital

In shares

	Before the change		Increase/decrease（+，-）					After the Change	
	Amount	Proportion	Share allotment	Bonus shares	Capitalization of common reserve fund	Other	Subtotal	Quantity	Proportion
I. Unlisted shares	748,526,688	63.68%	0	0	0	0	0	748,526,688	63.70%
1. Founder's stock	748,526,688	63.68%	0	0	0	0	0	748,526,688	63.70%
Including：State-owned shares	748,526,688	63.68%	0	0	0	0	0	748,526,688	63.70%
II.Shares with unconditional subscription	426,917,712	36.32%	0	0	0	-434,803	-434,803	426,482,909	36.30%
1. RMB ordinary shares	0	0.00%	0	0	0	0	0	0	0.00%
2. Domestically listed foreign shares	426,917,712	36.32%	0	0	0	-434,803	-434,803	426,482,909	36.30%
3. Overseas listed foreign shares	0	0.00%	0	0	0	0	0	0	0.00%
4. Others	0	0.00%	0	0	0	0	0	0	0.00%
III. Total shares	1,175,444,400	100.00%	0	0	0	-434,803	-434,803	1,175,009,597	100.00%

Reasons for share changed

√ Applicable □ Not applicable

On January 2, 2024,the repurchase of 434,803 restricted shares of 10 incentive targets was canceled;

Approval of change of the shares

√ Applicable □Not applicable

On October 30, 2023, the Company convened the Ninth Meeting of the Third Board of Directors, deliberated and passed the Proposal on Repurchase and Cancellation of Some Restricted Stocks, and agreed to repurchase and cancel 434,803 restricted stocks of 14 retirees, 3 resigned employees and 2 incentive objects failing to obtain the Good or above result in examination, which failed to meet the requirements for lifting the restricted sales.

Ownership transfer of share changes

√ Applicable □Not applicable

On January 2, 2024, the Company completed the repurchase cancellation of 434,803 restricted stocks. The Company's total share capital was 1,175,444,400 before the cancellation, and 1,175,009,597 after the cancellation.

Influence on the basic EPS and diluted EPS as well as other financial indexes of net assets per share attributable to common shareholders of Company in latest year and period

□ Applicable √ Not applicable

Other information necessary to disclose for the company or need to disclosed under requirement from security regulators

□ Applicable √ Not applicable

2. Change of shares with limited sales condition

√ Applicable □Not applicable

In Shares

Shareholder Name	Initial Restricted Shares	Number of Unrestricted Shares This Term	Number of Increased Restricted Shares This Term	Restricted Shares in the End of the Term	Reason for Restricted Shares	Date of Restriction Removal
Ye Zhong	292,500	128,700	128,700	292,500	Equity incentive restricted stocks and restricted sales for senior managers.	November 12,2024
Zheng Bin	292,500	128,700	128,700	292,500	Equity incentive restricted stocks and restricted sales for senior managers.	November 12,2024
Li Shijie	312,000	24,960	102,960	234,000	Equity incentive restricted stocks and restricted sales for senior managers.	November 12,2024
Yang Yongming	234,000	102,960	102,960	234,000	Equity incentive restricted stocks and restricted sales for senior managers.	November 12,2024
Wang Gang	234,000	102,960	102,960	234,000	Equity incentive restricted stocks and restricted sales for senior managers.	November 12,2024
Cai Weijun	234,000	102,960	102,960	234,000	Equity incentive	January 30,2024

					restricted stocks and restricted sales for senior managers.	
Kong Jianqiaqng	234,000	102,960	102,960	234,000	Equity incentive restricted stocks and restricted sales for senior managers.	November 12,2024
Wang Zhengrong	234,000	102,960	102,960	234,000	Equity incentive restricted stocks and restricted sales for senior managers.	November 12,2024
Zhao Jiamao	234,000	102,960	102,960	234,000	Equity incentive restricted stocks and restricted sales for senior managers.	November 12,2024
Li Guiwen	234,000	180,960	102,960	312,000	Equity incentive restricted stocks and restricted sales for senior managers.	November 12,2024
Other	16,973,424	924,153	8,555,976	9,341,601	Equity incentive restricted stocks and restricted sales for senior managers.	January 30,2024/November 12,2024
Total	19,508,424	2,005,233	9,637,056	11,876,601	--	--

II. Securities issue and listing

1.Explanation of the Situation of the Security Issue(No Preferred Shares) in the Report Period

□ Applicable √ Not applicable

2.Change of asset and liability structure caused by change of total capital shares and structure

□ Applicable √ Not applicable

3.About the existing employees' shares

□ Applicable √ Not applicable

III. Particulars about the shareholders and substantial controller

1. Amount of shareholders and their shareholding position

In shares

Total number of common shareholders at the end of the reporting period	10,809	Total shareholders at the end of the month from the date of disclosing the annual report	10,956	The total number of preferred shareholders voting rights restored at period-end (if any)(Note 8)	0	Total preference shareholders with voting rights recovered at end of last month before annual report disclosed(if any)(Note8)		0

Particulars about shares held above 5% by shareholders or top ten shareholders（Excluding shares lent through refinancing）								
Shareholders	Nature of shareholder	Proportion of shares held（%）	Number of shares held at period -end	Changes in reporting period	Amount of restricted shares held	Amount of un-restricted shares held	Number of share pledged/frozen	
							State of share	Amount
Hangzhou Turbine Holdings Co., Ltd.	State-owned legal person	58.70%	689,715,889	0	689,715,889	0	Not applicable	0
Hangzhou Qitong Equity Investment Partnership（LP）	State-owned legal person	5.00%	58,810,799	0	58,810,799	0	Not applicable	0
China Merchants Securities(HK)Co., Ltd.	Foreign legal person	0.82%	9,613,461	1,091,092	0	9,613,461	Not applicable	0
Zhou Jie	Domestic Natural person	0.73%	8,478,000	503,100	0	8,478,000	Not applicable	0
GUOTAI JUNAN SECURITIES（HONG KONG） LIMITED	Foreign legal person	0.62%	7,273,677	-895,355	0	7,273,677	Not applicable	0
Xia Zulin	Domestic Natural person	0.51%	5,944,000	2,134,000	0	5,944,000	Not applicable	0
VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	Foreign legal person	0.50%	5,855,511	-722,900	0	5,855,511	Not applicable	0
VANGUARD EMERGING MARKETS STOCK INDEX FUND	Foreign legal person	0.45%	5,232,723	-911,621	0	5,232,723	Not applicable	0
NORGES BANK	Foreign legal person	0.33%	3,922,665	0	0	3,922,665	Not applicable	0
ISHARES CORE MSCI EMERGING MARKETS ETF	Foreign legal	0.30%	3,023,240	-3,713,394	0	3,023,	Not applicable	0

	person					240		

Strategy investors or general legal person becomes top 10 shareholders due to rights issued (if applicable)（See Notes 3）	Not applicable
Explanation on associated relationship among the aforesaid shareholders	(1) Hangzhou Turbine Holdings Co., Ltd. Has no relationship with other shareholders; (2) Hangzhou Turbine Holdings Co., Ltd. has no acting-in-concert relationship with other shareholders; (3) Whether any association or acting-in-concert relationships exist among other shareholders remains unknown.
Above shareholders entrusting or entrusted with voting rights, or waiving voting rights	Not applicable
Top 10 shareholders including the special account for repurchase (if any) (see note 10)	Not applicable

Particular about top ten shareholders with un-restrict shares held(Excluding shares lent through refinancing and Top management lock-in stock)			
Name of the shareholder	Quantity of unrestricted shares held at the end of the reporting period	Share type	
		Share type	Quantity
China Merchants Securities (HK)Co., Ltd	9,613,561	Foreign shares placed in domestic exchange	9,613,561
Zhou Jie	8,535,000	Foreign shares placed in domestic exchange	8,535,000
GUOTAI JUNAN SECURITIES（HONG KONG） LIMITED	7,238,777	Foreign shares placed in domestic exchange	7,238,777
Xia Zulin	5,944,000	Foreign shares placed in domestic exchange	5,944,000
VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	5,855,511	Foreign shares placed in domestic exchange	5,855,511
VANGUARD EMERGING MARKETS STOCK INDEX FUND	5,232,723	Foreign shares placed in domestic exchange	5,232,723
NORGES BANK	3,922,665	Foreign shares placed in domestic exchange	3,922,665
ISHARES CORE MSCI EMERGING MARKETS ETF	3,481,871	Foreign shares placed in domestic exchange	3,481,871
Gu Yang	2,860,043	Foreign shares placed in domestic exchange	2,860,043
VFTC INSTITUTIONAL TOTAL INTERNATIONAL STOCK MARKET INDEX TRUST II	2,847,664	Foreign shares placed in domestic exchange	2,847,664
Explanation on associated relationship or consistent action among the top 10 shareholders of non-restricted negotiable shares and that between the top 10 shareholders of non-restricted negotiable shares and top 10 shareholders	It is unknown to the Company if there is any relationship among the top 10 common share holders without restriction;		
Notes to the shareholders involved in financing securities (if any)(See Notes 4)	Not applicable		

Information of shareholders holding more than 5% of the shares, the top 10 shareholders and the top 10 shareholders of unrestricted tradable shares participating in the lending of shares in securities lending and borrowing business

□ Applicable √ Not applicable

The top 10 shareholders and the top 10 shareholders of unrestricted tradable shares have changed compared with the previous period due to the securities lending/returning of shares in securities lending and borrowing business

□ Applicable √ Not applicable

Whether top ten common shareholders or top ten common shareholders with un-restrict shares held have a buy-back agreement dealing in reporting period.

□ Yes √ No

The top ten common shareholders or top ten common shareholders with un-restrict shares held of the Company have no buy –back agreement dealing in reporting period.

2.Controlling shareholder

Nature of Controlling Shareholders: Local state holding

Type: Legal person

Name of the holding shareholder	Legal representative	Incorporated in	Organization code	Registered capital
Hangzhou Turbine Holdings Co., Ltd.	Hua Wei	December 14,1992	91330100143071842L	General items: corporate headquarters management; holding company service; daily life service for residents; leasing service(except those that need to be approved according to law, for which business activities shall be carried out independently according to laws and the business license).
Shareholding status of the holding shareholder in other PLCs in the country and abroad during the report period	N/A			

Change of holding shareholder

□ Applicable √ Not applicable

No change of holding shareholder in the report period.

3. Information about the controlling shareholder of the Company

Actual controller nature：Local state owned Assets Management

Actual controller type：Legal person

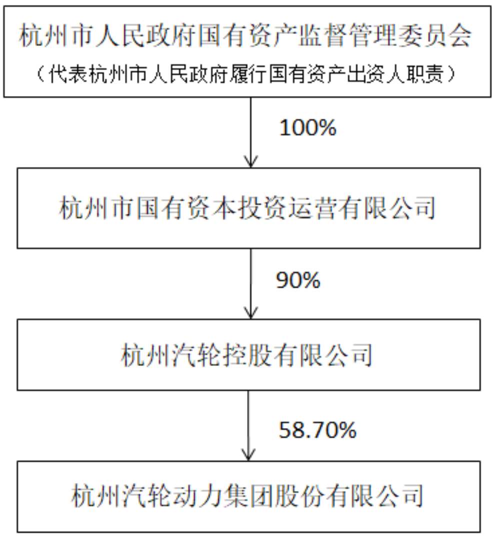
Name of the substantial controller	Legal representative	Date of incorporation	Organization code	Principal business activities
State-owned Assets Supervision and Administration Commission of Hangzhou Municipal Government	Gu Chunxiao		113301007766375272	Not applicable
The equity of the controlling shareholder in other domestic and foreign listed companies held or partly held by it in the report period	Hangzhou Jiebai (SH.600814) held 60.04% shares; Digital Source Technology Co., Ltd.（SZ.000909）held 39.16% shares; Hangyang Co., Ltd.(SZ.002430)held 47.98% shares; Hirisun（SZ.300277）held 29.80% shares.			

Change of the actual controller in the reporting period

□ Applicable √ Not applicable

None

Block Diagram of the ownership and control relations between the company and the actual controller



The actual controller controls the company by means of trust or managing the assets in other way

□ Applicable √ Not applicable

4.The cumulative number of shares pledged by the controlling shareholder or the largest shareholder of the company and its person acting in concert accounts for 80% of the number of shares held by the company

□Applicable √Not applicable

5.Particulars about other legal person shareholders with over 10% share held

□Applicable √Not applicable

6.Situation of Share Limitation Reduction of Controlling Shareholders, Actual Controllers, Restructuring Party and Other Commitment Subjects

□Applicable √Not applicable

IV. Specific implementation of share repurchase during the reporting period

Progress in implementation of share repurchase

□ Applicable √Not applicable

Implementation progress of reducing repurchased shares by centralized bidding

□ Applicable √Not applicable

VIII. Situation of the Preferred Shares

□Applicable √Not applicable

The Company had no preferred shares in the reporting period.

IX. Corporate Bond

□ Applicable √ Not applicable

X.Financial Report

I. Auditors' Report

Type of auditing opinion	Standard report without qualified opinion
Date of signature of audit report	April 11, 2025
Name of the CPA	Grant Thornton Certified Public Accountants LLP
Reference number of audit Report	GTCNSZ(2025)No. 332A010947
Name of the certified Public Accountants	Li Shilong, Zhu Zemin

Auditors’ Report

GTCNSZ(2025)No. 332A010947

All shareholders of Hangzhou Turbine Power Group Co., Ltd.

I. Opinion

We have audited the financial statements of Hangzhou Turbine Power Group Co., Ltd..(hereinafter referred to as "the Company"), which comprise the balance sheet as at December 31, 2024, and the income statement, the statement of cash flows and the statement of changes in owners' equity for the year then ended and notes to the financial statements.

In our opinion, the attached financial statements are prepared, in all material respects, in accordance with Accounting Standards for Business Enterprises and present fairly the financial position of the Company as at December 31, 2024 and its operating results and cash flows for the year then ended.

II. Basis for Our Opinion

We conducted our audit in accordance with the Auditing Standards for Certified Public Accountants in China. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. According to the Code of Ethics for Chinese CPA, we are independent of the Company in accordance with the Code of Ethics for Chinese CPA and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

(I) Recognition of income

1. Matter description

The consolidated financial statements of Hangzhou Turbine Co., Ltd. reported a revenue of RMB 6,638.915 million for this period, with a year-on-year increase of 12.06%. As operating income is one of the key performance indicators of the Company, there may be inherent risks that the management of Hangzhou Steam Turbine Co., Ltd. (hereinafter referred to as management) can achieve specific goals or expectations through improper operating income recognition. Therefore, we have identified revenue recognition as a key audit matter.

2. Audit response

For income recognition, we performed the following principal audit procedures:

(1) Understand and evaluate the design effectiveness of internal controls relating to income recognition, and test the operating effectiveness of key controls;

(2) Obtain and examine sales contracts with customers, identify contractual terms regarding transfer of control of goods related to income recognition, and evaluate the accounting policies and point-in-time of income recognition;

(3) Perform analytical procedures on operating income and gross margin by month, product, and customer to identify significant or unusual fluctuations and investigate their causes; Conduct interview procedures for customers with significant or abnormal fluctuation;

(4) In case of income recognition by the point-in-time method, for the domestic sales income, select relevant supporting documents for project inspection, including sales contracts, sales invoices, shipping orders, receipt orders, etc.; For export income, select relevant supporting documents for project inspection, including sales contract, export declaration form, bill of lading, sales invoice, etc. to confirm the authenticity of income; In case of income recognition by time phasing method, select the proportion of project test performance, including checking sales contracts and enterprise project budget tables, to verify the accuracy of income recognition;

(5) Select samples and execute the confirmation procedure for important customers by positive confirmation, recognize the current sales amount and the balance of accounts receivable at the end of the current period, and execute the business information inquiry procedure for important customers through the national enterprise credit information publicity system;

(6) Conduct income cutoff tests by examining supporting documentation for income recognized immediately before and after the balance sheet date to evaluate whether the income was recorded in the appropriate period.

(II) accounts receivable and Impairment of contract assets

1. Matter description

As of December 31, 2024, the book balance of accounts receivable of Hangzhou Turbine Co., Ltd. was RMB 3,346,227,700, the bad debt provision was RMB 826,843,100, with a book value of RMB 2,519,384,600, the book balance of contract assets was RMB 935,608,100 and the impairment provision was RMB 78,903,500, with a book value of RMB 856,704,600. Given the material impact of accounts receivable and contract asset impairment on the financial statements, coupled with the inherent subjectivity in assessing recoverability of accounts receivable and recognizing impairment losses, which involves significant management judgment and increases risks of misstatement or potential management bias, we identified the accounts receivable and Impairment of contract assets as a key audit matter.

2. Audit response

For the accounts receivable and Impairment of contract assets, we performed the following principal audit procedures:

(1) Understand and evaluate the design effectiveness of internal controls relating to accounts receivable and contract asset impairment, and test the operating effectiveness of key controls;

(2) For accounts receivable and contract assets measured for expected credit losses on an individual basis, review management's cash flow projections and check them with external evidence;

(3) For accounts receivable and contract assets measured for expected credit losses on a portfolio basis, evaluate the reasonableness of management-determined expected credit loss rates of such accounts receivable and contract assets and test whether the management's calculation of bad debt provision and impairment provision is accurate;

(4) Select samples of year-end receivables for confirmation procedures and perform alternative procedures for non-responsive samples;

(5) Test the accuracy of receivable aging prepared by management;

(6) Obtain and review the management's documentation supporting the recoverability evaluation of significant accounts receivable and contract assets, with particular attention to long-aged receivables, and evaluate the reasonableness of management's judgments by examining customer backgrounds, operational status, historical transactions and subsequent payment collections;

(7) Evaluate whether the disclosures related to the impairment provision for receivables comply with the requirements of the Accounting Standards for Business Enterprises.

(III) Net realizable value of inventory

1. Matter description

As of December 31, 2024, the ending balance of Hangzhou Turbine Co., Ltd. was RMB 2,869,369,200, the depreciation reserve was RMB 311,804,500, and the ending book value was RMB 2,557,564,700. Inventory is measured by the lower of cost and net realizable value. The management determines the net realizable value according to the estimated selling price minus the estimated cost, estimated sales expenses and related taxes and fees. As the amount of inventory is significant and it is determined that the net realizable value of inventory involves significant management judgment, we have recognized the net realizable value of inventory as a key audit item.

2. Audit response

For the net realizable value of inventory, we performed the following principal audit procedures:

(1) Understand and evaluate the design effectiveness of internal controls relating to inventory depreciation provision, and test the operating effectiveness of key controls;

(2) Understand and inquire about inventory storage locations and accounting methods to determine the scope of inventory observation; Perform inventory observation procedures to check for damaged, obsolete, outdated, or defective inventory;

(3) Understand and evaluate the appropriateness of the Company's accrual polity for inventory depreciation provision;

(4) Obtain year-end inventory aging reports and conduct aging analysis in conjunction with product conditions to assess the reasonableness of inventory depreciation provision;

(5) Review and evaluate the reasonableness of significant estimates made by the management in determining net realizable value;

(6) Obtain the inventory depreciation provision calculation sheets to verify compliance with accounting policies and recalculate the inventory depreciation provision if not; Examined changes in prior-year inventory depreciation and assess the reasonableness of key net realizable value parameters (including estimated selling prices and projected taxes), review the sufficiency of supporting evidence for estimated selling prices and analyze the appropriateness of inventory depreciation provision;

(7) Evaluate whether the management's disclosures regarding inventory net realizable value were properly presented in the financial statements.

IV. Other information

The management of the Company is responsible for the other information. The other information comprises information of the Company's 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, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard

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

The Company's management is responsible for preparing the financial statements in accordance with the requirements of 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, management of the Company is responsible for assessing the Company's ability to continue as a going concern, disclosing matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

VI. Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

(1) Identify and assess 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, omissions, misrepresentations, or the override of internal control.

(2) Obtain an understanding of internal control relevant to the audit in order to design audit procedures.

(3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management of the Company.

(4) Conclude on the appropriateness of using the going concern assumption by the management of the Company, and conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

(5) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

(6) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements and bear all liability for the opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Grant Thornton Certified Public Accountants LLP	Certified Public Accountant of China (Engagement Partner) Certified Public Accountant of China	
Beijing China		April 11, 2025

II. The Financial Statements

Statement in Financial Notes are carried in RMB

1. Consolidated Balance Sheet

Prepared by: Hangzhou Turbine Power Group Co., Ltd

December 31,2024

In RMB

Item	December 31,2024	January 1,2024
Current asset：		
Monetary fund	2,249,624,409.13	2,798,168,129.50
Settlement provision		
Outgoing call loan		
Transactional financial assets	669,850,839.08	568,162,727.49
Derivative financial assets		724,756.61
Notes receivable	48,519,566.88	84,988,677.11
Account receivable	2,519,384,588.01	2,242,141,940.94
Financing of receivables	598,790,851.05	756,873,166.56
Prepayments	343,519,043.23	725,264,109.04
Insurance receivable		
Reinsurance receivable		
Provisions of Reinsurance contracts receivable		
Other account receivable	47,179,278.21	43,018,211.13
Including：Interest receivable		
Dividend receivable		
Repurchasing of financial assets		
Inventories	2,557,564,668.61	2,429,496,037.81
Including：Data resources		
Contract assets	856,704,611.36	640,386,559.53
Assets held for sales		
Non-current asset due within 1 year		

Other current asset	70,709,898.05	5,622,606.07
Total of current assets	9,961,847,753.61	10,294,846,921.79
Non-current assets：		
Non-current assets：		
Loans and payment on other’s behalf disbursed		
Creditor's right investment		
Long-term receivable		14,779,983.03
Long term share equity investment		
Other equity instruments investment	3,972,096,759.66	2,721,470,812.06
Other non-current financial assets	5,534,773.22	5,534,773.22
Property investment	5,161,268.80	1,544,449.40
Fixed assets	1,912,357,802.93	1,995,150,533.24
Construction in progress	867,580,986.71	298,071,246.03
Production physical assets		
Oil & gas assets		
Use right assets	20,524,948.08	34,274,571.45
Intangible assets	399,255,228.97	409,302,531.32
Including：Data resources		
Development expenses		
Including：Data resources		
Goodwill	7,104,453.00	15,415,678.59
Long-germ expenses to be amortized		
Deferred income tax asset	93,991,276.20	73,600,434.50
Other non-current asset	6,627,194.78	63,688,181.60
Total of non-current assets	7,290,234,692.35	5,632,833,194.44
Total of assets	17,252,082,445.96	15,927,680,116.23
Current liabilities		
Short-term loans	454,539,898.33	504,428,866.04
Loan from Central Bank		
Borrowing funds		
Transactional financial liabilities		
Derivative financial liabilities		
Notes payable	637,585,272.90	481,424,952.96
Account payable	1,686,388,594.36	1,409,130,502.72
Advance receipts	445,971.37	29,998.47
Contract liabilities	2,390,788,170.22	2,753,211,717.09
Selling of repurchased financial assets		
Deposit taking and interbank deposit		
Entrusted trading of securities		
Entrusted selling of securities		
Employees’ wage payable	146,791,163.03	139,367,042.75
Tax payable	92,736,952.39	91,797,224.07
Other account payable	140,658,195.10	151,669,883.07
Including：Interest payable		
Dividend payable		
Fees and commissions payable		
Reinsurance fee payable		
Liabilities held for sales		
Non-current liability due within 1 year	207,761,039.82	80,815,769.12
Other current liability	271,340,714.20	322,364,385.03
Total of current liability	6,029,035,971.72	5,934,240,341.32
Non-current liabilities：		
Reserve fund for insurance contracts		
Long-term loan	327,281,413.06	222,819,841.07
Bond payable		
Including：preferred stock		

Sustainable debt		
Lease liability	6,690,983.41	15,945,346.47
Long-term payable	24,903,856.16	12,195,896.78
Long-term remuneration payable to staff		
Expected liabilities		
Deferred income	1,035,380,701.74	1,069,670,711.41
Deferred income tax liability	253,103,217.79	73,994,186.59
Other non-current liabilities	58,696,860.00	58,696,860.00
Total non-current liabilities	1,706,057,032.16	1,453,322,842.32
Total of liability	7,735,093,003.88	7,387,563,183.64
Owners' equity		
Share capital	1,175,009,597.00	1,175,444,400.00
Other equity instruments		
Including：preferred stock		
Sustainable debt		
Capital reserves	387,396,850.42	399,213,704.44
Less：Shares in stock	38,448,518.11	86,290,288.75
Other comprehensive income	3,043,971,311.70	1,980,939,256.24
Special reserve	24,564,866.49	20,355,377.31
Surplus reserves	625,178,089.82	625,178,089.82
Common risk provision		
Retained profit	3,736,929,527.12	3,784,435,361.60
Total of owner's equity belong to the parent company	8,954,601,724.44	7,899,275,900.66
Minority shareholders' equity	562,387,717.64	640,841,031.93
Total of owners' equity	9,516,989,442.08	8,540,116,932.59
Total of liabilities and owners' equity	17,252,082,445.96	15,927,680,116.23

Legal Representative: Ye Zhong Person in charge of Accounting Works: Zhao Jiamao Person in charge of Accounting Institution: Lv Lin

2.Parent Company Balance Sheet

In RMB

Item	December 31,2024	January 1,2024
Current asset：		
Monetary fund	1,057,647,017.78	1,198,706,140.69
Transactional financial assets	651,850,839.08	451,960,706.24
Derivative financial assets		
Notes receivable	16,489,600.00	48,723,200.00
Account receivable	1,477,619,197.06	1,610,475,971.83
Financing of receivables	369,509,347.60	466,224,508.82
Prepayments	84,234,655.89	194,044,916.86
Other account receivable	10,694,085.45	6,258,018.53
Including：Interest receivable		
Dividend receivable		
Inventories	1,316,548,427.74	1,309,708,237.14
Including：Data resources		
Contract assets	434,710,733.97	383,286,226.27
Assets held for sales		
Non-current asset due within 1 year		
Other current asset	29,216,870.82	59,000.08
Total of current assets	5,448,520,775.39	5,669,446,926.46
Non-current assets：		
Creditor's right investment		
Other investment on bonds		
Long-term receivable		

Long term share equity investment	844,864,375.75	741,912,842.24
Other equity instruments investment	3,972,096,759.66	2,721,470,812.06
Other non-current financial assets	5,534,773.22	5,534,773.22
Property investment		
Fixed assets	1,498,239,409.29	1,558,177,974.55
Construction in progress	437,217,019.88	249,066,837.78
Production physical assets		
Oil & gas assets		
Use right assets	1,006,315.84	4,377,781.09
Intangible assets	235,103,126.59	241,459,124.96
Including：Data resources		
Development expenses		
Including：Data resources		
Goodwill		
Long-germ expenses to be amortized		
Deferred income tax asset		
Other non-current asset	539,900.00	60,817,500.00
Total of non-current assets	6,994,601,680.23	5,582,817,645.90
Total of assets	12,443,122,455.62	11,252,264,572.36
Current liabilities		
Short-term loans	300,208,219.18	354,073,287.67
Transactional financial liabilities		
Derivative financial liabilities		
Notes payable	514,294,791.74	118,677,114.86
Account payable	711,022,243.52	875,769,755.40
Advance receipts		315,237.45
Contract Liabilities	1,081,226,417.38	1,281,868,805.36
Employees’ wage payable	89,400,861.61	84,954,153.08
Tax payable	16,813,959.59	26,868,892.51
Other account payable	95,114,994.77	132,513,722.18
Including：Interest payable		
Dividend payable		
Liabilities held for sales		
Non-current liability due within 1 year	181,163,576.89	3,600,766.81
Other current liability	132,244,883.54	148,750,787.56
Total of current liability	3,121,489,948.22	3,027,392,522.88
Non-current liabilities：		
Long-term loan	61,464,902.31	75,055,479.45
Bond payable		
Including：preferred stock		
Sustainable debt		
Lease liability		1,033,302.92
Long-term payable	14,605,895.59	9,093,277.96
Long-term remuneration payable to staff		
Expected liabilities		
Deferred income	927,892,731.06	951,548,103.70
Deferred income tax liability	244,412,142.83	66,103,761.74
Other non-current liabilities		
Total non-current liabilities	1,248,375,671.79	1,102,833,925.77
Total of liability	4,369,865,620.01	4,130,226,448.65
Owners’ equity		
Share capital	1,175,009,597.00	1,175,444,400.00
Other equity instruments		
Including：preferred stock		
Sustainable debt		
Capital reserves	232,876,144.34	221,680,078.37

Less：Shares in stock	38,448,518.11	86,290,288.75
Other comprehensive income	3,043,971,311.70	1,980,939,256.24
Special reserve	4,363,464.99	5,240,943.39
Surplus reserves	602,356,402.65	602,356,402.65
Retained profit	3,053,128,433.04	3,222,667,331.81
Total of owners' equity	8,073,256,835.61	7,122,038,123.71
Total of liabilities and owners' equity	12,443,122,455.62	11,252,264,572.36

Legal Representative: Ye Zhong Person in charge of Accounting Works: Zhao Jiamao Person in charge of Accounting Institution: Lv Lin

3.Consolidated Income statement

In RMB

Item	Year 2023	Year 2023
I. Income from the key business	6,638,914,993.24	5,924,238,021.22
Incl：Business income	6,638,914,993.24	5,924,238,021.22
Interest income		
Insurance fee earned		
Fee and commission received		
II. Total business cost	6,395,229,208.38	5,606,309,789.60
Incl：Business cost	5,353,541,188.04	4,493,808,893.22
Interest expense		
Fee and commission paid		
Insurance discharge payment		
Net claim amount paid		
Net amount of withdrawal of insurance contract reserve		
Insurance policy dividend paid		
Reinsurance expenses		
Business tax and surcharge	45,561,817.01	36,504,541.61
Sales expense	298,441,433.49	291,436,241.50
Administrative expense	540,420,241.50	539,443,616.46
R & D costs	178,466,573.91	276,685,638.98
Financial expenses	-21,202,045.57	-31,569,142.17
Including：Interest expense	12,113,923.93	20,910,664.51
Interest income	39,515,927.28	44,289,213.68
Add: Other income	104,318,177.81	112,573,844.66
Investment gain（"-"for loss）	253,840,158.89	125,962,024.74
Incl: investment gains from affiliates		
Financial assets measured at amortized cost cease to be recognized as income	-29,191.37	
Gains from currency exchange		
Net exposure hedging income		
Changing income of fair value	-109,867.16	686,725.67
Credit impairment loss	73,172,349.47	82,719,910.10
Impairment loss of assets	-90,766,629.43	-37,827,614.77
Assets disposal income	1,792,991.03	68,805,634.27
III. Operational profit（"-"for loss）	585,932,965.47	670,848,756.29
Add ：Non-operational income	82,333,372.70	67,284,290.91
Less: Non-operating expense	30,756,871.27	2,615,000.42
IV. Total profit("-"for loss)	637,509,466.90	735,518,046.78
Less：Income tax expenses	58,013,295.82	69,298,705.58
V. Net profit	579,496,171.08	666,219,341.20
(I) Classification by business continuity		
1.Net continuing operating profit	579,496,171.08	666,219,341.20
2.Termination of operating net profit		
(II) Classification by ownership		

1.Net profit attributable to the owners of parent company	539,962,304.02	517,680,522.56
2.Minority shareholders' equity	39,533,867.06	148,538,818.64
VI. Net after-tax of other comprehensive income	1,063,032,055.46	-709,458,350.06
Net of profit of other comprehensive income attributable to owners of the parent company.	1,063,032,055.46	-709,458,350.06
（I）Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period	1,063,032,055.46	-709,458,350.06
1.Re-measurement of defined benefit plans of changes in net debt or net assets		
2.Other comprehensive income under the equity method investee can not be reclassified into profit or loss.		
3. Changes in the fair value of investments in other equity instruments	1,063,032,055.46	-709,458,350.06
4. Changes in the fair value of the company's credit risks		
5.Other		
（II）Other comprehensive income that will be reclassified into profit or loss.		
1.Other comprehensive income under the equity method investee can be reclassified into profit or loss.		
2. Changes in the fair value of investments in other debt obligations		
3. Other comprehensive income arising from the reclassification of financial assets		
4.Allowance for credit impairments in investments in other debt obligations		
5. Reserve for cash flow hedges		
6.Translation differences in currency financial statements		
7.Other		
Net of profit of other comprehensive income attributable to Minority shareholders' equity		
VII. Total comprehensive income	1,642,528,226.54	-43,239,008.86
Total comprehensive income attributable to the owner of the parent company	1,602,994,359.48	-191,777,827.50
Total comprehensive income attributable minority shareholders	39,533,867.06	148,538,818.64
VIII. Earnings per share		
（I）Basic earnings per share	0.46	0.44
(II)Diluted earnings per share	0.46	0.44

Legal Representative: Ye Zhong Person in charge of Accounting Works: Zhao Jiamao Person in charge of Accounting Institution: Lv Lin

4. Income statement of the Parent Company

In RMB

Item	Year 2024	Year 2023
I. Income from the key business	2,609,449,872.10	3,300,848,259.74
Incl：Business cost	2,270,971,316.71	2,789,888,370.72
Business tax and surcharge	18,842,647.54	17,704,307.45
Sales expense	112,858,392.39	117,926,099.79
Administrative expense	307,725,977.94	311,695,730.53
R & D expense	69,894,302.99	146,405,970.16
Financial expenses	-20,811,344.41	-31,588,731.08
Including：Interest expenses	2,450,310.11	7,685,083.49
Interest income	27,994,896.19	29,858,490.59
Add：Other income	69,308,265.65	68,228,908.43
Investment gain（"-"for loss）	400,639,682.33	200,528,802.96
Including: investment gains from affiliates		

Financial assets measured at amortized cost cease to be recognized as income		
Net exposure hedging income		
Changing income of fair value	-109,867.16	-38,030.94
Credit impairment loss	107,421,416.12	91,505,070.63
Impairment loss of assets	-68,394,177.69	-6,427,744.43
Assets disposal income	50,682.54	67,611.66
II. Operational profit（“-”for loss）	358,884,580.73	302,681,130.48
Add：Non-operational income	79,500,087.73	43,789,126.42
Less：Non -operational expenses	29,740,939.78	643,958.18
III. Total profit(“-”for loss)	408,643,728.68	345,826,298.72
Less：Income tax expenses	-9,285,511.05	18,796,713.45
IV. Net profit	417,929,239.73	327,029,585.27
1.Net continuing operating profit	417,929,239.73	327,029,585.27
2.Termination of operating net profit		
V. Net after-tax of other comprehensive income	1,063,032,055.46	-709,458,350.06
（I）Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period	1,063,032,055.46	-709,458,350.06
1.Re-measurement of defined benefit plans of changes in net debt or net assets		
2.Other comprehensive income under the equity method investee can not be reclassified into profit or loss.		
3. Changes in the fair value of investments in other equity instruments	1,063,032,055.46	-709,458,350.06
4. Changes in the fair value of the company’s credit risks		
5.Other		
(II)Other comprehensive income that will be reclassified into profit or loss		
1.Other comprehensive income under the equity method investee can be reclassified into profit or loss.		
2. Changes in the fair value of investments in other debt obligations		
3. Other comprehensive income arising from the reclassification of financial assets		
4.Allowance for credit impairments in investments in other debt obligations		
5. Reserve for cash flow hedges		
6.Translation differences in currency financial statements		
7.Other		
VI. Total comprehensive income	1,480,961,295.19	-382,428,764.79
VII. Earnings per share		
（I）Basic earnings per share		
(II)Diluted earnings per share		

Legal Representative: Ye Zhong Person in charge of Accounting Works: Zhao Jiamao Person in charge of Accounting Institution: Lv Lin

5.Consolidated Cash flow statement

In RMB

Item	Year 2024	Year 2023
I.Cash flows from operating activities		
Cash received from sales of goods or rending of services	5,292,021,197.33	5,480,553,759.26
Net increase of customer deposits and capital kept for brother company		
Net increase of loans from central bank		
Net increase of inter-bank loans from other financial bodies		
Cash received against original insurance contract		

Net cash received from reinsurance business		
Net increase of client deposit and investment		
Cash received from interest, commission charge and commission		
Net increase of inter-bank fund received		
Net increase of repurchasing business		
Net cash received by agent in securities trading		
Tax returned	41,378,008.12	35,505,297.26
Other cash received from business operation	180,746,388.16	624,660,952.22
Sub-total of cash inflow	5,514,145,593.61	6,140,720,008.74
Cash paid for purchasing of merchandise and services	3,227,931,007.99	3,260,455,417.05
Net increase of client trade and advance		
Net increase of savings in central bank and brother company		
Cash paid for original contract claim		
Net increase in financial assets held for trading purposes		
Net increase for Outgoing call loan		
Cash paid for interest, processing fee and commission		
Cash paid to staffs or paid for staffs	1,049,729,903.80	1,057,669,829.30
Taxes paid	305,408,877.84	209,923,929.22
Other cash paid for business activities	480,128,992.43	735,461,347.55
Sub-total of cash outflow from business activities	5,063,198,782.06	5,263,510,523.12
Net cash generated from /used in operating activities	450,946,811.55	877,209,485.62
II. Cash flow generated by investing		
Cash received from investment retrieving		3,549,300.00
Cash received as investment gains	251,923,848.53	122,351,924.02
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets	5,823,251.32	159,969,369.62
Net cash received from disposal of subsidiaries or other operational units		4,416,344.67
Other investment-related cash received	1,052,319,694.27	1,949,106,998.18
Sub-total of cash inflow due to investment activities	1,310,066,794.12	2,239,393,936.49
Cash paid for construction of fixed assets, intangible assets and other long-term assets	650,152,264.74	350,527,607.65
Cash paid as investment		
Net increase of loan against pledge		
Net cash received from subsidiaries and other operational units		43,465,050.37
Other cash paid for investment activities	1,154,100,000.00	1,652,881,291.38
Sub-total of cash outflow due to investment activities	1,804,252,264.74	2,046,873,949.40
Net cash flow generated by investment	-494,185,470.62	192,519,987.09
III.Cash flow generated by financing		
Cash received as investment	9,699,300.00	44,462,700.00
Including: Cash received as investment from minor shareholders	9,699,300.00	44,462,700.00
Cash received as loans	850,346,207.50	634,662,465.91
Other financing –related cash received	12,099,900.00	8,000,000.00
Sub-total of cash inflow from financing activities	872,145,407.50	687,125,165.91
Cash to repay debts	622,339,655.97	338,200,000.00
Cash paid as dividend, profit, or interests	658,073,591.59	357,070,007.29
Including: Dividend and profit paid by subsidiaries to minor shareholders	48,560,810.00	44,053,580.00
Other cash paid for financing activities	66,270,814.74	211,579,920.94
Sub-total of cash outflow due to financing activities	1,346,684,062.30	906,849,928.23
Net cash flow generated by financing	-474,538,654.80	-219,724,762.32
IV. Influence of exchange rate alternation on cash and cash equivalents	1,404,812.11	6,583,468.87
V.Net increase of cash and cash equivalents	-516,372,501.76	856,588,179.26
Add: balance of cash and cash equivalents at the beginning of term	2,661,616,581.02	1,805,028,401.76
VI ..Balance of cash and cash equivalents at the end of term	2,145,244,079.26	2,661,616,581.02

Legal Representative: Ye Zhong Person in charge of Accounting Works: Zhao Jiamao Person in charge of Accounting Institution: Lv Lin

6. Cash Flow Statement of the Parent Company

In RMB

Item	Year 2024	Year 2023
I.Cash flows from operating activities		
Cash received from sales of goods or rending of services	2,343,748,503.63	2,586,471,545.56
Tax returned	21,872,119.15	19,739,483.93
Other cash received from business operation	73,770,197.18	52,919,649.72
Sub-total of cash inflow	2,439,390,819.96	2,659,130,679.21
Cash paid for purchasing of merchandise and services	1,291,745,905.05	1,518,465,885.14
Cash paid to staffs or paid for staffs	589,357,204.75	599,439,633.36
Taxes paid	54,718,667.17	38,521,453.03
Other cash paid for business activities	104,076,726.15	105,662,492.44
Sub-total of cash outflow from business activities	2,039,898,503.12	2,262,089,463.97
Net cash generated from /used in operating activities	399,492,316.84	397,041,215.24
II. Cash flow generated by investing		
Cash received from investment retrieving		30,655,007.83
Cash received as investment gains	397,347,722.10	202,245,282.78
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets	1,202,360.89	1,396,837.93
Net cash received from disposal of subsidiaries or other operational units		
Other investment-related cash received	670,000,000.00	1,344,890,547.93
Sub-total of cash inflow due to investment activities	1,068,550,082.99	1,579,187,676.47
Cash paid for construction of fixed assets, intangible assets and other long-term assets	265,089,883.97	204,031,687.01
Cash paid as investment	39,463,527.15	412,452,500.00
Net cash received from subsidiaries and other operational units		
Other cash paid for investment activities	870,000,000.00	1,160,000,000.00
Sub-total of cash outflow due to investment activities	1,174,553,411.12	1,776,484,187.01
Net cash flow generated by investment	-106,003,328.13	-197,296,510.54
III. Cash flow generated by financing		
Cash received as investment		
Cash received as loans	466,421,715.02	428,670,807.13
Other financing –related ash received		
Sub-total of cash inflow from financing activities	466,421,715.02	428,670,807.13
Cash to repay debts	300,000,000.00	200,000,000.00
Cash paid as dividend, profit, or interests	599,238,945.44	301,606,989.62
Other cash paid for financing activities	2,813,574.52	5,289,347.00
Sub-total of cash outflow due to financing activities	902,052,519.96	506,896,336.62
Net cash flow generated by financing	-435,630,804.94	-78,225,529.49
IV. Influence of exchange rate alternation on cash and cash equivalents	1,083,693.32	3,153,632.43
V.Net increase of cash and cash equivalents	-141,058,122.91	124,672,807.64
Add: balance of cash and cash equivalents at the beginning of term	1,198,686,140.69	1,074,013,333.05
VI ..Balance of cash and cash equivalents at the end of term	1,057,628,017.78	1,198,686,140.69

Legal Representative: Ye Zhong Person in charge of Accounting Works: Zhao Jiamao Person in charge of Accounting Institution: Lv Lin

7. Consolidated Statement on Change in Owners' Equity

Amount in this period

In RMB

Item	Year 2024														
	Owner's equity Attributable to the Parent Company													Minor shareholders' equity	Total of owners' equity
	Share Capital	Other Equity instrument			Share Capital Sustainable debt	Other Equity instrument Other	Other Comprehensive Income	Specialized reserve	Surplus reserves	Common risk provision	Retained profit	Other	Subtotal		
		Preferred stock	Sustainable debt	Preferred stock											
I.Balance at the end of last year	1,175,444,400.00				399,213,704.44	86,290,288.75	1,980,939,256.24	20,355,377.31	625,178,089.82		3,784,435,361.60		7,899,275,900.66	640,841,031.93	8,540,116,932.59
Add: Change of accounting policy															
Correcting of previous errors											0.00		0.00	0.00	0.00
Other															
II.Balance at the beginning of current year	1,175,444,400.00				399,213,704.44	86,290,288.75	1,980,939,256.24	20,355,377.31	625,178,089.82		3,784,435,361.60		7,899,275,900.66	640,841,031.93	8,540,116,932.59
III.Changed in the current year	-434,803.00				-11,816,854.02	-47,841,770.64	1,063,032,055.46	4,209,489.18			-47,505,834.48		1,055,325,823.78	-78,453,314.29	976,872,509.49
（1）Total comprehensive income							1,063,032,055.46				539,962,304.02		1,602,994,359.48	39,533,867.06	1,642,528,226.54
（II）Investment or decreasing of capital by owners	-434,803.00				21,678,237.85	-2,053,912.40							23,297,347.25	9,745,130.04	33,042,477.29
1．Ordinary Shares invested by shareholders	-434,803.00				-1,619,109.40	-2,053,912.40								9,699,300.00	9,699,300.00
2．Holders of other equity in															

struments invested capital															
3．Amount of shares paid and accounted as owners’ equity					23,297,347.25								23,297,347.25	45,830.04	23,343,177.29
4．Other															
（III）Profit allotment						-9,613,344.00					-587,468,138.50		-577,854,794.50	-48,560,810.00	-626,415,604.50
1.Providing of surplus reserves															
2.Providing of common risk provisions															
3．Allotment to the owners (or shareholders)						-9,613,344.00					-587,468,138.50		-577,854,794.50	-48,560,810.00	-626,415,604.50
4．Other															
(IV) Internal transferring of owners’ equity															
1. Capitalizing of capital reserves (or to capital shares)															
2. Capitalizing of surplus reserves (or to capital shares)															
3．Making up losses by surplus reserves.															
4.Change amount of defined benefit plans that carry forward Retained earnings															
5．Other comprehensive income carry-over retained earnings															
6．Other															
(V). Special reserves								2,997,313.87					2,997,313.87	-645,388.88	2,351,924.99
1. Provided this year								17,348,075.05					17,348,075.05	4,864,666.14	22,212,741.19
2．Used this term								-14,350,761.18					-14,350,761.18	-5,510,055.02	-19,860,816.20
（VI）Other					-33,495,091.87	-36,174,514.24		1,212,175.31					3,891,597.68	-78,526,112.51	-74,634,514.83
IV. Balance at the end of this	1,17				387,396,850	38,448,518.	3,043,971,311	24,564,866.	625,178,089		3,736,929,527		8,954,601,	562,387,717	9,516,989,442

term	5,009,597.00				.42	11	.70	49	.82		.12		724.44	.64	.08

Amount in last year

In RMB

Item	2023														
	Owner's equity Attributable to the Parent Company													Minor shareholders' equity	Total of owners' equity
	Share Capital	Other Equity instrument			Share Capital Sustainable debt	Other Equity instrument Other	Other Comprehensive Income	Specialized reserve	Surplus reserves	Common risk provision	Retained profit	Other	Subtotal		
		Preferred stock	Sustainable debt	Preferred stock											
I.Balance at the end of last year	980,179,980.00				394,935,862.00	136,466,388.09	2,690,397,606.30	17,841,325.92	625,178,089.82		3,756,414,638.24		8,328,481,114.19	570,711,632.78	8,899,192,746.97
Add: Change of accounting policy															
Correcting of previous errors															
Other															
II.Balance at the beginning of current year	980,179,980.00				394,935,862.00	136,466,388.09	2,690,397,606.30	17,841,325.92	625,178,089.82		3,756,414,638.24		8,328,481,114.19	570,711,632.78	8,899,192,746.97
III.Changed in the current year	195,264,420.00				4,277,842.44	-50,176,099.34	-709,458,350.06	2,514,051.39			28,020,723.36		-429,205,213.53	70,129,399.15	-359,075,814.38
（1）Total comprehensive income							-709,458,350.06				517,680,522.56		-191,777,827.50	148,538,818.64	-43,239,008.86
（II）Investment or	-642,980.00				41,646,498.96	-3,834,873.7							44,838,392.71	44,521,555.42	89,359,948.13

decreasing of capital by owners						5									
1．Ordinary Shares invested by shareholders	-642,980.00				-3,191,893.75	-3,834,873.75								44,462,700.00	44,462,700.00
2．Holders of other equity instruments invested capital															
3．Amount of shares paid and accounted as owners' equity					44,838,392.71								44,838,392.71	58,855.42	44,897,248.13
4．Other															
（III）Profit allotment						-7,313,545.20					-293,752,399.20		-286,438,854.00	-43,963,580.00	-330,402,434.00
1.Providing of surplus reserves															
2.Providing of common risk provisions															
3．Allotment to the owners (or shareholders)						-7,313,545.20					-293,752,399.20		-286,438,854.00	-43,963,580.00	-330,402,434.00
4．Other															
(IV) Internal transferring of owners' equity	195,907,400.00										-195,907,400.00				
1. Capitalizing of capital reserves (or to capital shares)															
2. Capitalizing of surplus reserves (or to capital shares)															
3．Making up losses by surplus reserves.															
4.Change amount of defined benefit															

plans that carry forward Retained earnings															
5．Other comprehensive income carry-over retained earnings															
6．Other	195,907,400.00										-195,907,400.00				
(V). Special reserves								493,759.19					493,759.19	-659,952.17	-166,192.98
1. Provided this year								14,996,887.19					14,996,887.19	6,263,720.75	21,260,607.94
2．Used this term								-14,503,128.00					-14,503,128.00	-6,923,672.92	-21,426,800.92
（VI）Other					-37,368,656.52	-39,027,680.39		2,020,292.20					3,679,316.07	-78,307,442.74	-74,628,126.67
IV. Balance at the end of this term	1,175,444,400.00				399,213,704.44	86,290,288.75	1,980,939,256.24	20,355,377.31	625,178,089.82		3,784,435,361.60		7,899,275,900.66	640,841,031.93	8,540,116,932.59

Legal Representative: Ye Zhong Person in charge of Accounting Works: Zhao Jiamao Person in charge of Accounting Institution: Lv Lin

8.Statement of change in owner's Equity of the Parent Company

Amount in this period

In RMB

Item	Year 2024											
	Share capital	Other Equity instrument			Capital reserves	Less: Shares in stock	Other Comprehensive Income	Specialized reserve	Surplus reserves	Retained profit	Other	Total of owners' equity
		Preferred stock	Sustainable debt	Other								
I.Balance at the end of last year	1,175,444,400.00				221,680,078.37	86,290,288.75	1,980,939,256.24	5,240,943.39	602,356,402.65	3,222,667,331.81		7,122,038,123.71
Add: Change of accounting policy												

Correcting of previous errors												
Other												
II.Balance at the beginning of current year	1,175,444,400.00				221,680,078.37	86,290,288.75	1,980,939,256.24	5,240,943.39	602,356,402.65	3,222,667,331.81		7,122,038,123.71
III.Changed in the current year	-434,803.00				11,196,065.97	-47,841,770.64	1,063,032,055.46	-877,478.40		-169,538,898.77		951,218,711.90
（I）Total comprehensive income							1,063,032,055.46			417,929,239.73		1,480,961,295.19
(II) Investment or decreasing of capital by owners	-434,803.00				21,724,067.89	-2,053,912.40						23,343,177.29
1．Ordinary Shares invested by shareholders	-434,803.00				-1,619,109.40	-2,053,912.40						
2．Holders of other equity instruments invested capital												
3.Amount of shares paid and accounted as owners’ equity					23,343,177.29							23,343,177.29
4．Other												
（III）Profit allotment						-9,613,344.00				-587,468,138.50		-577,854,794.50
1.Providing of surplus reserves												
2．Allotment to the owners (or shareholders)						-9,613,344.00				-587,468,138.50		-577,854,794.50
3．Other												
(IV) Internal transferring of owners’ equity												
1. Capitalizing of capital reserves (or to capital shares)												
2. Capitalizing of surplus reserves (or to capital shares)												
3．Making up losses by surplus reserves.												
4.Change amount of defined benefit plans that carry forward Retained earnings												
5．Other comprehensive income carry-over retained earnings												
6．Other												

(V) Special reserves								-877,478.40				-877,478.40
1. Provided this year								5,910,848.26				5,910,848.26
2．Used this term								-6,788,326.66				-6,788,326.66
（VI）Other					-10,528,001.92	-36,174,514.24						25,646,512.32
IV. Balance at the end of this term	1,175,009,597.00				232,876,144.34	38,448,518.11	3,043,971,311.70	4,363,464.99	602,356,402.65	3,053,128,433.04		8,073,256,835.61

Amount in last year

In RMB

Item	Year 2023											
	Share Capital	Other Equity instrument			Capital reserves	Less: Shares in stock	Other Comprehensive Income	Specialized reserve	Surplus reserves	Retained profit	Other	Total of owners' equity
		Preferred stock	Sustainable debt	Other								
I.Balance at the end of last year	980,179,980.00				175,558,788.66	136,466,388.09	2,690,397,606.30	6,000,000.00	602,356,402.65	3,385,297,545.74		7,703,323,935.26
Add: Change of accounting policy												
Correcting of previous errors												
Other												
II.Balance at the beginning of current year	980,179,980.00				175,558,788.66	136,466,388.09	2,690,397,606.30	6,000,000.00	602,356,402.65	3,385,297,545.74		7,703,323,935.26
III.Changed in the current year	195,264,420.00				46,121,289.71	-50,176,099.34	-709,458,350.06	-759,056.61		-162,630,213.93		-581,285,811.55
（I）Total comprehensive income							-709,458,350.06			327,029,585.27		-382,428,764.79
(II) Investment or decreasing of capital by owners	-642,980.00				41,705,354.38	-3,834,873.75						44,897,248.13
1．Ordinary Shares invested by shareholders	-642,980.00				-3,191,893.75	-3,834,873.75						

2．Holders of other equity instruments invested capital												
3.Amount of shares paid and accounted as owners' equity					44,897,248.13							44,897,248.13
4．Other												
（III）Profit allotment						-7,313,545.20				-293,752,399.20		-286,438,854.00
1.Providing of surplus reserves												
2．Allotment to the owners (or shareholders)						-7,313,545.20				-293,752,399.20		-286,438,854.00
3．Other												0.00
(IV) Internal transferring of owners' equity	195,907,400.00									-195,907,400.00		
1. Capitalizing of capital reserves (or to capital shares)												
2. Capitalizing of surplus reserves (or to capital shares)												
3．Making up losses by surplus reserves.												
4.Change amount of defined benefit plans that carry forward Retained earnings												
5．Other comprehensive income carry-over retained earnings												
6．Other	195,907,400.00									-195,907,400.00		
(V) Special reserves								-759,056.61				-759,056.61
1. Provided this year								5,795,535.94				5,795,535.94
2．Used this term								-6,554,592.55				-6,554,592.55
（VI）Other					4,415,935.33	-39,027,680.39						43,443,615.72
IV. Balance at the end of this term	1,175,444,4				221,680,07	86,290,288	1,980,939,2	5,240,94	602,356,40	3,222,667,3		7,122,038,1

	00.00				8.37	.75	56.24	3.39	2.65	31.81		23.71

Legal Representative: Ye Zhong Person in charge of Accounting Works: Zhao Jiamao   Person in charge of Accounting Institution: Lv Lin

III. Basic Information of the Company

Hangzhou Turbine Power Group Co., Ltd. (Hereinafter referred to as "the Company") was incorporated as a joint stock limited company exclusively promoted by Hangzhou Turbine Holdings Co., Ltd(Herein after referred to as "Turbine Holdings") approved by the Securities Regulatory Commission of the State Council with the Document SRC [1998] No. 8 by offering domestically listed foreign currency ordinary shares (B Shares), with registration date: April 23, 1998, Headquartered in Hangzhou, Zhejiang Province. The company now holds a unified social credit code for the 913300007042026204 business license, The Company’s registered capital is RMB 1,175.0096 million with total capital share of 1,175.0096 million shares (face value RMB1.00). Among which state-owned legal person shares were 748.526688 million shares and 426.482909 million shares of current B shares. The shares were issued and listed for trading in Shenzhen Stock Exchange on April 28, 1998.

The design, manufacturing, Main Business Activities: R&D, Production and Sales of Industrial Steam Turbine.

These Financial Statements are released upon approval at the 13th meeting of the 9th term of Board held on April 11, 2025.

IV. Basis of compiling the financial statement

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The financial statements are prepared in accordance with the Accounting Standards for Business Enterprises and corresponding application guidance, interpretations and other related provisions issued by the Ministry of Finance (collectively, "Accounting Standards for Business Enterprises"). In addition, the Company also disclosed the relevant financial information in accordance with the Explanatory Announcement No. 15 on Information Disclosure for Companies Offering Their Securities to the Public —General Requirements for Financial Reporting (2023 version) issued by the China Securities Regulatory Commission.

2.Assessment on perpetuation

The Company adopts perpetual operation as the basis of financial statements.

V. Principal Accounting Policies and Estimations

Principal Accounting Policies and Estimations

1. Statement of compliance with the Accounting Standard for Business Enterprises

The financial statements of the Company for the year ended 31 December 2024 are in compliance with the Accounting Standards for Business Enterprises, and truly and completely present the consolidated and the Company's financial position of the Group and the Company as at 31 December 2024 and their financial performance, cash flows and other information for the year then ended.

2. Accounting year

The Company's accounting year starts on 1 January and ends on 31 December.

3. Business Cycle

The business cycle of the Company is 12 months

4. Recording currency

The Company and domestic subsidiaries use Renminbi (RMB) as their recording currency. The currency used by the Company in preparing these financial statements is Renminbi (RMB).

5. Determination method and selection basis of importance standard

☑Applicable □Not applicable

Item	Criterion of importance
Material accounts receivable with single provision for bad debts	Individual amount exceeding 0.5% of total assets
Recovery or reversal of bad debt provision for material long-term receivables	Individual amount exceeding 0.5% of total assets
Material write-off accounts receivable	Individual amount exceeding 0.5% of total assets
Material write-off other accounts receivable	Individual amount exceeding 0.5% of total assets
Material long-term receivables with single provision for bad debts	Individual amount exceeding 0.5% of total assets
Recovery or reversal of bad debt provision for material long-term receivables	Individual amount exceeding 0.5% of total assets
Material prepayments with an age of more than one year	Individual amount exceeding 0.5% of total assets
Material projects under construction	Total investment of a single project exceeding 0.5% of the total assets
Material accounts payable with an age of over 1 year	Individual amount exceeding 0.5% of total assets
Material other payables with an age of more than 1 year	Individual amount exceeding 0.5% of total assets
Material contractual liabilities with an age of more than 1 year	Individual amount exceeding 0.5% of total assets
Material estimated liabilities	Individual amount exceeding 0.5% of total assets
Cash flow of material investment activities	Individual amount exceeding 0.5% of total assets
Material non-wholly-owned subsidiaries	Total assets/revenues/profits exceeding 15% of the Group's total assets/revenues/profits
Material commitments	Single contract amount exceeding 5% of the total assets or Item with special nature
Material contingencies	Litigation claim amount exceeding 5% of the total profit or Item with special nature
Material matters after the balance sheet date	Single amount exceeding 5% of the total assets or Item with special nature

Material debt restructuring	Individual amount exceeding 5% of total assets

6. Accounting treatment of the entities under common control and different control

(1) Accounting treatments for business combination under common control

For business combinations under common control, the assets and liabilities acquired by the Company from the acquiree are measured at the book value of the acquiree in the consolidated financial statements of the ultimate controller as of the combination date. The difference between the book value of the merger consideration (or the total par value of the shares issued) and the book value of the net assets acquired in the merger is adjusted against capital reserve, and if the capital reserve is insufficient to absorb the difference, the adjustment is made to retained earnings.

(2) Accounting treatments for business combination not under common control

In a business combination not under common control, the combination cost is determined as the fair value of the assets transferred, liabilities incurred or assumed, and equity securities issued by the acquirer on the acquisition date to obtain the right of control over the acquiree. On the acquisition date, the assets, liabilities, and contingent liabilities obtained from the acquiree are recognized at fair value.

On the acquisition date, the Company recognizes the difference between the combination cost and the fair value share of net identifiable assets obtained from the acquiree as goodwill, which is subject to subsequent measurement at cost less accumulated provision for impairment; the difference between the combination cost and the fair value share of net identifiable assets obtained from the acquiree is, after verification, recognized in profit or loss.

(3)Treatment of transaction costs in business combination

In a business combination, intermediary fees, such as audit, legal services, valuation consulting, and other related G&A expenses incurred for the transaction are recognized in profit or loss when incurred. The transaction costs incurred for issuing equity securities or debt securities as merger consideration are included in the initial recognized amount of such equity securities or debt securities.

7. Judgment criteria for control and method for preparing consolidated financial statements

(1) Judgment criteria for control

The scope of consolidation for consolidated financial statements is determined on a control basis. Control refers to the power that the Company has over the invested entity, the variable returns it enjoys through participating in the relevant activities of the invested entity, and the ability to use its power over the invested entity to affect its return amount. When changes in relevant facts and circumstances lead to changes in the relevant elements involved in the definition of control, the Company will conduct a reassessment.

(2) Preparation of consolidated financial statements

The consolidated financial statements are prepared by the Company based on the financial statements of the Company and its subsidiaries and other relevant information. When preparing the consolidated financial statements, the accounting policies and accounting periods of the subsidiaries shall be consistent with those established by the Company. All significant intra-company balances and transactions shall be eliminated.

Where a subsidiary or business was acquired during the reporting period, through a business combination involving entities under common control, the financial performance and the cash flows of the subsidiary are included in the consolidated income statement and consolidated cash flow statement of the Company as if the combination had occurred at the date that the ultimate controlling party first obtained control.

Where a subsidiary or business was acquired during the reporting period, through a business combination involving entities not under common control, its revenue, expenses and profit from the acquisition date to the end of the reporting period are included in the consolidated income statement and its cash flows are included in the consolidated cash flow statement.

Minority interests of the subsidiary that is not attributable to the Company are presented separately in the shareholders’ equity section within the consolidated balance sheet. Net profit or loss attributable to non-controlling shareholders is presented separately as minority interests below the net profit within the consolidated income statement. When the amount of loss for the current period attributable to the no controlling shareholders of a subsidiary exceeds the non-controlling shareholders’ share of the opening owners’ equity of the subsidiary, the excess is adjusted to minority interests.

(3)Acquire the subsidiaries' non-controlling interests

Where the Company acquires a non-controlling interest from a subsidiary's non-controlling shareholders or disposes of a portion of an interest in a subsidiary without a change in control, the difference between the proportion interests of the subsidiary's net assets being acquired or disposed and the amount of the consideration paid or received is adjusted to the capital reserve in the consolidated balance sheet, with any excess adjusted to retained earnings

(4)Handling of losing control over a subsidiary

When the Company loses control over a subsidiary due to partial disposal of equity investment or other reasons, the remaining equity interests is re-measured at its fair value at the date when the control is lost. The resulting gain or loss is the total of consideration received from the disposal of equity investment and the remaining equity investment at its fair value, deducted the total of proportion interests of the subsidiary's net asset and goodwill calculated based on the original shareholding ratio since the acquisition date. Any resulting gain or loss is recognized as investment income for the current period.

Other comprehensive income related to the equity investment in the original subsidiary is accounted for on the same basis as the direct disposal of related assets or liabilities by the original subsidiary upon the loss of control. All other changes in owner's equity related to the original subsidiary and accounted for using the equity method are transferred to the current period profit or loss upon the loss of control.

8. Classification and Accounting Treatment for Joint Arrangement

Not applicable

9. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits that can be readily drawn on demand, and short-term and highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

10.Foreign currency transactions

Foreign currency transactions are translated to the functional currency of the Company at the spot exchange rates on the dates of the transactions.

Monetary items denominated in foreign currencies are translated at the spot exchange rate at the balance sheet date. The resulting exchange differences between the spot exchange rate at balance sheet date and the spot exchange rate at initial recognition or at the previous balance sheet date are recognized in profit or loss. Non-monetary items that are measured at historical cost in foreign currencies are translated to functional currency using the spot exchange rate at the transaction date. Non-monetary items that are measured at fair value in foreign currencies are translated using the spot exchange rate at the date when the fair value is determined. The resulting exchange differences are recognized in profit or loss or other comprehensive income according to the nature of the non-monetary items.

11.Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or an equity instrument of another entity.

(1) Recognition and derecognition of financial instruments A financial asset or a financial liability is recognized when the Company becomes a party to the contractual provisions of a financial instrument. A financial asset is derecognised when one of the following criteria is met:

① The contractual rights to the cash flows from the financial asset expire; or

② The financial asset has been transferred and met the following conditions for derecognition.

A financial liability (or partially) is derecognized when its contractual obligation (or partially) is ceased. When the Company (debtor) enters into an agreement with the creditor to replace the existing financial liability with a new assumed financial liability, and contractual terms are different in substance, the existing financial liability is derecognized while a new financial liability is recognized.

Conventionally traded financial assets are recognized and derecognized at the transaction date.

(2) Classification and measurement of financial assets

Based on the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets, financial assets are classified as: financial assets measured at amortized cost, financial assets measured at fair value through other comprehensive income and financial assets measured at fair value through profit or loss.

At initial recognition, the financial assets are measured at fair value. For financial assets measured at fair value through profit or loss, the transaction costs are expensed in profit or loss for the current period. For other types of financial assets, the transaction costs are included in the initially recognised amounts. Accounts receivable arising from sale of products or rendering of services (excluding or without regard to significant financing components), the Company recognizes the amount of consideration that it is expected to be entitled to receive as the initially recognised amounts.

Financial assets measured at amortized cost

The Company classifies financial assets that meet all of the following conditions and are not designated as financial assets at fair value through profit or loss as financial assets measured at amortized cost:

The objective of the Company's business model is to hold the financial assets to collect the□ contractual cash flows;

The contractual terms of the financial asset stipulate that the cash flows generated on specific□ dates are solely payments on the principal and interest based on the outstanding principal amount.

After initial recognition, such financial assets are measured at amortized cost using the effective interest method. Gains or losses arising from financial assets measured at amortized cost that are not part of any hedging relationship are recognized in the current period profit or loss when they are derecognized, amortized using the effective interest method, or recognized as impaired.

Financial assets measured at fair value through other comprehensive income

The Company classifies financial assets that meet all of the following conditions and are not designated as financial assets measured at fair value through profit or loss, as financial assets measured at fair value through in other comprehensive income:

The business model of our company for managing this financial asset aims both at collecting contractual cash flows and at selling the financial asset;

The contractual terms of the financial asset stipulate that the cash flows generated on specific dates are solely payments on the principal and interest based on the outstanding principal amount.

After initial recognition, subsequent measurements of such financial assets are measured at fair value. Interests calculated using the effective interest method, impairment losses or gains, and exchange gains or losses are recognized in the current period profit or loss, while other gains or losses are recorded in other comprehensive income. Upon derecognition, the cumulative gains or losses previously recorded in other comprehensive income are transferred out of other comprehensive income and recognized in the current period profit or loss.

Financial assets measured at fair value through profit or loss

In addition to the financial assets at amortized cost and those measured at fair value through other comprehensive income as mentioned above, the Company categorizes all other financial assets as those measured at fair value through profit or loss. Upon initial recognition, in order to eliminate or significantly reduce accounting mismatches, the Company irrevocably designates some financial assets that should be measured at amortized cost or at fair value through in other comprehensive income as financial assets measured at fair value through profit or loss.

After initial recognition, subsequent measurements of such financial assets are measured at fair value, and any gains or losses (including interest and dividend income) arising there from are recorded in the current period profit or loss, unless the financial asset is part of a hedging relationship.

However, for non-trading equity instrument investments, the Company irrevocably designates them as financial assets measured at fair value through other comprehensive income upon initial recognition. This designation is made on an individual investment basis, and the relevant investments meet the definition of equity instruments from the perspective of the issuer

After initial recognition, subsequent measurements of such financial assets are measured at fair value. Dividend income that meets the criteria is recorded in profit or loss, while other gains or losses and changes in fair value are recorded in other comprehensive income. Upon derecognition, the cumulative gains or losses previously recorded in other comprehensive income are transferred out of other comprehensive income and recorded in retained earnings.

The business model for managing financial assets refers to how the company manages its financial assets to generate cash flows. The business model determines whether the source of cash flows from the financial assets managed by the company is from the collection of contractual cash flows, the sale of financial assets, or a combination of both. The company determines its business model for managing financial assets based on objective facts and the specific business objectives for managing financial assets determined by key management personnel.

The Company evaluates the contractual cash flow characteristics of financial assets to determine whether the contractual cash flows generated by the relevant financial assets on a specific date are solely payments of principal and interest based on the outstanding principal amount. The principal refers to the fair value of the financial asset at initial recognition; interest includes consideration for the time value of money, credit risk associated with the outstanding principal amount during a specific period, as well as other basic borrowing risks, costs, and profits. In addition, the Company evaluates contract terms that may lead to changes in the time distribution or amount of contractual cash flows of financial assets to determine whether they meet the requirements of the aforementioned contractual cash flow characteristics.

Only when the company changes its business model for managing financial assets, all affected relevant financial assets will be reclassified on the first day of the first reporting period following the change in business model. Otherwise, financial assets shall not be reclassified after initial recognition.

(3) Classification and measurement of financial liabilities

The financial liabilities of the Company are classified at initial recognition as either financial liabilities measured at fair value through profit or loss, or financial liabilities measured at amortized cost. For financial liabilities not classified as measured at fair value through profit or loss, the transaction costs are included in their initially recognised amounts.

Financial liabilities measured at fair value through profit or loss

Financial liabilities measured at fair value through profit or loss include trading financial liabilities and financial liabilities designated at initial recognition as measured at fair value through profit or loss. For such financial liabilities, subsequently measured at fair value, and gains or losses arising from changes in fair value, as well as dividend and interest expenses related to these financial liabilities, are recognized in current profit or loss.

Financial liabilities measured at amortized cost

Other financial liabilities are subsequently measured at amortized cost using the effective interest method, and gains or losses arising from derecognition or amortization are recognized in the current period profit or loss.

Distinction between financial liabilities and equity instruments

A financial liability is recognized if one of the following conditions is satisfied::

① A contractual obligation to deliver cash or another financial asset to another entity;

② A contractual obligation to exchange financial assets or financial liabilities with another entity under potentially unfavorable conditions;

③ A non-derivative instrument contract that will or may be settled in the Company’s own equity instruments and the Company is obliged to deliver a variable number of the Company’s own equity instruments;

④ A derivative instrument contract that will or may be settled in the Company’s own equity instruments in the future, except for a derivative instrument contract that is settled by the exchange of a fixed number of the Company’s own equity instruments for a fixed amount of cash or other financial assets.

An equity instrument is a contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

If the Company does not have an unconditional right to avoid delivering cash or another financial asset to settle a contractual obligation, the obligation meets the definition of a financial liability.

If a financial instrument will or may be settled by the Company’s own equity instruments, classification of the instrument depends on whether the Company’s own equity instruments work as the replacement of cash or other financial instrument, or represent the investor’s residual interest in the Company’s assets after deducting all its liabilities. In the former case, the instrument is classified as a financial liability; in the latter case, the instrument is classified as an equity instrument.

(4) Impairment of financial assets

Based on ECL, the Company performs impairment accounting treatment on the following items and recognizes loss provisions:

Financial assets measured at amortized cost;

Receivables and debt instrument investments measured at fair value through other comprehensive income;

Contract assets as defined in "Accounting Standards for Business Enterprises No. 14 - Revenue";

Lease receivables;

Financial guarantee contract (except for those measured at fair value through profit and loss, the transfer of financial assets does not meet the conditions for derecognition or continue to involve in the transferred financial assets)

Measurement of ECL

ECL refers to the weighted average of credit losses for financial instruments, calculated by weighting the risk of default occurring. Credit loss is defined as the difference between all contractual cash flows receivable by the entity under the agreement and all expected cash flows to be collected, discounted at the original effective interest rate. This represents the present value of all cash shortfalls.

The Company measures the expected credit losses of financial instruments at different stages separately. The financial instrument is at the first stage when there is no significant increase in credit risk since initial recognition. The Company measures the loss allowance according to the expected credit losses in the next 12 months. The financial instrument is at the second stage when there is significant increase in credit risk since initial recognition and credit loss is not yet occurred. The Company then measures the loss allowance according to expected credit losses over the lifetime of a financial instrument. The financial instrument is at the third stage when there is significant increase in credit risk since initial recognition and credit loss occurred. The Company then measures the loss allowance according to expected credit losses over the lifetime of a financial instrument.

For financial instrument that has low credit risk at the balance sheet date, the Company assumes there is no significant increase in its credit risk since initial recognition. The Company measures the loss allowance according to the expected credit losses in the next 12 months.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. Expected credit losses in the next 12 months are the portion of expected losses that result from default events that are possible within the 12 months after the balance sheet date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating expected credit losses is the maximum contractual period (including extension options) over which the Company is exposed to credit risk.

For the financial instruments at the first and second stage as well as financial instruments that have low credit risk, the Company calculates the interest income based on the book value without loss allowance deducted and effective interest rate. While for the financial instruments at the third stage, the Company calculates the interest income based on the amortized cost of the book value less loss allowance and effective interest rate.

For accounts receivable such as notes receivable, accounts receivable, accounts receivable financing, other receivables, and contract assets, if the credit risk characteristics of a particular customer are significantly different from those of other customers in the group, or if there is a significant change in the credit risk characteristics of that customer, the company will individually accrue bad debt reserves for that account receivable. Apart from the account receivables for which bad debt reserves are individually accrued, the company divides account receivables into groups based on credit risk characteristics and calculates bad debt reserves on a group basis.

Notes receivable, accounts receivable and contract assets

For notes receivable, accounts receivable, and contract assets, regardless of whether there is a significant financing component, the Company consistently measures their loss provisions at an amount equivalent to the ECL over the entire duration.

When it is not possible to assess the ECL of an individual financial asset at a reasonable cost, the Company categorizes accounts receivable into several groups based on credit risk characteristics. The ECL are calculated on a group basis, and the basis and method for determining the group are as follows:

A. Note receivable

- Portfolio 1 of notes receivable: bank acceptance bills
- Portfolio 2 of notes receivable: commercial acceptance bills•

B. Accounts receivable

Portfolio 1 of accounts receivable: Aging portfolio

• Portfolio 2 of accounts receivable: portfolio of transactions with other related parties

C,Contract assets

Portfolio 1 Contract assets：Aging portfolio

Portfolio 2 Contract assets：portfolio of transactions with other related parties

For notes receivable and contract assets classified as groups, the Company calculates ECL by referencing historical credit loss experience, considering current conditions, and forecasting future economic conditions, based on the exposure to default risk and the expected credit loss rate over the entire duration.

For the accounts receivable divided into portfolios, the Company prepares the comparison table between the aging of accountsreceivable and the rate of expected credit loss throughout the duration by reference to the experience of historical credit losses, combining with the current situation and the forecast of future economic conditions, and calculates the expected credit losses. The aging of accounts receivable is calculated from the date of recognition.

Other receivables

The Company classifies other receivables into several portfolios based on credit risk characteristics, and calculates expected credit losses on the basis of portfolios. The basis for determining portfolios is as follows:

Portfolio 1 of other receivables: Aging portfolio

- Portfolio 1 of other receivables: : portfolio of transactions with other related parties

For other receivables classified as portfolios, the Company calculates the expected credit losses through the default risk exposure and the rate of expected credit loss throughout the duration or in the next 12 months. For other receivables classified into portfolios by aging, the aging is calculated from the date of recognition

Long-term receivable

The Company's long-term receivables include project payments and similar items.

The Company categorizes project payments into portfolios based on credit risk characteristics for calculating expected credit losses on a portfolio basis. The portfolio classification criteria are as follows:

B.Long-term receivable

- Long-term receivable portfolio 1: Aging portfolio

For project receivables , the Company prepares an aging-to-expected-credit-loss-rate matrix by referencing historical credit loss experience while considering current conditions and future economic projections to calculate expected credit losses. The aging period for long-term receivables commences from the actual month of default.

Debt investment, other debt investments

For debt investments and other debt investments, the Company calculates ECL based on the nature of the investment, various types of counterparties and risk exposures, through default risk exposures and expected credit loss rates within the next 12 months or throughout the entire duration.

Assessment of significant increase in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Company compares the risk of default occurring on the financial instrument assessed at the balance sheet date with that assessed at the date of initial recognition.

When determining whether the credit risk has increased significantly since initial recognition, the Company considers the reasonable and supportable information that is available without undue cost or effort, including forward-looking information. In particular, the following information is taken into account:

Debtors fail to make payments of principal or interest on their contractually due dates;

An actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);

An actual or expected significant deterioration in the operating results of the debtor; and

Existing or anticipated changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Company.

Depending on the nature of the financial instruments, the Company assesses whether there is a significant increase in credit risk on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are classified into groups based on shared credit risk characteristics, such as past due status and credit risk ratings

If the overdue period exceeds 30 days, the Company determines that the credit risk of the financial instrument has significantly increased.

Credit-impaired financial assets

At each balance sheet date, the Company assesses whether financial assets measured at amortized cost and debt investments measured at fair value through other comprehensive income are credit impaired. A financial asset is credit-impaired when one or more events that have adverse impact on the expected future cash flows of financial asset have occurred. Evidence that a financial asset is credit impaired includes the following observable information:

Significant financial difficulty of the debtor or issuer;

A breach of contract by the debtor, such as default or overdue in interest or principal payments;

For economic or contractual reasons relating to the debtor's financial difficulty, the Company having□ granted to the debtor a concessions that would not otherwise consider;

It is probable that the debtor will enter into bankruptcy or other financial restructuring;

The disappearance of an active market for that financial asset because of issuer’s or debtor’s financial difficulties.

Presentation of allowance for expected credit losses

In order to reflect the change of the credit risk of financial instruments since the initial recognition, the Company re-measures the expected credit losses at each balance sheet date. Any increase or recovered amount of the loss allowance which generated shall be recognized as loss allowance or gain in the profit or loss for the current period. For financial asset measured at amortized cost, the loss allowance shall offset against the carrying amount of the financial asset as stated in the balance sheet; for the debt investment measured at fair value through other comprehensive income, the Company recognizes its loss allowance in other comprehensive income and does not offset against the carrying amount of the financial asset.

Write-off

The gross carrying amount of a financial asset is written off (either partially or entirely) to the extent that there is no realistic prospect of recovery of the contractual cash flows. A write-off constitutes a derecognition event. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company’s procedures for recovery of amounts due.

Subsequent recoveries of an asset that was previously written off are recognized as a reversal of impairment in profit or loss in the period when the recovery occurs.

(6)Transfer of financial assets

Transfer of financial assets is the transfer or delivery of financial assets to another party (the transferee) other than the issuer of financial assets.

A financial asset is derecognized if the Company transfers substantially all the risks and rewards of ownership of the financial asset to the transferee. A financial asset is not derecognized if the Company retains substantially all the risks and rewards of ownership of the financial asset.

The Company neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, the accounting treatments are as following: if control over the financial assets is surrendered, the Company derecognizes the financial assets and recognizes any assets and liabilities arose; if the Company retains the control of the financial assets, financial assets to the extent of the continuing involvement in the transferred financial assets by the Company as well as any relating liability.

(7)Offset between financial assets and financial liabilities

When the Company has an enforceable legal right to offset the recognized financial assets against the financial liabilities, and the Company plans to settle by net amount or realize the financial assets and settle the financial liabilities, the amount after being offset will be presented in the balance sheet. Otherwise, financial assets and financial liabilities are presented separately in the balance sheet and not allowed to offset against each other.

12.Notes receivable

For details, please refer to Section X(5)-11Financial instrument of this report.

13.Account receivable

For details, please refer to Section X(5)-11Financial instrument of this report.

14.Financing of receivables

For details, please refer to Section X(5)-11Financial instrument of this report.

15.Other account receivable

For details, please refer to Section X(5)-11Financial instrument of this report.

16.Contract assets

According to the relationship between performance obligation and customer payment, the company lists contract assets or contract liabilities in the balance sheet. The company will offset the contractual assets and contractual liabilities under the same contract and list them in net amount.

The company lists the right to receive consideration from customers unconditionally (that is, only depending on the passage of time) as receivables, and lists the right to receive consideration after transferring goods to customers (which depends on factors other than the passage of time) as contract assets.

Recognition standard and accrual method of expected credit loss of receivables and contract assets: For details, please refer to Section X(5)-11Financial instrument of this report.

17.Inventories

(1) Inventory classification
The Company classifies its inventory into raw materials, work in progress, and finished goods.

(2) Pricing of inventory to be delivered
The raw materials issued by Zhongneng Company are priced by moving weighted mean method.
（3）Pricing of inventory to be delivered

At the balance sheet day, inventories are measured at the lower of costs and cashable net values, the individual difference between the cashable net value and cost are provided as inventory impairment provision.

Net realizable value is determined based on the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale and related taxes. When determining the net realizable value of inventory, it is based on conclusive evidence obtained, while considering the purpose of holding inventory and the impact of events after the balance sheet date.

On the balance sheet date, if the factors that previously caused the write-down of inventory value have disappeared, the inventory reserves shall be reversed within the originally accrued amount.

(4) Inventory system

The inventory system of the Company adopts the perpetual inventory system.

(5) Amortization method of low-value consumables

Low value consumables are amortized in full amount

18.Held-for-sale asset

Not applicable

19.Creditor's rights investment

Not applicable

20.Other Creditor's rights investment

Not applicable

21.Long-term account receivable

Not applicable

22. Long-term equity investment

Long-term equity investments comprise the Company’s long-term equity investments in its subsidiaries, and the Company’s long-term equity investments in its joint ventures and associates. If the Company is able to exert significant influence over the invested entity, it is considered as the Company's associated enterprise.

(1) Determination of initial investment cost

For long-term equity investments acquired through a business combination involving enterprises under common control, the investment cost shall be the absorbing party’s share of the carrying amount of owners’ equity of the party being absorbed in the consolidated financial statements of the ultimate controlling party at the combination date; for long-term equity investments acquired through a business combination involving enterprises not under common control, the investment cost shall be the combination cost.

For long-term equity investments acquired not through a business combination: for long-term equity investments acquired by payment in cash, the initial investment cost shall be the purchase price actually paid; for long-term equity investments acquired by issuing equity securities, the initial investment cost shall be the fair value of the equity securities issued.

(2) Subsequent measurement and recognition of profit or loss

Investments in subsidiaries are accounted for using the cost method, unless the investment meets the conditions for held-for-sale; investments in associates and joint ventures are accounted for using the equity method.

For long-term equity investments accounted for using the cost method, except for the actual payment made at the time of investment or the cash dividends or profits included in the consideration that have been declared but not yet distributed, the cash dividends or profits declared and distributed by the investee are recognized as investment income in profit or loss for the current period.

For long-term equity investments accounted for using the equity method, where the initial investment cost exceeds the Company’s share of the fair value of the investee’s identifiable net assets at the time of acquisition, the investments is initially measured at that cost; where the initial investment cost is less than the Company’s share of the fair value of the investee’s identifiable net assets at the time of acquisition, the difference is included in profit or loss for the current period and the cost of the long-term equity investment is adjusted upwards accordingly

When accounting using the equity method, investment income and other comprehensive income are recognized based on the share of net profit or loss and other comprehensive income realized by the invested entity that should be enjoyed or shared, and the book value of the long-term equity investments is adjusted accordingly. The portion of profits or cash dividends declared and distributed by the invested entity that should be enjoyed is calculated, and the book value of the long-term equity investments is correspondingly reduced. For other changes in the owner's equity of the invested entity other than net profit or loss, other comprehensive income, and profit distribution, the book value of the long-term equity investment is adjusted and included in capital reserves (other capital reserves). When recognizing the share of net profit or loss of the invested entity that should be enjoyed, the fair value of the identifiable assets and other items of the invested entity at the time of investment acquisition is used as the basis, and the net profit of the invested entity is adjusted according to the accounting policies and accounting periods of the company before recognition.

If, due to reasons such as additional investments, the investor is able to exert significant influence or joint control over the investee but does not constitute control, on the transition date, the sum of the fair value of the original equity and the newly added investment cost shall be regarded as the initial investment cost accounted for using the equity method. If the original equity is classified as a no trading equity instrument investment measured at fair value with changes recognized in other comprehensive income, the cumulative fair value changes previously recognized in other comprehensive income related to it shall be transferred to retained earnings when accounting for it using the equity method.

If joint control or significant influence over the investee is lost due to reasons such as the disposal of a portion of equity investment, the remaining equity after disposal shall be accounted for in accordance with "Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments" on the date when joint control or significant influence is lost. The difference between fair value and book value shall be recorded in the profit or loss for the current period. For other comprehensive income recognized from the original equity investment accounted for using the equity method, accounting treatment shall be conducted on the same basis as the direct disposal of related assets or liabilities by the investee when the equity method is no longer used for accounting. All other changes in owner's equity related to the original equity investment shall be transferred to the profit or loss for the current period.

If control over the invested entity is lost due to reasons such as the disposal of a portion of equity investment, and the remaining equity after disposal can jointly control or exert significant influence over the invested entity, the equity method shall be adopted for accounting, and the remaining equity shall be adjusted as if it had been accounted for using the equity method from the time of acquisition. If the remaining equity after disposal cannot jointly control or exert significant influence over the invested entity, accounting treatment shall be conducted in accordance with the relevant provisions of "Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments", and the difference between its fair value and book value at the date of loss of control shall be recognized in profit or loss for the current period.. If the Company's shareholding ratio decreases due to capital increases by other investors, resulting in the loss of control but still enabling joint control or significant influence over the invested entity, the Company shall recognize its share of the net assets increased by the invested entity due to the capital increase based on the new shareholding ratio. The difference between this share and the original book value of the long-term equity investment corresponding to the decreased shareholding ratio shall be recorded in profit or loss for the current period. Subsequently, adjustments shall be made using the equity method as if the new shareholding ratio had been applied from the time of investment acquisition.

The unrealized internal transaction losses and gains between the Company and its associated enterprises and joint ventures are calculated based on the shareholding ratio and attributed to the Company. The investment losses and gains are recognized on an offset basis. Any losses resulting from transactions between the Company and its investees, which are attributable to asset impairment losses are not eliminated.

(3) Basis for determining existence of control, joint control or significant influence over investees

Joint control is the agreed sharing of control over an arrangement, and the decision of activities relating to such arrangement requires the unanimous consent of the Company and other parties sharing control. In determining whether joint control exists, the first step is to assess whether all participating parties or a combination of participating parties collectively control the arrangement. The second step is to determine whether decisions regarding the relevant activities of the arrangement must be unanimously agreed upon by these collectively controlling parties. If all participating parties or a group of participating parties must act in unison to decide on the relevant activities of an arrangement, it is considered that all participating parties or a group of participating parties collectively control the arrangement. If there are two or more combinations of participating parties capable of collectively controlling an arrangement, it does not constitute joint control. When determining whether joint control exists, protective rights enjoyed are not considered.

Significant influence is the power to participate in making the decisions on financial and operating policies of the investee, but is not control or joint control over making those policies. When determining whether the investor can exert significant influence on the invested entity, the consideration includes the voting shares directly or indirectly held by the investor in the invested entity, as well as the impact of the current executable potential voting rights held by the investor and other parties after assuming that they are converted into equity in the invested entity, including the impact of the current convertible warrants, share options, and convertible corporate bonds issued by the invested entity.

When the Company directly or indirectly, through its subsidiaries, holds more than 20% (inclusive) but less than 50% of the voting shares of the invested entity, it is generally considered to have significant influence over the invested entity, unless there is clear evidence indicating that it cannot participate in the production and operation decisions of the invested entity in such circumstances and does not exert significant influence. When the Company holds less than 20% (exclusive) of the voting shares of the invested entity, it is generally not considered to have significant influence over the invested entity, unless there is clear evidence indicating that it can participate in the production and operation decisions of the invested entity in such circumstances and exert significant influence.

23. Investment property

The measurement mode of investment property
Measurement cost method
Depreciation or amortization method

Investment property refers to real estate held for the purpose of generating rentals or capital appreciation, or both. The investment properties of the Company include land use rights that have been leased out, land use rights held for transfer after appreciation, and buildings that have been leased out.

The investment properties of the Company are initially measured at their acquisition costs and are subject to depreciation or amortization on a regular basis in accordance with the relevant provisions for fixed assets or intangible assets.

The net amount of proceeds from sale, transfer, retirement or damage of an investment property after its carrying amount and related taxes and expenses is recognised in profit or loss for the current period.

24. Fixed assets

1. Conditions for fixed asset recognition

The fixed assets of the company refer to tangible assets held for the purpose of producing goods, providing services, leasing, or business management, with a service life exceeding one accounting year, including buildings, power generation equipment, motor vehicles, and other equipment.

Fixed assets are recognised when it is probable that the related economic benefits will flow into the Group and the costs can be reliably measured.

Fixed assets purchased or constructed by the Group are initially measured at cost at the time of acquisition.

Subsequent expenditures incurred for a fixed asset are included in the cost of the fixed asset when it is probable that the associated economic benefits will flow to the Group and the related cost can be reliably measured. The carrying amount of the replaced part is derecognised. All the other subsequent expenditures are recognised in profit or loss for the period in which they are incurred.

（2） Depreciation

Categories	Basis of depreciation	Depreciation age (year)	Retain value rate	Annual depreciation ratio
Houses & buildings	Straight average on period	30-40	4-5	3.20-2.38
Equipment & machinery	Straight average on period	5-20	4-5	19.2-4.75
Transportation equipment	Straight average on period	5-12	4-5	19.2-7.92
Office equipment	Straight average on period	3-10	4-5	32-9.50

25.Construction in progress

Construction in progress is measured at actual cost, including various necessary engineering expenditures incurred during the construction period, borrowing costs that should be capitalized before the project reaches its intended usable state, and other related expenses

When the construction in process reaches its useful status as expected, it is transferred into fixed asset at actual cost. If the construction in process has reached useful status but with completion of project settlement process, it is transferred to fixed asset at the value estimated, and adjustment will happen after completion of project settlement process but no adjustment on depreciation provided previously.

Category	Standard and time point for carrying forward construction in progress to fixed assets
Houses and buildings	Reach the predetermined serviceable state or delivered for use at the time of acceptance
Machinery and equipment	Meet the design requirements or standards stipulated in the contract after installation and debugging
Office equipment	Meet the design requirements or standards stipulated in the contract after installation and debugging
Software project	Meet the design requirements or standards stipulated in the contract after installation and debugging

26. Borrowing costs

(1) Recognition principle for capitalization of borrowing costs

The borrowing costs incurred by the Company, which can be directly attributed to the acquisition, construction, or production of assets eligible for capitalization, shall be capitalized and included in the cost of the relevant assets. Other borrowing costs shall be recognized as expenses based on their actual amount at the time of occurrence and included in profit or loss for the current period. Borrowing costs that meet the following conditions shall commence capitalization:

① Asset expenditure has already occurred, which includes expenditure incurred in the form of cash payments, transfers of non-cash assets, or the assumption of interest-bearing debts for the acquisition, construction, or production of assets eligible for capitalization;

② The borrowing costs have already been incurred;

③ The acquisition, construction, or production activities necessary to prepare the asset for its intended use or sale have commenced.

(2) Capitalization period of borrowing costs

When the assets eligible for capitalization acquired, constructed, or produced by the company reach the expected usable or marketable state, the capitalization of borrowing costs ceases. Borrowing costs incurred after the assets eligible for capitalization reach the expected usable or marketable state arerecognized as expenses based on their actual amount at the time of occurrence and recorded profit or loss for the current period.

Capitalization of borrowing costs is suspended during periods in which the acquisition or construction of an asset is interrupted abnormally and the interruption lasts for more than 3 months, until the acquisition or construction is resumed; borrowing costs incurred during normal interruptions shall continue to be capitalized.

(3)Calculation method for capitalization rate and capitalization amount of borrowing costs

The amount of interest expenses actually incurred on special borrowings in the current period, after deducting the interest income earned on the unused borrowing funds deposited in the bank or the investment income earned from temporary investments, shall be capitalized. For general borrowings, the capitalization amount shall be determined by multiplying the weighted average of asset expenditures exceeding the special borrowings by the capitalization rate of the general borrowings used. The capitalization rate shall be calculated and determined based on the weighted average interest rate of the general borrowings.

During the capitalization period, the exchange differences on foreign currency specific borrowings are fully capitalized; the exchange differences on foreign currency general borrowings are recorded profit or loss for the current period.

27. Biological assets

Not applicable

28. Oil-gas assets

Not applicable

29. Intangible assets

（1）Pricing Method, service life and impairment test

Intangible assets are land using rights, patents, non-patent technologies and software, etc.

Intangible assets are initially measured at cost, and their useful lives are assessed upon acquisition. If the useful life is finite, an amortization method that reflects the expected realization of economic benefits related to the asset is adopted, starting from the point when the intangible asset is ready for use, and amortization is carried out over the expected useful life. If the expected realization method cannot be reliably determined, the straight-line method is used for amortization. Intangible assets with an uncertain useful life are not amortized.

The amortization method for intangible assets with limited service life is as follows:

Category	Expected useful lives	Service life and its determination basis	Amortization method	Remark
Land using right	50 years	Number of years specified in the warrant	Straight-line method	
Patent	5-20 years	Estimated serviceable life	Straight-line method	
Non patent technology	5 years	Estimated serviceable life	Straight-line method	
Software	3-10 years	Estimated serviceable life	Straight-line method	

At the end of each year, the Company reviews the useful life and amortization method of intangible assets with a limited useful life. If the review results in a difference from previous estimates, the original estimates are adjusted and treated as a change in accounting estimates.

If it is estimated on the balance sheet date that an intangible asset can no longer bring future economic benefits to the enterprise, the entire book value of the intangible asset shall be transferred to profit or loss for the current period.

（2）Scope of R&D expenditures and related accounting treatments

Not applicable

30. Impairment of long-term assets

The impairment of assets such as long-term equity investments in subsidiaries, associates, and joint ventures, investment properties measured using the cost model, fixed assets, construction in progress, right-of-use assets, intangible assets, goodwill, etc. (excluding inventories, deferred tax assets, and financial assets) shall be determined according to the following methods:

On the balance sheet date, we assess whether there are any indications that assets may be impaired. If there are such indications, the company will estimate their recoverable amounts and conduct an impairment test. Impairment tests are conducted annually for goodwill formed through business combinations, intangible assets with uncertain useful lives, and intangible assets that have not yet reached their intended use, regardless of whether there are any indications of impairment.

The recoverable amount is determined based on the higher of the net amount after deducting disposal expenses from the fair value of the asset and the present value of the expected future cash flows of the asset. The Company estimates the recoverable amount of an individual asset; if it is difficult to estimate the recoverable amount of an individual asset, the recoverable amount of the asset group to which the asset belongs is determined. The identification of an asset group is based on whether the main cash inflows generated by the asset group are independent of the cash inflows of other assets or asset groups.

When the recoverable amount of an asset or asset group is lower than its carrying amount, the Company will reduce its carrying amount to the recoverable amount, and the reduced amount will be recorded profit or loss for the current period. At the same time, a corresponding provision for asset impairment will be made.

Regarding the impairment test of goodwill, the carrying value of goodwill formed through business combinations is amortized to the relevant asset groups using a reasonable method from the acquisition date. If it is difficult to allocate to the relevant asset groups, it is amortized to the relevant combinations of asset groups. The relevant asset groups or combinations of asset groups are those that can benefit from the synergistic effects of business combinations and are not larger than the reporting segments determined by the company.

During impairment testing, if there are signs of impairment in the asset group or combination of asset groups related to goodwill, the impairment test is first conducted on the asset group or combination of asset groups excluding goodwill. The recoverable amount is calculated, and the corresponding impairment loss is recognized. Then, the impairment test is conducted on the asset group or combination of asset groups including goodwill. The book value is compared with the recoverable amount. If the recoverable amount is lower than the book value, the impairment loss of goodwill is recognized.

31. Long-term amortizable expenses

Not applicable

32.Constract Liabilities

The Company presents contract assets or contractual liabilities in the balance sheet according to the relationship between the fulfillment of performance obligations and customer payment. The Company will offset the contract assets and contractual liabilities under the same contract and present them in net amount.

The Company presents the obligation to transfer goods to customers for consideration received or receivable from customers as contractual liabilities.

33. Employees’ wage

1. Accounting of short-term wages

Employee benefits refers to various forms of remuneration or compensation given by enterprises to obtain services provided by employees or terminate labor relations. Employee benefits refer to all forms of consideration or compensation given by the Company in exchange for service rendered by employees or for termination of employment relationship, which include short-term employee benefits, post-employment benefits, termination benefits and other long-term employee benefits. The benefits provided by enterprises to employees' spouses, children, dependents, survivors of deceased employees, and other beneficiaries also belong to employee benefits

Short-term employee benefits include wages or salaries, bonus, allowances and subsidies, staff welfare, premiums or contributions on medical insurance, work injury insurance and maternity insurance, housing funds, union running costs and employee education costs and short-term paid absences. The short-term employee benefits actually occurred are recognised as a liability in the accounting period in which the service is rendered by the employees, with a corresponding charge to the profit or loss for the current period or the cost of relevant assets.

2.Accounting of stipulated beneficiary plan is on following steps:

The Company classifies post-employment benefit plans as either defined contribution plans or defined benefit plans. Defined contribution plans are post-employment benefit plans under which the Company pays fixed contributions into a separate fund and will have no obligation to pay further contributions; and defined benefit plans are post-employment benefit plans other than defined contribution plans.

Defined contribution plan

Defined contribution plans include basic pension insurance, unemployment insurance, and enterprise annuity plans.

During the accounting period when employees provide services, the amount payable calculated according to the defined contribution plan is recognized as a liability and included in the current profits and losses or related asset costs.

Defined benefit plan

For defined benefit plan, the Company uses the projected unit credit method and includes the obligation of the defined benefit plan in the accounting period in which the service has been rendered by the employees, with a corresponding charge to the profit or loss for the period. The cost of employee benefits arising from defined benefit plans are classified into the following parts:

① Service costs, including current service costs, past service costs and settlement gains or losses. Current service costs refer to the increase in the present value of defined benefit plan obligations caused by employees' provision of services in the current period; Past service costs refer to the increase or decrease of the present value of defined benefit plan obligations related to employee service in the previous period caused by the revision of the defined benefit plan.

② Net interest of net liabilities or net assets in defined benefit plan, including the interest income of planned assets, the interest expense of defined benefit plan obligations and the interest affected by the asset ceiling.

③ Changes arising from re-measurement of net liabilities or net assets in defined benefit plan.

④ Unless other accounting standards require or permit employee benefit costs to be included in asset costs, the Company recognizes the above items ① and ② in current profits and losses; item ③ in other comprehensive income and will not reclassify it to profits or losses in subsequent periods. Upon termination of the original defined benefit plan, the portion originally recorded in other comprehensive income will be fully transferred to undistributed profit within equity.

3. Accounting of dismissing welfare

The Company recognises a liability arising from compensation for termination of the employment relationship with employees, with a corresponding charge to profit or loss for the current period at the earlier of the following dates: when the Company cannot unilaterally withdraw an employment termination plan or a curtailment proposal; or when the Company recognises costs or expenses for a restructuring that involves the payment of termination benefits.

For the implementation of internal employee retirement plans, the economic compensation before the official retirement date is considered as a dismissal benefit. From the date when the employee ceases to provide services until the normal retirement date, the proposed payment of wages for early retired employees and social insurance premiums are included in profit or loss for the current period on a onetime basis. The economic compensation after the official retirement date (such as normal pension benefits) is treated as post-employment benefits

4. Accounting of other long-term employees’ welfares

If other long-term benefits provided to employees meet the conditions of defined contribution plans, they shall be accounted for inaccordance with the relevant provisions of defined contribution plans; other long-term benefits shall be accounted for inaccordance with the relevant provisions of the defined benefit plans. In order to simplify the relevant accounting treatment, the employee compensation costs arising there from shall be recognized as the total net amount of service costs, net liabilities or net assets of other long-term employee benefits, and changes arising from the re-measurement of net liabilities or net assets of other long-term employee benefits, and shall be included in the current profit or loss or related asset costs.

34. Expected liabilities

If the obligations related to contingencies simultaneously meet the following conditions, the Company will recognize them as provisions：

(1) This obligation is a present obligation undertaken by the Company;

(2) It is probable that an outflow of economic benefits will be required to settle the obligation;

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

A provision is initially measured at the best estimate of the expenditure required to settle the related present obligation. Factors surrounding a contingency, such as the risks, uncertainties and the time value of money, are taken into account as a whole in reaching the best estimate of a provision. Where the effect of the time value of money is material, the best estimate is determined by discounting the related future cash outflows. The carrying amount of provisions is reviewed at each balance sheet date and adjusted to reflect the current best estimate.

If the expenditure required to settle the confirmed provisions is expected to be fully or partially compensated by a third party or other parties, the compensation amount can only be separately recognized as an asset when it is virtually certain that it will be received. The recognized compensation amount shall not exceed the book value of the confirmed liability.

35.Share-based Payment

(1) Types of share-based payment

Including equity-settled share-based payment and cash-settled share-based payment.

(2) Methods for determining fair value of equity instruments

For granted equity instruments such as options with active markets, the Company determines their fair value based on quoted prices in active markets. For granted equity instruments such as options without active markets, the Company uses option pricing models to determine their fair value. The selected option pricing model takes into account the following factors: A. Vesting price of the option; B. Term of the option; C. Current price of the underlying shares; D. Expected volatility of the share price; E. Expected dividends on the shares; F. Risk-free interest rate over the term of option.

(3) Basis for recognizing the best estimate of equity instruments with vesting rights

On each balance sheet date during the waiting period, the Company makes the best estimate based on the latest subsequent information such as changes in the number of employees with vesting rights, and corrects the number of equity instruments with estimated vesting rights. On the vesting date, the final estimated number of equity instruments with vesting rights shall equal the actual number of instruments that vest.

(4) Accounting treatment related to implementation, modification and termination of share-based payment plan

Equity-settled share-based payment shall be measured at the fair value of equity instruments granted to employees. If it is vesting immediately after the grant, it will be included in the relevant costs or expenses according to the fair value of the equity instrument on the grant date, and the capital reserve will be increased accordingly. If it is vesting only after the service within the waiting period is completed or the specified performance conditions are met, on each balance sheet date within the waiting period, the service obtained in the current period shall be included in the relevant costs or expenses and capital reserve based on the best estimate of the number of equity instruments with vesting right and according to the fair value on the grant date of the equity instruments. After the vesting date, the recognized related costs or expenses and the total owners' equity will not be adjusted.

Cash-settled share-based payment shall be measured at fair value of liabilities calculated and determined based on shares or other equity instruments undertaken by the Company. If it is vesting immediately after the grant, it will be included in the relevant costs or expenses at the fair value of the liabilities undertaken by the Company on the grant date, and the liabilities will be increased accordingly. For cash-settled share-based payment vesting after the service in the waiting period is completed or the specified performance conditions are met, the service obtained in the current period shall be included in the costs or expenses and corresponding liabilities on each balance sheet date during the waiting period based on the best estimate of the vesting situation and according to the fair value of the liabilities undertaken by the Company. On each balance sheet date and settlement date before the settlement of related liabilities, the fair value of liabilities is re-measured, and its changes are included in the current profits and losses.

When the Company modifies the share-based payment plan, if the modification increases the fair value of the equity instruments granted, the increase in services obtained will be recognized accordingly; If the modification increases the number of equity instruments granted, the fair value of the increased equity instruments will be recognized as an increase in service acquisition accordingly. The increase in the fair value of equity instruments refers to the difference between the fair value of equity instruments before and after modification on the modification date. If the total fair value of share-based payment is reduced or the terms and conditions of the share-based payment plan are modified in other ways that are unfavorable to employees, the accounting treatment for the services obtained will continue, as if the change had never occurred, unless the Company cancels part or all of the equity instruments granted.

During the waiting period, if the granted equity instruments are cancelled (except those cancelled due to non-market conditions that do not meet the vesting conditions), the Company will treat the cancellation of the granted equity instruments as an accelerated vesting, immediately include the amount to be recognized in the remaining waiting period into the current profits and losses, and recognize the capital reserve at the same time. If employees or other parties can choose to meet the conditions of unfeasible rights but fail to meet them within the waiting period, the Company will cancel them as the granting equity instruments.

(5) Restricted stock

Under the equity incentive plan, the Company grants restricted stock to incentive objects, who will first subscribe for the stocks. If the subsequent unlocking conditions specified in the equity incentive plan are not met, the Company will repurchase the stock at a pre-agreed price. For restricted stocks issued to employees that have been subjected to capital increase procedures such as registration in accordance with relevant regulations, on the grant date, the Company will recognize the share capital and capital reserve (share premium) based on the subscription payments received from employees; simultaneously, it will recognize treasury stock and other payables for the repurchase obligation.

36 . Other financial instruments such as preferred shares and perpetual capital securities

Not applicable

37.Revenues

Accounting policies used for revenue recognition and measurement

(1) General principles

The Company recognizes revenue when it has fulfilled its performance obligations under the contract, that is, when the customer obtains control over the relevant goods or services.

If a contract contains two or more performance obligations, the Company, on the contract start date, allocates the transaction price to each individual performance obligation based on the relative proportion of the separate selling prices of the goods or services promised under each individual performance obligation, and measures revenue based on the transaction price allocated to each individual performance obligation.

When one of the following conditions is met, it is considered fulfilling the performance obligation within a certain time period; otherwise, it is considered fulfilling the performance obligation at a certain point in time:

① Customers obtain and consume the economic benefits brought by the company's performance while the company is fulfilling its contract.

② Customers have the ability to control the goods that are in progress during the company's fulfillment process.

③ The goods produced by the company during the performance of the contract have irreplaceable uses, and the company has the right to collect payments for the accumulated performance completed to date throughout the contract period.

For performance obligations that are fulfilled within a certain period, the Company recognizes revenue based on the progress of fulfillment during that period. When the progress of fulfillment cannot be reasonably determined, if the costs already incurred by the Company are expected to be compensated, revenue is recognized at the amount of the costs already incurred until the progress of fulfillment can be reasonably determined.

For performance obligations that are fulfilled at a certain point in time, the Company recognizes revenue at the point when the customer obtains control over the relevant goods or services. In determining whether the customer has obtained control over the goods or services, the Company considers the following indicators:

① The company has a current right to receive payment for the goods or services, which means the customer has a current obligation to pay for the goods.

② The company has transferred the legal ownership of the product to the customer, meaning that the customer now holds the legal ownership of the product.

③ The company has transferred the physical possession of the product to the customer, meaning that the customer has physically taken possession of the product.

④ The company has transferred the significant risks and rewards of ownership of the goods to the customer, meaning that the customer has assumed the significant risks and rewards of ownership of the goods.

⑤ The customer has accepted the product or service.

⑥ Other signs indicating that the customer has obtained control over the goods

(2) Specific methods

1) Industrial steam turbine and other products sales business

The company's selling of steam turbines, gas turbine or spare parts shall belong to the performance of obligation at a certain point in time.

Domestic sales revenue is recognized when the Company has delivered the product in accordance with the contract and obtained the receipt confirmed by the purchaser, with received the payment or obtained the right to receive payment and the relevant economic benefits are likely to flow in. Export sales revenue is recognized wh en the Company has declared the product in accordance with the contract and obtained the export goods declara tion form and the bill of lading, with received the payment or obtained the right to receive payment and the rele vant economic benefits are likely to flow in.

2) Hydro-generator set sales business and engineering service business (including EPC and other general contracting projects)

The Company's business of selling hydro-generator sets and providing engineering services are the performance obligations performed within a certain period of time. The performance progress is determined according to the proportion of the incurred cost to the estimated total cost, and the revenue is recognized according to the performance progress. When the performance progress cannot be reasonably recognized, if the cost already incurred by the Company is expected to be compensated, the revenue will be recognized according to the cost amount already incurred until the performance progress can be reasonably recognized.

The adoption of different business models in similar businesses leads to differences in accounting policies for revenue recognition

Not applicable

38.Contract cost

Contract costs include incremental costs incurred for obtaining the contract and contract performance costs.

Incremental costs incurred to obtain a contract refer to costs that would not have been incurred if the company did not obtain the contract (such as sales commissions). If such costs are expected to be recoverable, the company recognizes them as contract acquisition costs and recognizes them as an asset. Other expenses incurred by the company to obtain a contract, other than the incremental costs expected to be recoverable, are recognized in profit or loss for the period when they are incurred.

For costs incurred in the performance of a contract, if they do not fall within the scope of other enterprise accounting standards such as inventories and simultaneously meet the following conditions, the company recognizes them as contract performance costs and recognizes them as an asset:

① The costs are directly attributable to a contract or an anticipated contract, including direct labor, direct materials, overheads (or similar expenses), costs that are explicitly chargeable to the customer, and other costs that are incurred solely in connection with the contract;

② The costs enhance the Company's future resources for fulfilling its performance obligations;

③ The costs are expected to be recovered.

Assets recognized for costs of obtaining a contract or costs to fulfil a contract (hereinafter referred to as "assets related to contract cost") shall be amortized on the same basis as revenue recognition of goods or services related to such assets and recognized into profit or loss for the current period when incurred.

When the carrying amount of an asset related to contract costs exceeds the difference between the following two items, the Company makes an impairment provision for the excess and recognizes it as an asset impairment loss:

① The remaining consideration that the Company expects to receive in exchange for the goods orservices to which the asset relates;

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

39. Government subsidy

Government subsidies are recognized when the conditions attached to the subsidies are met and the subsidies can be received. For government subsidies for monetary assets, they are measured at the received or receivable amount. For government subsidies for non-monetary assets, they are measured at fair value; if the fair value cannot be reliably obtained, they are measured at a nominal amount of 1 yuan.

Government subsidies related to assets refer to those obtained by the company and used for the acquisition, construction, or formation of long-term assets through other means; otherwise, they are considered government subsidies related to income.

For government documents that do not explicitly specify the recipients of subsidies, if the subsidy can form long-term assets, the portion of the government subsidy corresponding to the asset value shall be regarded as government subsidies related to assets, and the remaining portion shall be regarded as government subsidies related to income; if it is difficult to distinguish, the entire government subsidy shall be regarded as government subsidies related to income.

Government subsidies related to assets are recognized as deferred income and are recorded in profit or loss over the useful life of the relevant assets using a reasonable and systematic method. Government subsidies related to income, which are used to compensate for related costs or losses already incurred, are recorded in the current profit or loss. Those used to compensate for related costs or losses in future periods are recorded in deferred income and are recorded in the current profit or loss during the period when the related costs or losses are recognized.

Government subsidies measured at their nominal amounts are directly recorded in the current profit or loss. The Company adopts a consistent approach to handling the same or similar government subsidy transactions. Government subsidies related to daily activities are recorded in other income based on the substance of the economic transaction.

Government subsidies unrelated to daily activities are recorded in no operating income.

When confirmed government subsidies need to be returned, if the book value of the relevant assets was offset during initial recognition, the book value of the assets should be adjusted. If there is a balance of related deferred income, the book balance of the related deferred income should be offset, and the excess should be recorded in profit or loss for the current period. In other cases, it should be directly recorded in t profit or loss for the current period.

For obtained policy-based preferential loan interest subsidies, if the fiscal authority disburses the interest subsidy funds to the lending bank, the loan is recorded at the actually received amount, with borrowing costs calculated based on the loan principal and the policy-based preferential interest rate. If the fiscal authority directly disburses the interest subsidy funds to the Company, the borrowing costs will be offset by interest subsidies.

40. Deferred income tax assets/ deferred income tax liabilities

Income tax comprises current income tax and deferred income tax. Except for the adjusted goodwill arising from business combinations or the deferred income tax related to transactions or events directly recognized in owner's equity, which is recorded in owner's equity, all other income taxes are recognized as income tax expenses and recorded in profit or loss for the current period.

The Company recognizes deferred income tax using the balance sheet liability method based on the temporary differences between the carrying amount of assets and liabilities at the balance sheet date and their tax bases.

The deferred income tax liabilities are recognized for all taxable temporary differences, unless the taxable temporary difference arises from the following transactions:

(1) Initial recognition of goodwill, or initial recognition of assets or liabilities arising from transactions that meet the following criteria: the transaction is not a business combination, and at the time of occurrence, it neither affects accounting profit nor affects taxable income (except for individual transactions where the initially recognized assets and liabilities result in equal amounts of taxable temporary differences and deductible temporary differences);

(2) For taxable temporary differences related to investments in subsidiaries, joint ventures, and associated enterprises, the timing of the reversal of such temporary differences can be controlled, and it is likely that such temporary differences will not reverse in the foreseeable future.

For deductible temporary differences, deductible losses that can be carried forward to future years, and tax credits, the Company recognizes the resulting deferred tax assets to the extent that it is likely to obtain future taxable income that can be used to offset the deductible temporary differences, deductible losses, and tax credits, unless the deductible temporary differences arise from the following transactions: (1) The transaction is not a business combination, and at the time of transaction, it neither affects accounting profit nor affects taxable income (except for individual transactions where the initial recognition of assets and liabilities results in equal amounts of taxable temporary differences and deductible temporary differences);

(2) For deductible temporary differences related to investments in subsidiaries, joint ventures, and associated enterprises, corresponding deferred tax assets are recognized when both of the following conditions are met: the temporary differences are likely to be reversed in the foreseeable future, and it is likely that future taxable income will be available to offset the deductible temporary differences.

On the balance sheet date, the Company measures deferred tax assets and deferred tax liabilities at the tax rate applicable during the expected period of asset recovery or liability settlement, and reflects the income tax impact of the expected asset recovery or liability settlement method on the balance sheet date. On the balance sheet date, the Company reviews the carrying amount of deferred tax assets. If it is likely that sufficient taxable income will not be available in future periods to offset the benefit of the deferred tax asset, the carrying amount of the deferred tax asset is reduced. When sufficient taxable income is likely to be available, the reduced amount is reversed.

On the balance sheet date, deferred tax assets and deferred tax liabilities are presented at the net amount after offsetting when both of the following conditions are met:

(1) The taxable entity within the company has the statutory right to settle current income tax assets and current income tax liabilities on a net basis;

(2) Deferred tax assets and deferred tax liabilities are related to income taxes levied by the same tax authority on the same taxable entity within the company.

41. Lease

(1) Accounting treatments for leases in which the Company is the lessee

At the commencement date of the lease term, the Company recognizes right-to-use assets and lease liabilities for all leases, except for short-term leases and leases of low-value assets that qualify for simplified treatment.

The lease liabilities are initially measured at the present value of the lease payments not yet paid at the commencement date of lease term, discounted using the interest rate implicit in lease. When the interest rate implicit in lease cannot be readily determined, the Company's incremental borrowing rate will be used as the discount rate. The lase payments include: Fixed payment and substantial fixed payment, and if there is lease incentive, the relevant amount of lease incentive shall be deducted; Variable lease payment amount depending on index or ratio; Vesting price of the purchase option, provided that the lessee reasonably determines that the option will be vested; Amount to be paid for vesting the option to terminate the lease, provided that the lease term reflects that the lessee will vest the option to terminate the lease; And amount expected to be paid according to the residual value of the guarantee provided by the lessee. Subsequently, the Company will calculate the interest expense of the lease liabilities during the lease term according to the fixed periodic interest rate, and includes it in the current profits and losses. The variable lease payments that are not included in the measurement of lease liabilities are included in the current profits and losses when actually incurred.

Short-term lease

Short-term lease refers to the lease with a lease term of no more than 12 months on the

The Company recognizes lease payments for short-term leases in the relevant asset costs or current profits and losses on a straight-line basis over the lease term.

For short-term leases, the Company has elected to apply the above simplified treatment approach to all lease items meeting the short-term lease criteria across all asset categories.

Low-value asset lease

The Company recognizes lease payments for low-value asset leases in the relevant asset costs or current profits and losses on a straight-line basis over the lease term.

For low-value asset lease, the Company selects to apply the above simplified treatment approach based on the specific circumstances of each individual lease.

Lease change

A lease change is accounted for as a separate lease by the Company when it meets both of the following conditions: ①The lease change expands the scope of the lease by adding one or multiple underlying assets; ② The consideration for the increase is equivalent to the individual price of the expanded part of the lease scope adjusted according to the contract conditions.

If the lease change is not accounted for as a separate lease, on the effective date of the lease change, the Company will re-allocate the consideration of the changed contract, re-determine the lease term, and re-measure the lease liabilities according to the present value calculated by the changed lease payment and the revised discount rate.

If the lease scope is reduced or the lease term is shortened due to lease change, the Company shall correspondingly reduce the book value of the right-to-use assets, and include the related gains or losses of partial or full termination of lease in the current profits and losses.

For other lease changes requiring remeasurement of the lease liability, the Company makes corresponding adjustments to the book value of the right-to-use asset.

(2) Accounting treatment method for leasing as a lessor

As an lessor, the Company will recognize the lease that substantially transfers all risks and rewards related to asset ownership as financial lease, and other leases except financial lease as operating lease.

Financial lease

For finance leases, at the commencement date of the lease term, the Company measures the entry value of receivable from financial lease at the net investment amount in the lease. The net investment amount in the lease is the sum of the present value of the unguaranteed residual value and the lease payments not yet received at the commencement date of the lease term, discounted using the interest rate implicit in lease. As the lessor, the Company calculates and recognizes interest income for each period during the lease term using a constant periodic interest rate. Variable lease payments received by the Company as lessor that are not included in the measurement of the net investment amount in the lease are recognized in the current profits and losses when they actually occur.

The derecognition and impairment of receivable from financial lease are accounted for in accordance with the requirements of Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments and Accounting Standards for Business Enterprises No. 23 - Transfer of Financial Assets.

Operating lease

During each period of the lease term, the company recognizes the lease receipts as lease income according to the straight-line method, and the initial direct expenses incurred are capitalized and allocated on the same basis as the lease income recognition, and are included in the current profits and losses by stages. The variable lease payments related to operating leases that are not included in the lease receipts obtained by the company are included in the current profits and losses when they actually occur.

Lease modification

In case of any modifications in operating leases, the Company accounts for the modified lease as a new lease from theeffective date of the modification, and the advance or receivable lease receipts related to the lease before the modification is regarded as the receipt amount of the new lease.

If there is a modification in the financing lease and the following conditions are met simultaneously, the Company accounts for the modification as a separate lease: ① the modification expands the scope of the lease by adding the right of use of one or more leased assets; ② the increased consideration is equivalent to the amount of the separate price of the expanded part of the lease scope adjusted according to the contract conditions.

If the modification in the financing lease is not accounted for as a separate lease, the Company treats the modified lease respectively according to the following circumstances: ① if the modification takes effect on the lease commencement date and the lease is classified as operating leases, the Company accounts for it as a new lease from the effective date of the lease modification and takes the net lease investment before the effective date of the lease modification as the book value of the leased assets; ②if the modification takes effect on the lease commencement date, the lease will be classified as a financing lease, and the Company accounts for it in accordance with the provisions of Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments on modifying or renegotiating the contract.

(1) Sale and leaseback

The Company, in accordance with the provisions of Accounting Standards for Business Enterprises No. 14 - Revenue, evaluates and determines whether the transfer of assets in the sale and leaseback transactions is a sale.

If the transfer of assets in the sale and leaseback transactions is a sale, the lessee measures the right-of-use assets arising from the sale and leaseback according to the part of the book value of the original assets related to the right of use obtained from the leaseback, and only recognizes the relevant gains or losses on the rights transferred to the lessor. The lessor accounts for asset purchase in accordance with other applicable accounting standards for business enterprises and conducts accounting treatment for the asset lease in accordance with Accounting Standards for Business Enterprises No. 21 - Leases.

If the transfer of assets in the sale and leaseback transactions is not a sale, the lessee continues to recognize the transferred assets, and recognizes the financial liabilities equal to the transfer revenue. Meanwhile, the lessee accounts for the financial liabilities in accordance with Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments. The lessor does not recognize the transferred assets, but recognizes financial assets equal to the revenue transferred. It also accounts for that financial asset in accordance with Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments

42. Other significant accounting policies and estimates

1.Work safety costs

The Company withdraws and includes work safety costs into relevant product costs or current profits and loss and the subject of "special reserve" as per Measures for Management of Enterprise Withdrawal and Use of Work Safety Costs (Cai Qi [2022] No.136) jointly promulgated by Ministry of Finance and State Administration of Work Safety. As work safety costs withdrawn are used, ones attributable to the cost disbursement shall directly offset special reserve. To form fixed assets, the disbursement incurred for inclusion into the subject of "construction in progress" shall be recognized as fixed assets when safety projects are completed and available for use as expected; meanwhile, costs for forming fixed assets shall offset special reserve, cumulative depreciation in the corresponding amount shall be recognized and depreciation shall no longer be withdrawn for the fixed assets in the following period.

2. Share repurchase

The Company's repurchased shares are managed as treasury shares until cancellation or transfer, with all expenditures on share repurchase being transferred to the cost of treasury stocks. The consideration and transaction costs paid in share repurchase reduce owners' equity. No gain or loss is recognized when repurchasing, transferring or canceling the Company's shares.

For transferred treasury stocks, the difference between the actual amount received and the book amount of treasury stocks is recorded in capital reserve. If the capital reserve is insufficient to offset the difference, the surplus reserve and undistributed profit will be reduced accordingly. For canceled treasury stocks, the share capital is reduced by the par value and the number of shares canceled. The difference between the book balance and face value of the canceled treasury stocks is offset against capital reserve. If the capital reserve is insufficient to offset the difference, the surplus reserve and undistributed profit will be reduced accordingly.

3. Debt restructuring

(1) The Company as Debtor

The Company derecognizes debt when the present obligation of debt is discharged. Specifically, gains or losses related to debt restructuring are recognized when the uncertainties regarding the execution and outcome of the debt restructuring agreement are eliminated.

For debt restructuring conducted through asset settlement, the Company derecognizes both the relevant assets and liquidated debt when they meet the derecognition criteria, with the difference between the book value of the liquidated debt and the book value of the transferred assets being recognized in current profits and losses.

For debt restructuring through conversion of debt into equity instruments, the Company derecognizes the liquidated debt when it meets the derecognition criteria. The Company initially measures equity instruments at fair value upon initial recognition. When the fair value of equity instruments cannot be reliably measured, the fair value of the liquidated debt is used for measurement. The difference between the book value of the liquidated debt and the recognized amount of equity instruments is recorded in current profits and losses.

For debt restructuring through modification of other terms, the Company recognizes and measures the restructured debt in accordance with Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments and Accounting Standards for Business Enterprises No. 37 - Presentation of Financial Instruments.

For debt restructuring involving debt liquidation of multiple assets or a combination of methods, the Company recognizes and measures equity instruments and restructured debt using the aforementioned methods. The difference between the book value of the liquidated debt and the sum of the book value of transferred assets plus the recognized amount of equity instruments and restructured debt is recorded in current profits and losses.

(2) The Company as Creditor

When the contractual right to collect the cash flow of creditor's rights is terminated, the creditor's rights are derecognized. Specifically, profits or losses related to debt restructuring are recognized when all uncertainties about the execution and outcome of the debt restructuring agreement are eliminated.

For debt restructuring through asset settlement, when initially recognizing assets received other than financial assets, the Company measures them at cost: For inventory, the cost includes the fair value of the surrendered creditor's right and other directly attributable costs such as taxes, transportation, loading/unloading fees, and insurance incurred to bring the asset to its present location and condition. For investments in associated enterprises or joint ventures, the cost includes the fair value of the surrendered creditor's right and other directly attributable costs such as taxes of such asset. For investment properties, the cost includes the fair value of the surrendered creditor's right and other directly attributable costs such as taxes of such asset. For fixed assets, the cost includes the fair value of the surrendered creditor's right and other directly attributable costs such as taxes, transportation, installation fees, and professional service fees incurred to bring the asset to the condition necessary for its intended serviceable state. For intangible assets, the cost includes the fair value of the surrendered creditor's right and other directly attributable costs such as taxes incurred to prepare the asset for its intended use. The difference between the fair value and book value of the surrendered creditor's right is recognized in current profits and losses.

For debt restructuring through conversion of debt into equity instruments that results in the conversion of the creditor's right into an equity investment in an associated enterprise or joint venture, the Company measures the initial investment cost at the fair value of the surrendered creditor's right and according to other directly attributable costs such as taxes. The difference between the fair value and book value of the surrendered creditor's right is recognized in current profits and losses.

For debt restructuring through modification of other terms, the Company recognizes and measures the restructured creditor's right in accordance with Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments.

For debt restructuring involving debt liquidation with multiple assets or a combination of methods: The Company shall first recognize and measure the acquired financial assets and restructured creditor's right in accordance with Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments, then allocate the net amount of the fair value of the surrendered creditor's right (after deducting the recognized amounts of acquired financial assets and restructured claim) proportionally based on the relative fair values of non-financial assets acquired, and determine the cost of each asset using the aforementioned methods. The difference between the fair value and book value of the surrendered creditor's

43.Change of main accounting policies and estimations

(1)Change of main accounting policies

√ Applicable □ Not applicable

In RMB

Contents and reasons of changes in accounting policies	Name of report item materially affected	Impact amount
Since January 1, 2024, the Company has implemented the	Sale cost	-38,308,421.32

provisions of "Accounting Treatment for Guaranteed Quality Assurance that is not a single performance obligation" stipulated in the Interpretation No.18 of Accounting Standards for Business Enterprises promulgated by the Ministry of Finance, and made retrospective adjustments to the information in comparable periods		
Since January 1, 2024, the Company has implemented the provisions of "Accounting Treatment for Guaranteed Quality Assurance that is not a single performance obligation" stipulated in the Interpretation No.18 of Accounting Standards for Business Enterprises promulgated by the Ministry of Finance, and made retrospective adjustments to the information in comparable periods	Operating cost	38,308,421.32

The impact of implementing these accounting policies on the consolidated balance sheet as of December 31, 2023 and the consolidated income statement for 2023 is as follows:

Consolidated income statement item (2023)	Adjustment amount
Other current liabilities	11,768,979.69
Estimated liabilities	-11,768,979.69
Consolidated income statement item (2023)	Adjustment amount
Sale cost	-18,101,534.55
Operating cost	18,101,534.55

(2) Change of main accounting estimations

□ Applicable √ Not applicable

（3）The Company started implementing the updated accounting standards commencing from 2024 and adjusted the relevant items in the financial statements at the beginning of the very year involved in the initial implementation of the said standards

□Applicable ☑Not applicable

44.Other

Not applicable

VI. Taxation

1. Main categories and rates of taxes

Category of taxes	Tax base	Tax rate
VAT	The output tax is calculated on the basis of the income from sales of goods and taxable services calculated according to the provisions of the tax law. After deducting the input tax allowed to be deducted in the current period, the difference is the VAT payable	13%，9%，6%；The policy of "exemption, credit and refund" is implemented, and the tax rebate rate is 13%

City maintenance and construction tax	Turnover tax payable	7%，5%
Educational surcharge	Turnover tax payable	15%，25%
House tax	For those on price basis, taxes are paid at 1.2% of the balance of original value of the property after deducting of 30%; for those on rental basis, taxes are paid at 12% of the rental.	1.2%，12%
Educational surcharge	Turnover tax payable	3%
Local education additional	Turnover tax payable	2%

Notes of the disclosure situation of the taxpaying bodies with different enterprises income tax rate

Name	Income tax rate
The Company, Guoneng Company, Huayuan Company, Zhongneng Company, Hangfa Company, Casting Company and Western Power Company	15%
Other Subsidiary（Domestic）	25%

2. Preferential tax

(1) According to the High-tech Enterprise Certificate (certificate numbers are GR202333006671, GR202333011986, GR202333008372, GR202333012099 and GR202333012799 respectively, valid for three years) issued by Department of Science and Technology of Zhejiang Province, Zhejiang Provincial Department of Finance and Zhejiang Provincial Tax Service, State Taxation Administration on December 8, 2023, the Company and its subsidiaries Guoneng Company, Huayuan Company, Zhongneng Company and Hangfa Company enjoy preferential income tax for high-tech enterprises, so the enterprise income tax in 2024 was calculated and paid at a reduced rate of 15%.

(2)According to the "High-tech Enterprise Certificate" (Certificate number: GR202233002954, validity: three years) issued by the Zhejiang Provincial Department of Science and Technology, the Zhejiang Provincial Department of Finance and the Zhejiang Provincial Taxation Bureau of the State Administration of Taxation on December 24, 2022, the subsidiary casting company enjoys high-tech enterprise income tax incentives, thus the enterprise income tax in 2024 shall be reduced to be 15%.

(3) According to the High-tech Enterprise Certificate (Certificate No.: GR202251003392, valid for three years) issued by Sichuan Provincial Department of Science and Technology, Sichuan Provincial Department of Finance and Sichuan Provincial Tax Service, State Taxation Administration on December 2, 2022, the subsidiary Western Power is entitled to the preferential income tax for high-tech enterprises, so the enterprise income tax in 2024 will be calculated and charged at a reduced rate of 15%.

（4）According to the Announcement on the Policy of Adding and Deducting VAT for Advanced Manufacturing Enterprises (Announcement No.43 of the Ministry of Finance and the State Taxation Administration in 2023), the Company and its subsidiaries Guoneng Company, Huayuan Company, Zhongneng Company, Hangfa Company, Casting & Forging Company and Western Power Company, as advanced manufacturing enterprises, add 5% of the deductible input tax for the current period to offset the payable VAT tax.

3.Other

Not applicable

VII. Notes to the Consolidated Financial Statements

1.Monetary funds

In RMB

Item	End of term	Beginning of term
Cash in stock	920.00	14,634.65
Bank deposit	2,159,193,550.01	2,661,596,779.47
Other monetary fund	90,429,939.12	136,556,715.38
Other	2,249,624,409.13	2,798,168,129.50

Other note：

(1) Restricted monetary funds, assets with restricted ownership or right-to-use.

(2) Except for the above-mentioned restricted monetary funds, at the end of the period, the Company did not have any money mortgaged, pledged or frozen, or deposited abroad, with restricted repatriation.

2.Transactional financial assets

In RMB

Item	End of term	Beginning of term
Financial assets measured at fair value through profit or loss	669,850,839.08	568,162,727.49
Of which：		
Structure deposit	500,000,000.00	536,200,000.00
Financing product	168,000,000.00	30,002,021.25
Stock	1,850,839.08	1,960,706.24
Derivative financial assets		
Of which：		
Total	669,850,839.08	568,162,727.49

Other note

3. Derivative financial assets

In RMB

Item	End of term	Beginning of term
The derivatives of the foreign currency	0.00	724,756.61
Total		724,756.61

Other note

4. Notes receivable

(1) Notes receivable listed by category

In RMB

Item	End of term	Beginning of term
Bank acceptance bill		100,000.00
Trade acceptance bill	48,519,566.88	84,888,677.11
Total	48,519,566.88	84,988,677.11

（2） According to the bad debt provision method classification disclosure

In RMB

Category	End of term					Beginning of term				
	Book balance		Bad debt provision		Book value	Book balance		Bad debt provision		Book value
	Amount	Proportion(%)	Amount	Proportion(%)		Amount	Proportion(%)	Amount	Proportion(%)	
Account receivable that withdrawal bad debt provision by single item	0.00	0.00%	0.00	0.00%	0.00	0.00	0.00%	0.00	0.00%	0.00
Including:										
Account receivable withdrawal bad debt provision by portfolio	59,452,825.66	100.00%	10,933,258.78	18.39%	48,519,566.88	98,592,371.66	100.00%	13,603,694.55	13.80%	84,988,677.11
Including：										
Bank acceptance						100,000.00	0.10%			100,000.00
Commercial acceptance	59,452,825.66	100.00%	10,933,258.78	18.39%	48,519,566.88	98,492,371.66	99.90%	13,603,694.55	13.81%	84,888,677.11
Total	59,452,825.66	100.00%	10,933,258.78	18.39%	48,519,566.88	98,592,371.66	100.00%	13,603,694.55	13.80%	84,988,677.11

Accrual of bad debt provision by portfolio:10,933,258.78

In RMB

Name	Amount in year-end		
	Book balance	Bad debt provision	Proportion
Trade acceptance bill	59,452,825.66	10,933,258.78	18.39%
Total	59,452,825.66	10,933,258.78	

If the provision for bad debts of notes receivable is made in accordance with the general model of expected credit losses

□Applicable ☑not applicable

(3) Accounts receivable withdraw, reversed or collected during the reporting period

The withdrawal amount of the bad debt provision：

In RMB

Category	Opening balance	Amount of change in the current period				Closing balance
		Accrual	Reversed or collected amount	Write-off	Other	
Bank acceptance						
Commercial acceptance	13,603,694.55	-2,670,435.77				10,933,258.78
Total	13,603,694.55	-2,670,435.77				10,933,258.78

Of which the significant amount of the reversed or collected part during the reporting period

□ Applicable √ Not applicable

（4）Notes receivable pledged by the company at the end of the period

（5）Accounts receivable financing endorsed or discounted by the Company at the end of the period and not expired yet on the date of balance sheet

In RMB

Items	Amount derecognized at the end of the period	Amount not yet derecognized at the end of the period
Commercial acceptance		23,056,960.05
Total		23,056,960.05

（6） The actual write-off accounts receivable

5. Accounts receivable

（1）Disclosure according to the aging

In RMB

Aging	Balance in year-end	Balance Year-beginning
Within one year(one year included)	1,516,275,989.00	1,387,446,232.83
1-2 years	716,898,980.12	636,601,795.91
2-3 years	499,122,173.08	357,688,203.87
Over 3 years	613,930,518.66	751,198,423.19
3-4 years	179,687,374.97	214,302,960.22
4-5 years	70,281,480.76	94,111,763.66
Over 5 years	363,961,662.93	442,783,699.31
Total	3,346,227,660.86	3,132,934,655.80

（2）According to the bad debt provision method classification disclosure

In RMB

Category	Amount in year-end					Balance Year-beginning				
	Book Balance		Bad debt provision		Book value	Book Balance		Bad debt provision		Book value
	Amount	Proportion(%)	Amount	Proportion(%)		Amount	Proportion(%)	Amount	Proportion(%)	
Accrual of bad debt provision by single	69,714,196.03	2.08%	69,714,196.03	100.00%		74,459,027.13	2.38%	74,459,027.13	100.00%	
Including：										
Accrual of bad debt provision by portfolio	3,276,513,464.83	97.92%	757,128,876.82	23.11%	2,519,384,588.01	3,058,475,628.67	97.62%	816,333,687.73	26.69%	2,242,141,940.94
Including：										
Aging portfolio	3,276,513,464.83	97.92%	757,128,876.82	23.11%	2,519,384,588.01	3,058,475,628.67	97.62%	816,333,687.73	26.69%	2,242,141,940.94
Total	3,346,227,660.86	100.00%	826,843,072.85	24.71%	2,519,384,588.01	3,132,934,655.80	100.00%	890,792,714.86	28.43%	2,242,141,940.94

. Bad debt provision accrual on single basis:69,714,196.03

In RMB

Name	Opening balance		Ending balance			
	Book balance	Bad debt provision	Book balance	Bad debt provision	Accrual ratio	Reason for accrual
Accrual of bad debt provision by single	74,459,027.13	74,459,027.13	69,714,196.03	69,714,196.03	100.00%	Not expected to be recovered
Total	74,459,027.13	74,459,027.13	69,714,196.03	69,714,196.03		

Accrual of bad debt provision by portfolio:757,128,876.82

In RMB

Name	Amount in year-end		
	Book balance	Bad debt provision	Proportion
Aging portfolio	3,276,513,464.83	757,128,876.82	23.11%
Total	3,276,513,464.83	757,128,876.82	

Relevant information of the provision for bad debts will be disclosed with reference to the disclosure method of other receivables if the provision for bad debts of bills receivable is accrued according to the general model of expected credit loss:

□ Applicable √ Not applicable

(3) Accounts receivable withdraw, reversed or collected during the reporting period

The withdrawal amount of the bad debt provision：

In RMB

Category	Opening balance	Amount of change in the current period				Closing balance
		Accrual	Reversed or collected amount	Write-off	Other	
Accrual of	74,459,027.13		3,734,831.10	1,010,000.00		69,714,196.03

bad debt provision by single						
Accrual of bad debt provision by portfolio	816,333,687.73	-58,027,186.36		1,960,450.50	782,825.96	757,128,876.82
Total	890,792,714.86	-58,027,186.36	3,734,831.10	2,970,450.50	782,825.96	826,843,072.85

[Note] Other changes are written-off accounts receivable actually recovered.

(4) The actual write-off accounts receivable

In RMB

Items	Amount
The actual write-off accounts receivable	2,970,450.50

（5）The top five accounts receivable and contract assets at the end of the period aggregated according to debtor

In RMB

Name of the organization	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 accounts receivable bad debt provision and contract asset impairment provision
Shenyang Turbine Machinery Co., Ltd	718,407,774.85	138,112,520.00	856,520,294.85	20.00%	120,966,680.35
Wanhua Chemical Group Materials Co., Ltd	243,256,384.19	121,628,000.00	364,884,384.19	8.52%	18,244,219.21
Xi'an Shaangu Power Co., Ltd	148,393,017.25	11,869,960.00	160,262,977.25	3.74%	83,742,237.94
CSIC	127,099,937.44	6,993,798.08	134,093,735.52	3.13%	20,327,219.63
Huaguang Environmental Protection Energy (Xi'an) Design and Research Institute Co., Ltd	66,970,388.00	30,600,000.00	97,570,388.00	2.28%	6,501,394.40
Total	1,304,127,501.73	309,204,278.08	1,613,331,779.81	37.67%	249,781,751.53

6. Contract assets

(1) Information of contract assets

In RMB

Item	Ending balance			Opening balance		
	Book balance	Bad debt provision	Book value	Book balance	Bad debt provision	Book value

Contract assets	935,608,099.66	78,903,488.30	856,704,611.36	701,293,154.85	60,906,595.32	640,386,559.53
Total	935,608,099.66	78,903,488.30	856,704,611.36	701,293,154.85	60,906,595.32	640,386,559.53

(2) The significant amount change in book value during the reporting period and its reason

（3） According to the bad debt provision method classification disclosure

In RMB

Category	Amount in year-end					Balance Year-beginning				
	Book Balance		Bad debt provision		Book value	Book Balance		Bad debt provision		Book value
	Amount	Proportion(%)	Amount	Proportion(%)		Amount	Proportion(%)	Amount	Proportion(%)	
Including:										
Accrual of bad debt provision by portfolio	935,608,099.66	100.00%	78,903,488.30	8.43%	856,704,611.36	701,293,154.85	100.00%	60,906,595.32	8.68%	640,386,559.53
Including:										
Aging portfolio	935,608,099.66	100.00%	78,903,488.30	8.43%	856,704,611.36	701,293,154.85	100.00%	60,906,595.32	8.68%	640,386,559.53
Total	935,608,099.66	100.00%	78,903,488.30	8.43%	856,704,611.36	701,293,154.85	100.00%	60,906,595.32	8.68%	640,386,559.53

Accrual of bad debt provision by portfolio:17,996,892.98

In RMB

Name	Ending balance		
	Book balance	Bad debt provision	Accrual ratio
Aging portfolio	935,608,099.66	78,903,488.30	8.43%
Total	935,608,099.66	78,903,488.30	

Explanation on portfolio basis:

Not applicable

Provision for bad debts is made according to the general model of expected credit losses

□Applicable ☑Not applicable

（4）Accounts receivable withdraw, reversed or collected during the reporting period

In RMB

Items	Accrual	Collected or reversal	Other(Note)	Reason
Accrual of bad debt provision by single				
Accrual of bad debt provision by portfolio	17,996,892.98			
Total	17,996,892.98			——

（5） Contract assets actually written off in the current period

7. Receivable financing

（1） Classification of receivables financing

In RMB

Item	End of term	Beginning of term
Note receivable	598,790,851.05	756,873,166.56
Less: Other comprehensive income-change in fair value		
Total	598,790,851.05	756,873,166.56

（2） According to the bad debt provision method classification disclosure

In RMB

Category	Amount in year-end					Balance Year-beginning				
	Book Balance		Bad debt provision		Book value	Book Balance		Bad debt provision		Book value
	Amount	Proportion(%)	Amount	Proportion(%)		Amount	Proportion(%)	Amount	Proportion(%)	
Inducing										
Accrual of bad debt provision by portfolio	598,790,851.05	100.00%			598,790,851.05	756,873,166.56	100.00%			756,873,166.56
Inducing										
Bank acceptance	598,790,851.05	100.00%			598,790,851.05	756,873,166.56	100.00%			756,873,166.56
Total	598,790,851.05	100.00%			598,790,851.05	756,873,166.56	100.00%			756,873,166.56

（3）Bad debt provision accrual, collected or reversal in the period

（4）Financing of accounts receivable pledged by the Company at the end of the period

In RMB

Item	Pledged amount at the end of the period
Bank acceptance	67,101.00
Total	67,101.00

（5）Financing of accounts receivable that have been endorsed or discounted by the Company at the end of the period and have not yet matured on the balance sheet date

In RMB

Item	The amount of derecognition at the end of the period	The amount not derecognized at the end of the period
Bank acceptance	954,272,061.49	
Commercial acceptance		
Total	954,272,061.49	

（6） Financing situation of accounts receivable actually written off in this period

(7) Changes in accounts receivable financing and fair value changes in the current period

（8）Other note

8.Other account receivable

In RMB

Item	Ending balance	Opening balance
Other account receivable	47,179,278.21	43,018,211.13
Total	47,179,278.21	43,018,211.13

(1)Interest receivable

1)Category

2) Important overdue interest

3)Accrual of bad debt provision

□Applicable ☑Not applicable

4）Bad debt provision accrual, collected or reversal in the period

5)Interest receivable actually written off in the current period

(2)Dividend receivable

1)Category

2)Important dividend receivable with over one year aged

3)Accrual of bad debt provision

□Applicable ☑Not applicable

4）Bad debt provision accrual, collected or reversal in the period

5) Dividends receivable actually written off in the current period

（3）Other Account receivable

1)By nature

In RMB

Nature	Ending book balance	Opening book balance

Deposit	44,010,048.49	41,244,042.62
Compensation for demolition and removal receivable	8,793,600.00	8,793,600.00
Export tax rebate receivable	4,413,126.45	808,119.86
Receivable temporary payment	1,730,884.63	1,634,278.25
Petty cash	296,148.00	371,299.95
Other	740,837.27	1,269,912.97
Total book balance	59,984,644.84	54,121,253.65
Less：Bad debt provision	12,805,366.63	11,103,042.52
Total	59,984,644.84	54,121,253.65

2）Disclosure by aging

In RMB

Aging	Ending book balance	Opening book balance
Within one year(one year included)	30,051,672.20	37,790,424.24
1-2 years	17,892,822.43	3,889,545.20
2-3 years	1,436,831.20	3,192,464.33
Over 3 years	10,603,319.01	9,248,819.88
3-4 years	2,624,976.49	3,368,228.57
4-5 years	2,354,384.98	173,504.87
Over 5 years	5,623,957.54	5,707,086.44
Total	59,984,644.84	54,121,253.65

3） According to the bad debt provision method classification disclosure

☑Applicable □Not applicable

In RMB

Category	Amount in year-end					Balance Year-beginning				
	Book Balance		Bad debt provision		Book value	Book Balance		Bad debt provision		Book value
	Amount	Proportion(%)	Amount	Proportion(%)		Amount	Proportion(%)	Amount	Proportion(%)	
Including:										
Accrual of bad debt provision by portfolio	59,984,644.84	100.00%	12,805,366.63	21.35%	47,179,278.21	54,121,253.65	100.00%	11,103,042.52	20.52%	43,018,211.13
Including:										
Aging portfolio	59,984,644.84	100.00%	12,805,366.63	21.35%	47,179,278.21	54,121,253.65	100.00%	11,103,042.52	20.52%	43,018,211.13
Total	59,984,644.84	100.00%	12,805,366.63	21.35%	47,179,278.21	54,121,253.65	100.00%	11,103,042.52	20.52%	43,018,211.13

The withdrawal amount of the bad debt provision：12,805,366.63

In RMB

Name	Closing balance		
	Book balance	Bad debt provision	Proportion
Aging portfolio	59,984,644.84	12,805,366.63	21.35%
Total	59,984,644.84	12,805,366.63	

Explanation on portfolio basis:

Not applicable

Provision for bad debts is made according to the general model of expected credit losses

In RMB

Bad debt provision	Phase I	Phase II	Phase III	Total
	Expected credit losses over next 12 months	Expected credit losses for the entire duration (without credit impairment occurred)	Expected credit losses for the entire duration (with credit impairment occurred)	
Balance on January 1,	1,889,521.22	388,954.52	8,824,566.78	11,103,042.52

2024				
January 1, 2024 balance in the current period				
--Transfer to the second stage	-894,641.13	894,641.13		
-- Transfer to the third stage		-143,683.12	143,683.12	
Provision in Current Year	507,703.52	649,369.72	545,250.87	1,702,324.11
Balance on December 31, 2024	1,502,583.61	1,789,282.25	9,513,500.77	12,805,366.63

The basis for the division of each stage and the proportion of bad debt provision

Basis for dividing each stage: those with an age of less than 1 year are divided into the first stage, those with an age of 1-2 years are divided into the second stage, and those with an age of more than 2 years are divided into the third stage.

Loss provision changes in current period, change in book balance with significant amount

□Applicable √ Not applicable

4）Other Accounts receivable withdraw, reversed or collected during the reporting period

5） The actual write-off accounts receivable

6） Top 5 of the closing balance of the other accounts receivable collated according to the arrears party

In RMB

Name	Nature	Closing balance	Aging	Proportion of the total year end balance of the accounts receivable	Closing balance of bad debt provision
Chengdu Customs of the People's Republic of China	Deposit	11,619,523.76	Within 1 year5,366,656.51 yuan，1-2 year 6,252,867.25 yuan	19.37%	893,619.56
Hangzhou East Bay New City Development and Construction Headquarters	Compensation for demolition and removal receivable	8,793,600.00	1-2 years	14.66%	879,360.00
he State Administration of Taxation, Hangzhou Gongshu District Taxation Bureau	Export tax rebate receivable	4,413,126.45	Within 1 year：3,990,955.47 yuan，1-2 years：422,170.98 yuan	7.36%	241,764.87

Shanghai Customs Waigaoqiao Office	Deposit	3,710,320.94	Over 5 years	6.19%	3,710,320.94
Fuding City Guanxi Cross-basin Water Diversion Investment Co., Ltd.	Deposit	2,300,000.00	3-4 years	3.83%	1,380,000.00
Total		30,836,571.15		51.41%	7,105,065.37

7) Reported in other receivables due to centralized management of funds

9. Accounts paid in advance

(1) Accounts paid in advance by ageing

In RMB

Account age	Ending balance		Opening balance	
	Amount	Ratio	Amount	Ratio
Within one year	310,799,722.51	90.48%	686,141,037.16	94.61%
1-2 years	13,038,315.30	3.80%	19,367,287.42	2.67%
2-3 years	14,699,728.95	4.28%	4,874,823.59	0.67%
Over 3 years	4,981,276.47	1.44%	14,880,960.87	2.05%
Total	343,519,043.23		725,264,109.04	

Explanation on un-settlement in time for advance payment with over one year account age and major amounts:

None

(2) Top 5 advance payment at ending balance by prepayment object

Name	Ending balance	Ratio in total advance e payment(%)
Siemens Energy AB	116,881,360.68	34.02
Yixing Yuxiang Machinery Technology Co., Ltd.	38,678,000.00	11.26
BOYA GLOBAL PTE.LTD	20,873,710.32	6.08
Jinling International Co., Ltd.	8,502,824.66	2.48
Longhua Technology Group（Luoyang）Co., Ltd.	7,745,411.45	2.25
Total	192,681,307.11	56.09

Other note：Not applicable

10. Inventories

Whether the company need to comply with the disclosure requirements of the real estate industry

No

（1）Category of Inventory

In RMB

Item	Closing book balance			Opening book balance		
	Book balance	Provision for inventory	Book value	Book balance	Provision for inventory	Book value

		impairment			impairment	
Raw materials	970,095,741.62	100,818,214.11	869,277,527.51	878,258,389.29	83,357,628.87	794,900,760.42
Goods in progress	1,115,993,333.13	49,315,816.34	1,066,677,516.79	1,050,322,781.22	58,337,126.65	991,985,654.57
Stock goods	783,280,075.92	161,670,451.61	621,609,624.31	789,105,232.83	146,495,610.01	642,609,622.82
Total	2,869,369,150.67	311,804,482.06	2,557,564,668.61	2,717,686,403.34	288,190,365.53	2,429,496,037.81

(2) Falling price reserves of inventory

(3) Notes of the closing balance of the inventory which includes capitalized borrowing expenses

In RMB

Item	Opening balance	Current increased		Current decreased		Ending balance
		Accrual	Other	Switch back or charge-off	Other	
Raw materials	83,357,628.87	21,862,370.51		4,401,785.27		100,818,214.11
Goods in progress	58,337,126.65	14,400,896.07		23,422,206.38		49,315,816.34
Stock goods	146,495,610.01	28,195,244.28		13,020,402.68		161,670,451.61
Total	288,190,365.53	64,458,510.86		40,844,394.33		311,804,482.06

Provision for inventory depreciation and impairment of contract performance costs (continued)

Items	**Specific basis for determining net realizable value**	**Current write-off Reason for provision for inventory**
Raw materials	For raw materials that need to be processed, the net realizable value shall be determined according to the estimated selling price of related finished products minus the estimated cost to completion, estimated sales expenses and related taxes; For raw materials directly used for sale, the net realizable value shall be determined according to the estimated selling price minus the estimated sales expenses and related taxes	Used for current production and use and sales realization
Goods in progress	The net realizable value determines the amount after deducting the estimated sales cost and the relevant taxes, For the suspended project or the project whose sales agreement has been cancelled, the net realizable value shall be determined according to the estimated recoverable compensation.	Used for current production and use and sales realization
Stock goods	The net realizable value shall be recognized by the amount of the estimated selling prices minus the estimated selling costs and relevant taxes and dues, wherein regarding suspended projects expected not be to be recovered or projects whose sales agreements are released, the net realizable value shall be recognized by the expected recoverable compensation	Used for current production and use and sales realization

The provision standard for inventory depreciation provision according to the portfolio

Not applicable

（4）Notes of the closing balance of the inventory which includes capitalized borrowing expenses

(5) Completed unsettled assets formed from the construction contact at the period-end

11. Assets divided as held-to-sold

12. Non-current assets due within 1 year

（1） Debt investment due within one year

□Applicable ☑Not applicable

（2）Other Debt investment due within one year

□Applicable ☑Not applicable

13. Other current assets

In RMB

Item	Ending balance	Opening balance
Input tax to be deducted	70,627,378.59	5,323,079.76
Advance payment of enterprise income tax	9,579.46	25,491.23
Rent charge	72,940.00	274,035.08
Total	70,709,898.05	5,622,606.07

14.Creditor's right investment

（1）Debt investment

（2）Important debt investment

（3）Accrual of impairment provision

(4) Information of debt investment actually written off in the current period

Change of book balance of loss provision with amount has major changes in the period

□Applicable ☑Not applicable

15. Other debt investment

（1）Other debt investment

（2）Important debt investment

（3）Accrual of impairment provision

（4）Other debt investments actually written off during the period

Change of book balance of loss provision with amount has major changes in the period

□Applicable ☑Not applicable

16. Investment in other equity instrument

In RMB

Item name	Ending balance	Opening balance	Gains recognized in other comprehensive income for the current period	Loss recognized in other comprehensive income for the current period	Accumulated gains recognized in other comprehensive income at the end of the current period	Accumulated losses recognized in other comprehensive income at the end of the current period	Dividend income recognized in the current period	Reason for designated in fair value measurement with changes recognized in other comprehensive income
Hangzhou Bank	3,972,096,759.66	2,721,470,812.06	1,250,625,947.60		3,581,142,719.66		241,968,933.34	
Total	3,972,096,759.66	2,721,470,812.06	1,250,625,947.60		3,581,142,719.66		241,968,933.34	

Other note：

The shares of Bank of Hangzhou Co., Ltd. held by the company failed to pass the contract cash flow characteristics test, but the company did not hold the equity instrument for trading purposes, so it was designated as a financial asset measured at fair value and whose changes were included in other comprehensive income.

17. Long-term account receivable

(1)Long-term account receivable

In RMB

Item	End of term			Beginning of term			Discount rate interval
	Book balance	Bad debt provision	Book value	Book balance	Bad debt provision	Book value	
Project item	29,800,000.00	29,800,000.00		55,022,203.37	40,242,220.34	14,779,983.03	
Total	29,800,000.00	29,800,000.00		55,022,203.37	40,242,220.34	14,779,983.03	

（2） According to the bad debt provision method classification disclosure

In RMB

Category	Amount in year-end					Balance Year-beginning				
	Book Balance		Bad debt provision		Proportion(%)	Book Balance		Bad debt provision		Proportion(%)
	Amount	Proportion(%)	Amount	Proportion(%)		Amount	Proportion(%)	Amount	Proportion(%)	
Accrual of bad debt	29,800,000.00	100.00%	29,800,000.00	100.00%		38,600,000.00	70.15%	38,600,000.00	100.00%	

provision by single										
Including										
Accrual of bad debt provision by portfolio						16,422,203.37	29.85%	1,642,220.34	10.00%	14,779,983.03
Including										
Aging portfolio						16,422,203.37	29.85%	1,642,220.34	10.00%	14,779,983.03
Total	29,800,000.00	100.00%	29,800,000.00	100.00%		55,022,203.37	100.00%	40,242,220.34	73.14%	14,779,983.03

Accrual of bad debt provision by single item：

In RMB

Name	Beginning of term		End of term			
	Book balance	Bad debt provision	Book balance	Bad debt provision	Proportion	Reason
Accrual of bad debt provision by single item：	38,600,000.00	38,600,000.00	29,800,000.00	29,800,000.00	100.00%	Not expected to be recovered
Total						

Provision for bad debts is made according to the general model of expected credit losses

Not applicable

The basis for the division of each stage and the proportion of bad debt provision

Not applicable

（3）Bad debt provision accrual, collected or reversal in the period

In RMB

Category	Opening balance	Current changes				Ending balance
		Accrual	Collected or reversal	Write off	Other	
Accrual of bad debt provision by single	38,600,000.00		8,800,000.00			29,800,000.00
Accrual of bad debt provision by portfolio	1,642,220.34	-1,642,220.34				
Total	40,242,220.34	-1,642,220.34	8,800,000.00			29,800,000.00

Accrual of bad debt provision by single item：

Name	Ending balance			
	Book balance	Bad debt provision	Expected credit loss rate (%)	Reason
Changzhi Yiyang Energy Technology Co., Ltd.	29,800,000.00	29,800,000.00	100.00	Overdue

Continued：

Name	Ending balance			
	Book balance	Bad debt provision	Expected credit loss rate (%)	Reason
Changzhi Yiyang Energy Technology Co., Ltd.	38,600,000.00	38,600,000.00	100.00	Overdue

Accrual of bad debt provision byPortfolio：

Accrual of portfolio item： Aging Portfolio

	Amount in year-end			Balance at the end of last year		
	Long-term receivable	Bad debt provision	Expected credit loss rate (%)	Long-term receivable	Bad debt provision	Expected credit loss rate (%)
Within 1 year overdue				16,422,203.37	1,642,220.34	10.00

he provision for bad debts withdrawn, recovered or transferred in the current period

	Amount of bad debt provision
Opening balance	40,242,220.34
This period of provision	-1,642,220.34
Current withdrawal or transfer	8,800,000.00
This period write-off	
Amount in year-end	**29,800,000.00**

(4) Information of debt investment actually written off in the current period

Important written off situation of long-term receivables:

Not applicable

Note：

Not applicable

18. Long-term equity investment

The recoverable amount is determined on the basis of the net amount of fair value less disposal costs

□Applicable ☑Not applicable

The recoverable amount is determined by the present value of the projected future cash flows

□Applicable ☑Not applicable

19.Other non-current Financing assets

In RMB

Items	End of term	Beginning of term
Classified as financial assets measured by fair value and whose c hanges are included in the current profit and loss	5,534,773.22	5,534,773.22
Including：Equity Investment	5,534,773.22	5,534,773.22
Total	5,534,773.22	5,534,773.22

20. Investment real estate

(1) Investment real estate adopted the cost measurement mode

√Applicable □ Not applicable

In RMB

Item	House, Building	Land use right	Construction in process	Total
I. Original price				
1. Balance at period-beginning	2,880,061.52			2,880,061.52
2.Increase in the current period	4,354,595.20			4,354,595.20
(1) Purchase	4,354,595.20			4,354,595.20
（2）Inventory \ fixed assets \ project under construction transfer				
(3)Increased of Enterprise Combination				
3.Decreased amount of the period	832,939.07			832,939.07
（1）Dispose	832,939.07			832,939.07
（2）Other out				
4. Balance at period-end	6,401,717.65			6,401,717.65
II.Accumulated amortization				
1.Opening balance	1,335,612.12			1,335,612.12
2.Increased amount of the period	182,772.04			182,772.04
(1) Withdrawal	182,772.04			182,772.04
3.Decreased amount of the period	277,935.31			277,935.31
（1）Dispose	277,935.31			277,935.31
（2）Other out				
4. Balance at period-end	1,240,448.85			1,240,448.85
III. Impairment provision				
1. Balance at period-beginning				
2.Increased amount of the period				
(1) Withdrawal				
3.Decreased amount of the period				
（1）Dispose				
（2）Other out				
4. Balance at period-end				
IV. Book value				
1.Book value at period -end	5,161,268.80			5,161,268.80

2.Book value at period-beginning	1,544,449.40			1,544,449.40

The recoverable amount is determined on the basis of the net amount of fair value less disposal costs

□Applicable ☑Not applicable

The recoverable amount is determined by the present value of the projected future cash flows

□Applicable ☑Not applicable

(2) Investment property adopted fair value measurement mode

□Applicable√ Not applicable

(3) Converted to investment real estate and measured at fair value

（4）Investment real estate without property rights certificate

21.Fixed assets

In RMB

Item	Ending balance	Opening balance
Fixed assets	1,912,357,802.93	1,995,150,533.24
Liquidation of fixed assets		
Total	1,912,357,802.93	1,995,150,533.24

(1) List of fixed assets

In RMB

Item	Houses & buildings	Machinery equipment	Transportations	Office equipment	Total
I. Original price					
1.Opening balance	1,581,535,010.23	1,443,182,571.64	26,460,419.41	162,141,898.19	3,213,319,899.47
2.Increased amount of the period	30,641,475.79	39,829,210.72	2,184,789.01	7,820,548.95	80,476,024.47
(1) Purchase	56,295.49	9,273,441.07	2,184,789.01	5,486,355.16	17,000,880.73
(2) Transferred from construction in progress	30,585,180.30	30,555,769.65		2,334,193.79	63,475,143.74
(3)Increased of Enterprise Combination					
3.Decreased amount of the period	414,414.00	7,394,302.69	3,531,036.72	3,373,323.89	14,713,077.30
（1）Disposal	414,414.00	7,394,302.69	3,531,036.72	3,373,323.89	14,713,077.30
4. Balance at period-end	1,611,762,072.02	1,475,617,479.67	25,114,171.70	166,589,123.25	3,279,082,846.64
II. Accumulated depreciation					
1.Opening balance	247,902,591.36	874,587,691.76	18,727,634.62	62,748,385.43	1,203,966,303.17
2.Increased amount of the period	50,138,545.02	92,215,386.28	1,807,604.24	16,560,658.27	160,722,193.81
(1) Withdrawal	50,138,545.02	92,215,386.28	1,807,604.24	16,560,658.27	160,722,193.81
3.Decreased amount of the period	271,878.03	6,078,972.56	3,140,366.65	2,675,182.01	12,166,399.25
（1）Disposal	271,878.03	6,078,972.56	3,140,366.65	2,675,182.01	12,166,399.25
4.Closing balance	297,769,258.35	960,724,105.48	17,394,872.21	76,633,861.69	1,352,522,097.73
III. Impairment provision					
1.Opening balance	9,028,267.09	5,174,795.97			14,203,063.06
2.Increase in the reporting period					
（1）Withdrawal					

3.Decreased amount of the period		117.08			117.08
（1）Disposal		117.08			117.08
4. Closing balance	9,028,267.09	5,174,678.89			14,202,945.98
IV. Book value					
1.Book value of the period-end	1,304,964,546.58	509,718,695.30	7,719,299.49	89,955,261.56	1,912,357,802.93
2.Book value of the period-begin	1,324,604,151.78	563,420,083.91	7,732,784.79	99,393,512.76	1,995,150,533.24

(2) Fixed assets temporarily idled

⑶Fixed assets leased out through operating leases

（4）Details of fixed assets failed to accomplish certification of property

Other note：There are no fixed assets that have not completed the certificate of ownership

(5) Information of impairment test of fixed assets

☑Applicable □Not applicable

（6）Liquidation of fixed assets

22. Construction in progress

In RMB

Item	End of term	Beginning of term
Construction in progress	867,580,986.71	298,071,246.03
Total	867,580,986.71	298,071,246.03

(1) List of construction in progress

In RMB

Item	End of term			Beginning of term		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Annual output of 10 sets of gas turbine unit project	432,811,721.50		432,811,721.50	234,238,227.81		234,238,227.81
Production line project with an annual output of 15,000 tons of steel castings and 40,000 tons of forged blanks	243,918,619.87		243,918,619.87	33,656,665.95		33,656,665.95
Integrated industrial base project for energy-saving, carbon-reducing and high-efficiency turbine machinery intelligent manufacturing service	180,940,933.73		180,940,933.73	17,090,554.63		17,090,554.63
Software project	2,183,405.44		2,183,405.44	1,892,328.64		1,892,328.64

Other project	4,818,050.41		4,818,050.41	6,960,399.87		6,960,399.87
Prepayment for equipment or projects	2,908,255.76		2,908,255.76	4,233,069.13		4,233,069.13
Total	867,580,986.71		867,580,986.71	298,071,246.03		298,071,246.03

(2)Changes of significant construction in progress

In RMB

Name of project	Budget（0'000）	Opening balance	Increase	Transferred to fixed assets	Other decrease (Note)	End balance	Proportion %	Project process	Capitalization of interest	Including: capitalization of interest this period	Capitalization of interest rate (%)	Source of funding
Annual output of 10 sets of gas turbine unit project	500,000,000.00	234,238,227.81	198,573,493.69			432,811,721.50	86.56%	Under construction	4,953,879.87	4,432,295.68	2.63%	Financial institution loans and other sources
Production line project with an annual output of 15,000 tons of steel castings and 40,000 tons of forged blanks	335,080,000.00	33,656,665.95	210,261,953.92			243,918,619.87	72.79%	Under construction	839,177.50	839,177.50	3.19%	Financial institution loans and other sources
Integrated industrial base project for energy-saving, carbon-reducing and high-efficiency turbine machinery intelligent manufacturing service	1,050,000,000.00	17,090,554.63	163,850,379.10			180,940,933.73	17.23%	Under construction	1,115,089.57	1,115,089.57	3.05%	Financial institution loans and other sources
Total	1,885,080,000.00	284,985,448.39	572,685,826.71			857,671,275.10			6,908,146.94	6,386,562.75		

(3) List of the withdrawal of the impairment provision of the construction in progress

Other note：

Not applicable

（4） Information of impairment test of construction in progress

□Applicable ☑Not applicable

(5)Engineering materials

Other note：

Not applicable

23. Productive biological asset

(1)Productive biological assets measured by cost

□Applicable ☑Not applicable

（2） Impairment test of productive biological assets using cost measurement mode

□Applicable ☑Not applicable

（3）Productive biological assets measured by fair value

□Applicable☑Not applicable

24. Oil and gas asset

□Applicable☑Not applicable

25. Right-of-use assets

（1）Right-of-use assets

In RMB

Item	House and Building	Mechanical equipment	Total
I. Original price			
1. Balance at period-beginning	64,933,799.29		64,933,799.29
2.Increase in the current period	7,094,264.11	1,350,314.15	8,444,578.26
（1）Rent	7,094,264.11	1,350,314.15	8,444,578.26
3.Decreased amount of the period	25,237,123.73		25,237,123.73
(1)Disposition	25,237,123.73		25,237,123.73
（2）Other	14,248,228.74		14,248,228.74
4. Balance at period-end	46,790,939.67	1,350,314.15	48,141,253.82
II. Accumulated depreciation			
1.Opening balance	30,659,227.84		30,659,227.84
2.Increased amount of the period	19,862,543.37	247,557.64	20,110,101.01
(1) Withdrawal	19,862,543.37	247,557.64	20,110,101.01
3.Decreased amount of the period	23,153,023.11		23,153,023.11
(1)Disposition	8,904,794.37		8,904,794.37
（2）Other	14,248,228.74		14,248,228.74
4.Closing balance	27,368,748.10	247,557.64	27,616,305.74
III. Impairment provision			
1.Opening balance			
2.Increase in the reporting period			
（1）Withdrawal			
3.Decreased amount of the period			
（1）Disposal			

4. Closing balance			
IV. Book value			
1.Book value of the period-end	19,422,191.57	1,102,756.51	20,524,948.08
2.Book value of the period-begin	34,274,571.45		34,274,571.45

（2） Information of impairment test of right-of-use assets

□Applicable ☑Not applicable

26. Intangible assets

(1) Information

In RMB

Item	Land using right	Patent and proprietary technology	Non patent technology	Software	Total
I. Original price					
1. Balance at period-beginning	454,312,246.27	344,087.43		44,021,135.62	498,677,469.32
2.Increase in the current period			735,849.06	6,405,188.67	7,141,037.73
(1) Purchase				2,347,451.27	2,347,451.27
(2)Internal Development					
(3)Increased of Enterprise Combination					
(4) Projects under construction are transferred			735,849.06	4,057,737.40	4,793,586.46
3.Decreased amount of the period		164,087.43			164,087.43
（1）Disposal		164,087.43			164,087.43
4.Closing balance	454,312,246.27	180,000.00	735,849.06	50,426,324.29	505,654,419.62
II.Accumulated amortization					
1.Opening balance	72,896,541.34	289,869.76		16,188,526.90	89,374,938.00
2.Increased amount of the period	9,121,225.53	5,868.53	134,905.66	7,898,991.30	17,160,991.02
(1) Withdrawal	9,121,225.53	5,868.53	134,905.66	7,898,991.30	17,160,991.02
3.Decreased amount of the period		136,738.37			136,738.37
（1）Disposal		136,738.37			136,738.37
（2）Part of failure and termination of validation					
4.Closing balance	82,017,766.87	158,999.92	134,905.66	24,087,518.20	106,399,190.65
III. Impairment provision					
1.Opening balance					

2.Increased amount of the period					
(1) Withdrawal					
（2）Other					
3.Decreased amount of the period					
（1）Disposal					
4.Closing balance					
IV. Book value					
1.Closing book value	372,294,479.40	21,000.08	600,943.40	26,338,806.09	399,255,228.97
2.Opening book value	381,415,704.93	54,217.67		27,832,608.72	409,302,531.32

The proportion the intangible assets formed from the internal R&D through the Company amount the balance of the intangible assets at the period-end.

(2) Details of fixed assets failed to accomplish certification of land use right

□Applicable ☑Not applicable

(3) Details of fixed assets failed to accomplish certification of land use right

（4）Information of impairment test of intangible assets

□Applicable ☑Not applicable

27. Goodwill

(1)Original book value of goodwill

In RMB

The invested entity or items	Opening balance	Current increased		Current decreased		Ending balance
		Resulted by enterprise combination		Dispose		
Western Power Company	15,415,678.59					15,415,678.59
Total	15,415,678.59					15,415,678.59

（2）Impairment provision of goodwill

In RMB

The invested entity or items	Opening balance	Current increased		Current decreased		Ending balance
		Provision		Dispose		
Western Power Company		8,311,225.59				8,311,225.59
Total		8,311,225.59				8,311,225.59

(3)Information about the asset group or asset group portfolio to which the goodwill belongs

Name	Composition and basis of the asset group or portfolio	Operating segment and basis	Whether it is consistent with the previous year
Western Power Company	Goodwill formed by the acquisition of the equity of Western Power, an enterprise not under the same control by Ranchuang Company	The Company's main business is to produce and sell industrial steam turbines, accessories and other products. The Company regards such business as a whole to implement management and evaluate the operating results	Yes

(4) The specific method of determining the recoverable amount

The recoverable amount is determined on the basis of the net amount by fair value less disposal costs

□Applicable ☑Not applicable

The recoverable amount is determined by the present value of the projected future cash flows

☑ Applicable □ Not applicable

In RMB

Item	Book value	Recoverable amount	Impairment amount	The number of years in the forecast period	Key parameters for the forecast period	Key parameters of stable phase	Basis for determining the key parameters of the stable period
Western Power Company	184,672,893.20	170,000,000.00	8,311,225.59	5	The determination is based on the Company's historical operating performance, growth rates, industrial levels, and management's expectations for market development	According to the historical actual operating data and the industry development trend, the Company determined the growth rate of 0% and the profit rate of 13.42% in stable period	The discount rate is 10.05%, which reflects the pre-tax rate that takes into account both the time value of the current market currency and the specific risks associated with the asset group
Total	184,672,893.20	170,000,000.00	8,311,225.59				

The reason for the obvious discrepancy between the foregoing information and the information used in the impairment test of previous years or the external information

Not applicable

The reason for the obvious discrepancy between the information used in the Company's impairment test in previous years and the actual situation in the current year

Not applicable

(5) Status of completion of performance commitment and corresponding goodwill impairment

When goodwill is formed, there is a performance commitment and the reporting period or the previous period in the reporting period is within the performance commitment period

□Applicable ☑Not applicable

28. Long-term expenses to be apportioned

29. Deferred income tax asset /Deferred income tax liabilities

(1) Details of the un-recognized deferred income tax assets

In RMB

Item	Ending balance		Opening balance	
	Deductible temporary difference	Deferred income tax asset	Deductible temporary difference	Deferred income tax asset
Provision for Asset Impairment	293,673,914.56	46,598,676.46	228,545,720.46	36,389,300.80
Internal trade profit not realized	36,987,510.10	5,873,416.86	31,974,592.37	4,796,188.86
Rectifiable loss	226,852,267.35	34,027,840.10	133,497,400.25	20,548,342.36
Relocation compensation	908,458,528.44	136,268,779.27	951,038,395.56	142,655,759.32
Bad debt provision	792,870,101.57	135,835,266.09	870,466,211.50	145,563,542.96
Accrued cost expenses	47,145,332.97	10,364,026.05		0.00
Product quality assurance	27,393,027.28	6,275,639.37	11,768,979.69	2,461,108.72
Lease Liabilities	21,374,001.69	3,644,367.63	35,458,429.22	5,969,542.18
Supplementary medical insurance	37,411,495.97	5,611,724.40		
Revenue from changes in fair value generated by financial assets classified at fair value through profit or loss	1,018,380.72	152,757.11	908,513.56	136,277.03
Total	2,393,184,560.65	384,652,493.34	2,263,658,242.61	358,520,062.23

(2) Deferred income tax liabilities had not been off-set

In RMB

Item	Balance in year-end		Balance in year-begin	
	Deductible temporary difference	Deferred income tax liabilities	Deductible temporary difference	Deferred income tax liabilities
Not the same control enterprise combined assets evaluation value appreciation	12,048,522.06	3,012,130.51	13,383,487.86	3,345,871.96
Changes in fair value of investments in other equity instruments	3,581,142,719.66	537,171,407.95	2,330,516,772.06	349,577,515.81
Use right assets	20,524,948.08	3,486,938.15	34,274,571.45	5,765,793.33
Accelerated depreciation of fixed assets	626,388.80	93,958.32	772,798.24	115,919.73

Derivative financial assets			724,756.61	108,713.49
Total	3,614,342,578.60	543,764,434.93	2,379,672,386.22	358,913,814.32

（3）Deferred income tax assets and liabilities are presented as net amount after neutralization

In RMB

Item	Deferred Income Tax Assets or Liabilities at the End of Report Period	Temporarily Deductable or Taxable Difference at the End of Report Period	Deferred Income Tax Assets or Liabilities at the Beginning of Report Period	Temporarily Deductable or Taxable Difference at the Beginning of Report Period
Deferred income tax assets	290,661,217.14	93,991,276.20	284,919,627.73	73,600,434.50
Deferred income tax liabilities	290,661,217.14	253,103,217.79	284,919,627.73	73,994,186.59

(4)Details of income tax assets not recognized

In RMB

Item	End of term	Beginning of term
Deductible temporary difference	207,067,515.55	220,040,635.06
Deductible loss	81,398,809.83	64,638,766.24
Total	288,466,325.38	284,679,401.30

(5) The un-recognized deductible losses of deferred income tax assets will due in the following years:

In RMB

Year	Balance in year-end	Balance in year-begin	Remark
2027	365,388.54	365,388.54	
2028	4,963,207.80	4,972,495.80	
2029	15,157,044.88	4,137,298.09	
2030			
2031	46,910,685.54	46,910,685.54	
2032	2,098,871.73	3,575,082.10	
2033	4,677,816.17	4,677,816.17	
2034	7,225,795.17		
Total	81,398,809.83	64,638,766.24	

30 .Other non-current assets

In RMB

Item	Balance in year-end			Balance in year-begin		
	Book balance	Provision for devaluation	Book value	Book balance	Provision for devaluation	Book value
Advance equipment payment	5,759,877.80		5,759,877.80	2,870,681.60		2,870,681.60
Advance software payment	867,316.98		867,316.98			
Prepaid equity transfer payment				60,817,500.00		60,817,500.00
Total	6,627,194.78		6,627,194.78	63,688,181.60		63,688,181.60

31. Assets with restricted ownership or right to use

In RMB

Item	End of period				Beginning of period			
	Book balance	Book value	Restricted type	Restricted circumstance	Book balance	Book value	Restricted type	Restricted circumstance
Monetary funds	104,380,329.87	104,380,329.87	Pledge/Freeze	Bank acceptance bill deposit, bond deposit and lawsuit frozen payment, etc.	136,551,548.48	136,551,548.48	Pledge/Freeze	Bank acceptance bill margin, Foreign exchange trading margin, etc
Notes receivable	23,056,960.05	21,380,743.86	Endorsed	Endorsed bills undue that have not been derecognized	89,703,453.14	80,000,369.38	Endorsed	Endorsed bills undue that have not been derecognized
Inventory	15,843,431.73	15,843,431.73	Mortgage	Financing for sale and leaseback				
Fixed assets	252,096,444.14	174,427,425.24	Mortgage	Mortgage to obtain bank borrowings	141,658,223.80	96,623,112.51	Mortgage	Mortgage to obtain bank borrowings
Intangible assets	168,171,277.27	142,937,265.34	Mortgage	Mortgage to obtain bank borrowings	30,946,908.19	22,138,256.09	Mortgage	Mortgage to obtain bank borrowings
Receivable financing	67,101.00	67,101.00	Pledge	Used to open a bill pool	60,417,669.80	60,417,669.80	Pledge	Pledge for issuing bank acceptance bills
Construction in process	424,859,553.60	424,859,553.60	Mortgage	Mortgage to obtain bank borrowings				
Total	988,475,097.66	883,895,850.64			459,277,803.41	395,730,956.26		

Other Note：

32. Short-term borrowings

（1）Categories of short-term loans

In RMB

Item	End of term	Beginning of term
Pledge borrowing		62,998.75
Mortgage Borrowings	21,020,641.66	50,050,263.88
Guarantee Borrowing	18,998,483.36	24,028,569.45
Credit borrowing	354,932,660.54	335,570,306.56
Undiscounted discounted of the maturity	51,588,112.77	94,716,727.40
Supply chain bills are discounted	8,000,000.00	
Total	454,539,898.33	504,428,866.04

(2) Situation of Overdue Outstanding Short-Term Borrowing

33.Transactional financial liabilities

34.Derivative financial liability

35.Notes payable

In RMB

Item	End of term	Beginning of term
Bank acceptance bill	637,585,272.90	481,424,952.96
Total	637,585,272.90	481,424,952.96

36. Accounts payable

(1) List of accounts payable

In RMB

Item	End of term	Beginning of term
Goods	1,508,285,256.26	1,218,137,627.44
Equipment and Engineering	148,829,855.70	169,972,464.80
Other	29,273,482.40	21,020,410.48
Total	1,686,388,594.36	1,409,130,502.72

(2) Notes of the accounts payable aging over one year

37. Advances received

In RMB

Item	End of term	Beginning of term
Other payable	140,658,195.10	151,669,883.07
Total	140,658,195.10	151,669,883.07

(1) Interest payable

(2) Dividend Payable

（3）Other account payable

1) By nature

In RMB

Item	End of term	Beginning of term
Receipt of temporary collection	102,360,132.33	79,525,977.96
Restricted stock subscription funds[Note]	27,089,043.80	62,440,537.64
Deposit	10,689,182.26	8,602,381.26
Other	519,836.71	1,100,986.21

Total	140,658,195.10	151,669,883.07

2)Significant other payable with over one year age

3) Other payables of the top five ending balances aggregated by counterparty

38. Advances received

(1) List of Advances received

In RMB

Item	End of term	Beginning of term
Rent	445,971.37	29,998.47
Total	445,971.37	29,998.47

(2) Notes of the accounts payable aging over one year

39.Contract liabilities

In RMB

Items	End of term	Beginning of term
Goods	2,390,788,170.22	2,753,211,717.09
Less: Contract liabilities included in other non-current liabilities		
Total	2,390,788,170.22	2,753,211,717.09

Contractual liability in advance with over one year book age

In RMB

Item	Ending balance	Reasons for non-reimbursement or carry-forward
Shenyang Turbine Machinery Co., Ltd	433,316,957.33	Collection according to schedule, and settlement conditions have not been met
BASF Integration Base (Guangdong) Co., Ltd	106,146,017.70	Collection according to schedule, and settlement conditions have not been met
Jiangmen Xinhui District Gujing Energy Service Co., Ltd	93,805,309.73	Collection according to schedule, and settlement conditions have not been met
Total	633,268,284.76	

40.Payable Employee wage

(1) List of Payroll payable

In RMB

Item	Balance in year-begin	Increase in this period	Payable in this period	Balance in year-end
I. Short-term compensation	97,888,785.07	925,762,794.77	916,275,035.96	107,376,543.88
II.Post-employment benefits - defined contribution plans	41,478,257.68	129,218,713.27	131,282,351.80	39,414,619.15
III. Dismissal benefits		2,426,152.50	2,426,152.50	
Total	139,367,042.75	1,057,407,660.54	1,049,983,540.26	146,791,163.03

（2）Short-term remuneration

In RMB

Item	Balance in year-begin	Increase in this period	Decrease in this period	Balance in year-end
(1) Salary, bonus, allowance and subsidy	88,978,058.77	714,356,221.91	704,011,150.62	99,323,130.06
(2) Employee benefits		52,361,915.45	52,361,915.45	
(3) Social insurance expenses	5,460,186.74	63,505,333.72	63,759,283.23	5,206,237.23
Including: medical insurance premium	5,087,593.60	59,038,103.45	59,283,542.78	4,842,154.27
Work-related injury insurance premium	372,593.14	4,467,230.27	4,475,740.45	364,082.96
(4) Housing fund	131,716.96	78,792,532.21	78,848,325.21	75,923.96
(5) Labor union expenditures and employee education expenses	3,318,822.60	16,746,791.48	17,294,361.45	2,771,252.63
Total	97,888,785.07	925,762,794.77	916,275,035.96	107,376,543.88

(3) List of drawing scheme

In RMB

Item	Opening balance	Increase	Decrease	Closing balance
1.Basic pension insurance	9,633,316.04	92,453,945.85	94,435,647.94	7,651,613.95
2. Unemployment insurance	344,050.91	3,820,678.08	3,909,921.22	254,807.77
3. Enterprise annual fee	31,500,890.73	32,944,089.34	32,936,782.64	31,508,197.43
Total	41,478,257.68	129,218,713.27	131,282,351.80	39,414,619.15

41. Taxes Payable

In RMB

Item	End of term	Beginning of term
VAT	20,107,137.12	24,479,472.25
Enterprise Income tax	43,906,497.85	38,060,458.93
Individual Income tax	2,720,603.93	5,400,839.17
City Construction tax	1,772,952.89	2,448,306.59
Property tax	15,647,095.98	13,194,561.97
Land use tax	5,841,299.92	5,237,869.78
Education subjoin	882,012.05	1,097,584.16
Locality Education subjoin	588,007.99	731,722.75
Other	1,271,344.66	1,146,408.47
Total	92,736,952.39	91,797,224.07

42. Liability held for sale

43. Non-current liabilities due within one year

In RMB

Item	End of term	Beginning of term
Long-term loans due within 1 year	190,942,366.64	61,069,333.33
Long-term payable due within 1 year	3,447,138.66	
lease liabilities due within 1 year	13,371,534.52	19,746,435.79
Total	207,761,039.82	80,815,769.12

Other note：

Not applicable

44. Other current liabilities

In RMB

Item	End of term	Beginning of term
Output tax to be transferred	243,747,686.92	309,290,405.34
Product quality assurance	27,393,027.28	11,768,979.69
Advance relocation costs	200,000.00	200,000.00
Maintenance and renovation costs		1,105,000.00
Total	271,340,714.20	322,364,385.03

45. Long-term borrowing

(1) Category of long-term loan

In RMB

Item	End of term	Beginning of term
Mortgage loan	89,955,587.24	47,648,250.51
Guarantee loan	15,015,812.50	100,116,111.11
Credit loan	61,464,902.31	75,055,479.45
Guarantee and Mortgage loan	52,795,442.38	
Credit and Mortgage loan	108,049,668.63	
Total	327,281,413.06	222,819,841.07

46. Bonds payable

(1) Bonds payable

(2) Changes on bonds payable (not including other financial instrument classified as preferred stock and perpetual capital securities of financial liabilities)

(3) Note to conditions and time of share transfer of convertible bonds

(4) Note to other financial instrument classified as financial liabilities

Changes of outstanding financial instruments such as preferred shares and perpetual bonds at the period-end

Not applicable

Table of changes of outstanding financial instruments such as preferred shares and perpetual bonds at the period-end

Not applicable

Description of the basis for classifying other financial instruments as financial liabilities

Not applicable

47.Lease liability

In RMB

Item	End of term	Beginning of term
Unpaid lease payments	7,028,322.78	16,414,052.70
Less：Financing charges are not recognized	337,339.37	468,706.23
Total	6,690,983.41	15,945,346.47

48. Long-term payable

In RMB

Item	End of term	Beginning of term
Long term account payable	6,950,249.25	330,000.00
Special Payable	17,953,606.91	11,865,896.78
Total	24,903,856.16	12,195,896.78

(1) Long-term payable listed by nature of the account

In RMB

Item	End of term	Beginning of term
Payable after-sale leaseback	10,067,387.91	
Reform-related reserves	330,000.00	330,000.00
Subtotal	10,397,387.91	330,000.00
Less: Long-term payables due within one year	3,447,138.66	
Total	6,950,249.25	330,000.00

Other note：

[Note] In December 2024, the subsidiary Western Power Company entered into a sale-leaseback agreement with Yongying Financial Leasing Co., Ltd., which stipulated that Western Power would sell the 7.1MW gas turbine to the lessor Yongying Financial Leasing, then lease it back under a financial lease arrangement. The lease term is 36 months with monthly rental payments. Upon the lease term expiration, Western Power will repurchase the equipment at a nominal price of RMB 100. The transaction essence involves Western Power Company using 7.1MW gas turbines as collateral to obtain financing from Yongying Financial Leasing Co., Ltd. Therefore, this after-sale leaseback transaction does not constitute a sale, and Western Power Company has not derecognized the transferred asset but rather recognized the transfer proceeds as a financial liability under long-term payables.

In the aforementioned after-sale leaseback transaction, the 7.1MW gas turbine has a book value of RMB 15,843,431.73. Western Power Company has completed the mortgage registration procedures on December 5, 2024, with its legal representative Liu Qing providing guarantee for this financing.

(2) Special Payable

In RMB

Item	Opening balance	Increase	Decrease	End balance	Reason
Funding for Personnel Training	9,841,968.46	7,210,000.00	1,166,223.94	15,885,744.52	
Demolition and resettlement funds	2,023,928.32	90,630.36	46,696.29	2,067,862.39	[Note]
Total	11,865,896.78	7,300,630.36	1,212,920.23	17,953,606.91	

Other note：

[Note]Resettlement payment mainly refers to the compensation and resettlement transition fee saved during the demolition and housing reform of the family dormitory area of the subsidiary, Hangfa Company.

49. Long term payroll payable

(1) List of long term payroll payable

(2) Changes of defined benefit plans

Present value of defined benefit plan obligations:Not applicable

Plan assets: Not applicable

Net liabilities (net assets) under defined benefit plans：Not applicable

Description of the content of the defined benefit plans and the risks associated with it, and the impact on the Company's future cash flows, time and uncertainty: Not applicable

Description of major actuarial assumptions and sensitivity analysis results of defined benefit plans:Not applicable

Other note：Not applicable

50. Estimated liabilities

Other explanations, including relevant important assumptions and estimation notes of important estimated liabilities:

Not applicable

51. Deferred income

In RMB

Item	Beginning of term	Increased this period	Decreased this period	End of term	Reason
Government Subsidy	1,069,670,711.41	21,392,800.00	55,682,809.67	1,035,380,701.74	Receive government subsidies
Total	1,069,670,711.41	21,392,800.00	55,682,809.67	1,035,380,701.74	--

Other note：

For the government subsidies included in the deferred income, see Note VIII

52. Other non-current liabilities

In RMB

Item	End of term	Beginning of term
Collect the relocation compensation money in advance[Note]	58,696,860.00	58,696,860.00
Total	58,696,860.00	58,696,860.00

Other note:

[Note] It is the compensation for relocation received by Zhongneng Company, a subsidiary, for the relocation project at No.18, 22nd Street, Baiyang Block, Hangzhou Economic and Technological Development Zone. For details, please refer to the explanation in Section X, (18)8 of this report.

53.Stock capital

In RMB

	Balance Year-beginning	Increase/decrease this time (+ , -)					Balance year-end
		Issuing of new share	Bonus shares	Transferred from reserves	Other	Subtotal	
Total of capital shares	1,175,444,400				-434,803	-434,803	1,175,009,597

Other note：

According to the Proposal on Repurchase and Cancellation of Some Restricted Stocks reviewed and passed by the Ninth Meeting of the Ninth Board of Directors and the Third Meeting of the Third Board of Supervisors in 2023, 14 of the incentive objects of the restricted stock incentive plan of the Company in 2021 are no longer qualified for incentive objects due to retirement and 3 due to resignation because of personal reasons; Two people are no longer qualified for incentive objects because their performance assessment results are not good or above, and some restricted stocks in the first lifting period do not meet the conditions for lifting the restricted sales. The above-mentioned retirees can still release the restricted sale of the corresponding shares according to the agreed conditions according to their specific tenure in the performance assessment period, and the remaining restricted sale that have not been released from the restricted sale shall not be released from the restricted sale, and the Company will repurchase and cancel them according to the granted price plus the interest of bank deposits in the same period; The above-mentioned restricted stocks that have been granted but have not been released from the restricted sale of the former employees shall be subject to repurchase cancellation by the Company according to the granted price. The above-mentioned restricted stocks whose restrict sales cannot be lifted in the current period due to personal performance assessment results shall be repurchased and cancelled by the Company according to the grant price. The number of restricted stocks cancelled in this repurchase is RMB 434,803, and the repurchase price that the Company should pay for this restricted stock repurchase is RMB 1,394,403.00. The above-mentioned repurchased and cancelled restricted stocks were verified by Pan-China Certified Public Accountants (special general partnership), who issued the Capital Verification Report (TJY [2023] No.716). The Company has completed the industrial and commercial change registration procedures on January 2, 2024.

54. Other equity instruments

(1) Basic information of preferred stock, perpetual capital securities and other financial instruments outstanding issued at period-end

(2) Change list of preferred stock, perpetual capital securities and other financial instruments outstanding issued at period-end

55. Capital reserves

In RMB

Item	Year-beginning balance	Increase in the current period	Decrease in the current period	Year-end balance
Capital premium	270,469,124.29	49,980,502.56	36,260,498.86	284,189,127.99
Other capital reserves	128,744,580.15	23,297,347.25	48,834,204.97	103,207,722.43
Total	399,213,704.44	73,277,849.81	85,094,703.83	387,396,850.42

Other notes, including changes and reason of change:

In 2024, there was a net increase of RMB 13,720,003.70 in share capital premium, with changes as follows:

① The second phase of restricted stocks granted by the Company for the first time in 2021 and the first phase of restricted stocks reserved for granting met the conditions for unlocking restricted stocks, and the original recognized share payment fee of RMB 48,834,204.97 was transferred from capital reserve-other capital reserve to capital reserve-share capital premium.

② Due to the purchase of minority shareholders' equity in Packaged Company, a subsidiary, the Company adjusted and increased the capital reserve-share capital premium by RMB 1,146,297.59 for the difference between the newly acquired long-term equity investment cost and the net identifiable assets share of subsidiaries calculated since the merger date according to the newly increased shareholding ratio.

③ Upon meeting the unlock conditions for the second phase of initially restricted stocks in 2021 and the first phase of reserved restricted stocks, the Company offset the difference between the RMB 36,174,514.24 repurchase cost from the secondary market and the RMB 25,646,512.32 subscription payments received from employees under the restricted stock incentive plan of restricted stocks, which was totaling RMB 10,528,001.92, against capital reserve-share premium.

④ The share capital was reduced by RMB 434,803 due to the repurchase and cancellation of 434,803.00 restricted stocks, the capital reserve-share capital premium was reduced by RMB 1,619,109.40, and the treasury stocks was reduced correspondingly by RMB 2,053,912.40.

⑤ Due to the purchase of minority shareholders' equity in Machinery Company, a subsidiary, the Company adjusted and reduced the capital reserve-share capital premium by RMB 22,901,212.23 for the difference between the newly acquired long-term equity investment cost and the net identifiable assets share of subsidiaries calculated since the merger date according to the newly increased shareholding ratio.

⑥ The Company increased its special reserve due to the purchase of minority shareholders' equity in Machinery Company, and adjusted to reduce the capital reserve-share capital premium by RMB 1,212,175.31.

In 2024, other capital reserve decreased by RMB 25,536,857.72, with the following changes:

① The Company recognized the share payment fee of RMB 23,297,347.25 due to equity incentive, and increased the capital reserve-other capital reserve.

② The second phase of restricted stocks granted by the Company for the first time in 2021 and the first phase of restricted stocks reserved for granting met the conditions for unlocking restricted stocks, and the original recognized share payment fee of RMB 48,834,204.97 was transferred from capital reserve-other capital reserve to capital reserve-share capital premium.

56. Treasury stock

In RMB

Item	Year-beginning balance	Increase in the current period	Decrease in the current period	Year-end balance
Restricted stock with a repurchase obligation	86,290,288.75		47,841,770.64	38,448,518.11
Total	86,290,288.75		47,841,770.64	38,448,518.11

Other notes, including changes and reason of change:

In 2024, the net decrease of treasury stocks was RMB 47,841,770.64, with the following changes:

① The share capital was reduced by RMB 434,803 due to the repurchase and cancellation of 434,803.00 restricted stocks, the capital reserve-share capital premium was reduced by RMB 1,619,109.40, and the treasury shares was reduced correspondingly by RMB 2,053,912.40.

② According to the resolution of the Company's 2023 annual general meeting of shareholders, the company distributed a cash dividend of RMB 5.00 (including tax) to all shareholders for every 10 shares, and granted 19,226,688 restricted stocks expected to be unlocked for the first time and reserved for granting (the original number of shares granted was 12,324,800, and the profit distribution plan of 3 bonus shares for every 10 shares was increased by 3,697,440 shares in 2021. In 2022, the profit distribution plan of 2 bonus shares for every 10 shares was increased by 3,204,448 shares), with a corresponding dividend of RMB 9,613,344.00, and other payables and treasury stocks were reduced by RMB 9,613,344.00.

③ the second phase of restricted stocks granted by the company for the first time and the first phase of restricted stocks reserved for granting met the unlocking conditions, resulting in a total of 9,637,056 shares being unlocked (original granted shares: 6,177,600 shares; increased by 1,853,280 shares through the 2021 profit distribution plan of 3 bonus shares for every 10 shares held; and further increased by 1,606,176 shares through the 2022 profit distribution plan of 2 bonus shares for every 10 shares held), and correspondingly reduced treasury stock by RMB 36,174,514.24.

57. Other comprehensive income

In RMB

Item	Opening balance	Occurred current term						Closing balance
		Amount incurred before income tax	Less：Amount transferred into profit and loss in the current period that recognied into other comprehensive income in prior period	Less：Prior period included in other composite income transfer to retained income in the current period	Less：Income tax expenses	After-tax attribute to the parent company	After-tax attribute to minority shareholder	
1. Other comprehensive income that cannot be reclassified in the loss and gain in the future	1,980,939,256.24	1,250,625,947.60			187,593,892.14	1,063,032,055.46		3,043,971,311.70
Changes in fair value of investments in other equity instruments	1,980,939,256.24	1,250,625,947.60			187,593,892.14	1,063,032,055.46		3,043,971,311.70
Total of other comprehensive income	1,980,939,256.24	1,250,625,947.60			187,593,892.14	1,063,032,055.46		3,043,971,311.70

Other notes, including the adjustment of the recognition of initial amount of effective part of the cash flow

58. Special reserves

In RMB

Item	Beginning of term	Increased this period	Decreased this period	End of term
Labor safety expenses	20,355,377.31	18,560,250.36	14,350,761.18	24,564,866.49
Total	20,355,377.31	18,560,250.36	14,350,761.18	24,564,866.49

Other note, including changes and reason of change:

During the current period, the Company accrued RMB 17,348,075.05 for work safety funds, utilized RMB14,350,761.18, and increased special reserves by RMB1,212,175.31 due to the acquisition of minority equity in Machinery Company.

59. Surplus reserves

In RMB

Item	Beginning of term	Increased this period	Decreased this period	End of term
Statutory surplus reserves	625,178,089.82			625,178,089.82
Total	625,178,089.82			625,178,089.82

Other note, including changes and reason of change

60. Retained profits

In RMB

Item	Amount of this period	Amount of last period
Adjust the undistributed profits before and at the end of the period	3,784,435,361.60	3,756,414,638.24
Undistributed profits at the beginning of the period after adjustment	3,784,435,361.60	3,756,414,638.24
Add：Net profit belonging to the owner of the parent company	539,962,304.02	517,680,522.56
Less: Common stock dividend payable	587,468,138.50	293,752,399.20
Common stock dividends converted to share stock		195,907,400.00
Retained profits at the period end	3,736,929,527.12	3,784,435,361.60

Adjustment for retained profit at period-begin:

1) Retroactive adjustment due to the Accounting Standards for Business Enterprise and relevant new regulations, retained profit at period-begin has 0.00 Yuan affected;

2) Due to the accounting policy changes, retained profit at period-begin has 0.00 Yuan affected;

3) Due to the major accounting errors correction, retained profit at period-begin has 0.00 Yuan affected;

4) Consolidation range changed due to the same control, retained profit at period-begin has 0.00 Yuan affected;

5) Total other adjustment impacts 0.00 Yuan retained profit at period-begin

61. Business income and Business cost

In RMB

Items	Amount of this period		Amount of last period	
	Income	Cost	Income	Cost
Main Business	6,600,147,074.27	5,332,265,049.25	5,877,944,944.25	4,473,460,877.54
Other	38,767,918.97	21,276,138.79	46,293,076.97	20,348,015.68
Total	6,638,914,993.24	5,353,541,188.04	5,924,238,021.22	4,493,808,893.22

Whether the net profit before and after deducting non-recurring gains and losses is negative after audit

□ Yes √ No

Other note:

Information related to the transaction price allocated to the remaining performance obligation:

At the end of the reporting period, the amount of income corresponding to the performance obligations with signed contract but not yet fulfilled or not fulfilled is RMB 7,230,700,000.00.

62.Taxes and surcharges

In RMB

Item	Amount of this period	Amount of last period
Urban maintenance and construction tax	9,720,879.16	8,788,972.71
Educational surtax	4,645,027.56	4,098,008.10
House tax	16,387,479.89	13,303,026.15
Land royalties	6,343,403.01	2,272,256.02
vehicle and vessel tax	39,490.48	50,303.92
Stamp tax	5,286,175.08	5,220,714.59
Locality Education surcharge	3,096,685.04	2,727,966.25
Other	42,676.79	43,293.87
Total	45,561,817.01	36,504,541.61

Other note：See note IV for the taxes and additional payment standards

63. Administrative expense

In RMB

Item	Amount of this period	Amount of last period
Employees' remunerations	354,591,827.32	340,087,067.76
Asset depreciation and amortizing	58,385,285.72	61,008,230.48
Rental fee, House rental, property management, water and power	25,008,656.56	24,506,606.57
Stock payable	14,632,204.63	24,517,471.39
Service charge	13,254,591.56	11,526,078.87
Agency fee	13,605,499.48	15,198,845.71
Office expenses	10,902,622.71	12,485,360.50
Travel expenses and overseas travel expenses	9,471,038.71	8,845,035.67
Repair costs	7,459,997.66	6,457,776.28
Business expenses	4,905,014.99	5,966,754.30
Other	28,203,502.16	28,844,388.93
Total	540,420,241.50	539,443,616.46

64. Sales expense

In RMB

Item	Amount of this period	Amount of last period
Employees' remunerations	171,585,011.22	156,343,689.26
Consulting service fee	49,131,801.56	50,891,753.84
Travel expenses	36,014,599.99	33,489,616.91
Business reception expenses	21,313,905.37	25,668,457.66
Advertising fee	4,987,317.72	4,844,307.99
Conference expenses	3,509,392.69	3,832,895.90
Stock payable	2,223,829.16	4,429,212.60
Other	9,675,575.78	11,936,307.34
Total	298,441,433.49	291,436,241.50

65. R&D Expense

In RMB

Item	Amount of this period	Amount of last period
Labor cost	144,134,443.42	154,704,802.86
Direct materials	11,832,016.77	86,453,337.62
Commissioned research & development	6,859,304.93	4,943,543.55
Depreciation expenses	2,718,347.46	2,955,244.37
Stock payable	2,436,567.17	7,401,707.41
Test and inspection fee	2,485,825.01	10,013,530.53
Other	8,000,069.15	10,213,472.64
Total	178,466,573.91	276,685,638.98

66. Financial expenses

In RMB

Item	Amount of this period	Amount of last period
Interest expense	18,500,486.68	21,432,248.70
Less：Interest capitalization	6,386,562.75	521,584.19
Incoming interests	39,515,927.28	44,289,213.68
Exchange gains/losses	1,675,639.45	-14,617,667.37
Commission	4,524,318.33	6,427,074.37
Total	-21,202,045.57	-31,569,142.17

Other note：

67. Other income

In RMB

Item	Amount of this period	Amount of last period
Government subsidies	74,526,370.61	90,154,915.70
VAT additional deduction	29,382,060.36	22,105,883.57
Individual tax commission refunds	409,746.84	313,045.39
Total	104,318,177.81	112,573,844.66

68.Net exposure hedging income

69. Gains on the changes in the fair value

In RMB

Source	Amount of this period	Amount of last period
Financial assets designated as measured at fair value and whose changes are included in the current profit and losses	-109,867.16	686,725.67
Total	-109,867.16	686,725.67

70. Investment income

In RMB

Item	Amount of this period	Amount of last period
Long-term equity investment income by equity method		1,251,609.18
Investment income of trading financial assets during the holding period	9,247,831.60	13,420,165.23

Dividend income from other equity instrument investments during the holding period	241,968,933.34	108,750,082.40
Debt restructuring gains	5,495,530.91	6,496,130.62
Discount loss on financing of receivables	-2,849,439.11	-3,955,962.69
Investment income obtained from the disposal of trading financial assets	6,493.52	
Terminated and recognized income of financial assets measured at amortized cost	-29,191.37	
Total	253,840,158.89	125,962,024.74

71.Credit impairment loss

In RMB

Item	Amount of this period	Amount of last period
Loss of bad debts of notes receivable	2,670,435.77	-3,072,241.75
Loss of bad debts of accounts receivable	61,762,017.47	95,856,001.19
Loss of bad debts of other receivable	-1,702,324.11	1,697,260.66
Loss of bad debts of long-term receivable	10,442,220.34	-11,761,110.00
Total	73,172,349.47	82,719,910.10

72. Losses from asset impairment

In RMB

Item	Amount of this period	Amount of last period
I. Loss of inventory value and impairment of contract performance costs	-64,458,510.86	-27,668,590.08
IV. Impairment loss of fixed assets		-1,957,464.80
X. Goodwill impairment loss	-8,311,225.59	
XI. Loss of impairment of contract assets	-17,996,892.98	-8,201,559.89
Total	-90,766,629.43	-37,827,614.77

73. Asset disposal income

In RMB

Source	Amount of this period	Amount of last period
Profits of disposal of fixed assets	1,636,886.03	2,888,752.81
Income from disposal of use assets	156,105.00	28,566.27
Non-policy relocation of assets disposal income		65,888,315.19
Total	1,792,991.03	68,805,634.27

74. Non-operating income

In RMB

Item	Amount of this period	Amount of last period	Recorded in the amount of the non-recurring gains and losses

Compensation income[Note]	81,413,383.61	58,290,615.54	81,413,383.61
No payment required	855,816.96	8,963,540.03	855,816.96
Loss of non-current assets: obsolescence gain	29,948.13	17,327.42	29,948.13
Other	34,224.00	12,807.92	34,224.00
Total	82,333,372.70	67,284,290.91	82,333,372.70

Other note：

[Note] Main components of compensation income: ① The Company and China Tianchen Engineering Corporation mutually agreed to terminate the Procurement Contract for Steam Turbine Generator Sets and Supporting Equipment for the Turkish Çardak Sulfuric Acid and Power Generation Project signed in 2007. Through negotiations, the parties confirmed project breach income of RMB3 5.27 million;② The Company signed a contract termination agreement with Huaguang Environmental Protection Energy (Xi'an) Design & Research Institute Co., Ltd. Due to reasons attributable to the owner, the cooperation with the Company was terminated and through negotiations, the parties confirmed a project breach income of RMB18.04 million; ③ The Company and Shenyang Turbine Machinery Co., Ltd. mutually agreed to terminate certain long-term suspended projects, and through negotiations, the parties confirmed a breach income of RMB 10,556,400.

75. Non-operational expenses

In RMB

Item	Amount of this period	Amount of last period	Recorded in the amount of the non-recurring gains and losses
Donations	995,000.00	605,000.00	995,000.00
Compensation expenses(Note)	29,045,281.80	1,663,071.38	29,045,281.80
Non-current assets scrapping loss	437,445.88	236,510.59	437,445.88
Fine, late payment	196,941.41	74,760.99	196,941.41
Other	82,202.18	35,657.46	82,202.18
Total	30,756,871.27	2,615,000.42	30,756,871.27

Other note：

[Note] Main components of compensation expenses: (1) According to the agreement between subsidiary Guoneng Company and KELVION THERMAL SOLUTIONS (JIANGSU) CO.,LTD. to terminate the Contract for Air-cooled Condensers Supporting Steam Turbines for the Turkish Çardak Sulfuric Acid and Power Generation Project signed in 2009, and through negotiations, the parties confirmed a breach expenses of RMB 9.80 million; (2) Per the agreement between the Company and Shenyang Turbine Machinery Co., Ltd., for certain long-term projects where payments were unrecoverable due to end-user reasons (as determined by court ruling or remaining uncollectible after enforcement), the Company recognized a compensation expense of RMB6.564 million; (3) According to the agreement between the Company and Chongqing CISDI Thermal & Environmental Engineering Technology Co., Ltd., additional direct losses caused by the Company's delayed delivery resulted in confirmed breach expenses of RMB 3.60 million.

76. Income tax expenses

(1) Details

In RMB

Item	Amount of this period	Amount of last period
Income tax of current term	86,888,998.46	70,175,325.94
Deferred income tax	-28,875,702.64	-876,620.36
Total	58,013,295.82	69,298,705.58

(2) Adjustment process of accounting profit and income tax expenses

In RMB

Item	Amount of this period
Total profit	637,509,466.90
Income tax expense at parent company's applicable tax rate	95,626,420.04
Effect of different tax rates applicable to subsidiaries	18,015,758.34
Adjustment for income tax in prior year	1,021,583.23
Income not subject to tax	-36,295,340.00
Effects of non-deductible costs, expenses and losses	5,149,430.63
Effect of deductible temporary differences or deductible losses from deferred tax assets unrecognized in the current period	11,231,898.42
Tax impact of the addition for the deduction of R&D expenses	-27,586,254.47
Impact of additional deductions for the disabled	-270,197.96
Impact of share payments	-3,908,447.42
The impact of the tax rate changes on the income tax expenses at the beginning of the year	
The deductible temporary difference or deductible loss of deferred income tax assets are not recognized in this period	-4,971,554.99
Income tax expense	58,013,295.82

77. Other comprehensive income

For details, please refer to Note

78.Items of Cash flow statement

（1）Cash related to operating activities

Other cash received from business operation

In RMB

Item	Amount of this period	Amount of last period
Recovery of operating bank deposits	71,585,448.94	537,561,050.96
Government subsidies received	51,255,487.77	38,144,639.45
Deposit interest	39,526,088.78	44,300,483.94
Receipt of operating current account	14,442,533.61	1,521,930.00
Lease income	2,006,840.22	2,458,358.28
Other	1,929,988.84	674,489.59
Total	180,746,388.16	624,660,952.22

Other cash paid in relation to operation activities

In RMB

Item	Amount of this period	Amount of last period
Payment of operational bank deposits	233,455,618.56	456,118,090.16
Payment cash sales expenses	121,814,008.69	129,482,216.35
Payment cash Management expenses	93,976,387.32	90,008,549.35
Payment cash R & D cost	20,074,012.86	24,508,885.58
Payment cash financial expenses	4,524,318.33	6,427,074.37
Payment of business transactions	4,709,303.08	28,189,513.29
Other	1,575,343.59	727,018.45
Total	480,128,992.43	735,461,347.55

（2）Cash related to Investment activities

Cash receivable related to other Investment activities

In RMB

Item	Amount of this period	Amount of last period
Repurchasing of trusteeship	1,052,300,000.00	1,691,500,000.00
Receipt of levy and relocation compensation	19,694.27	
Receipt of levy and relocation compensation		257,606,998.18
Total	1,052,319,694.27	1,949,106,998.18

Cash paid related with investment activities

In RMB

Item	Amount of this period	Amount of last period
Purchasing of financial products	1,154,100,000.00	1,652,700,000.00
Loss of forward foreign exchange settlement and sale		181,291.38
Total	1,154,100,000.00	1,652,881,291.38

(3)Cash related to Financing activities

Other cash received in relation to financing activities

In RMB

Item	Amount of this period	Amount of last period
Pay the rent of the right to use the asset	12,099,900.00	
Discounting payment of financing bill		8,000,000.00
Total	12,099,900.00	8,000,000.00

Other cash paid related with financing activities

In RMB

Item	Amount of this period	Amount of last period
Purchase of minority shareholder equity	39,463,527.15	182,452,500.00

Pay the rent of the right to use the asset	24,537,492.16	16,446,562.49
Financing notes due and payment	2,214,817.91	
Pay for the Treasury stock repurchase and cancellation payment	54,977.52	1,394,403.00
Maturity and settlement of fund raising bills		8,000,000.00
Subsidiary cancels and returns minority shareholders		2,986,677.67
Pay discount interest on financing bills		299,777.78
Total	66,270,814.74	211,579,920.94

Changes in various liabilities arising from fund-raising activities

□Applicable ☑Not applicable

(4) Statement of cash flows on a net basis

(5) Major activities and financial impacts that do not involve cash receipts and expenditures in the current period, but affect the financial position of the enterprise or may affect the cash flow of the enterprise in the future

79. Supplementary information to statement of cash flow

(1) Supplementary information to statement of cash flow

In RMB

Supplementary information	Current amount	Amount of the previous period
1． Net profit adjusted to cash flow of operation activities:		
Net profit	579,496,171.08	666,219,341.20
Add: Assets impairment provision	17,594,279.96	-44,892,295.33
Depreciation of fixed assets, consumption of oil assets and depreciation of productive biology assets	160,904,965.85	163,472,759.10
Depreciation of right-of-use assets	20,110,101.01	15,037,790.25
Amortization of intangible assets	15,435,464.58	15,435,729.41
Amortization of long-term deferred expenses	0.00	0.00
Loss from disposal of fixed assets, intangible assets and other long-term assets (gain is listed with "-")	-2,456,108.81	-79,667,812.38
Losses on scrapping of fixed assets (gain is listed with "-")	407,497.75	219,183.17
Gain/loss of fair value changes (gain is listed with "-")	109,867.16	-686,725.67
Financial expenses (gain is listed with "-")	18,845,624.88	6,229,487.55
Investment loss (gain is listed with "-")	-251,223,258.46	-123,421,856.81
Decrease of deferred income tax asset (increase is listed with "-")	-20,390,841.70	278,384,531.44
Increase of deferred income tax liability (decrease is listed with "-")	-8,484,860.94	-279,261,151.80
Decrease of inventory (increase is listed with "-")	-199,311,598.70	-118,782,583.70
Decrease of operating receivable accounts (increase is listed with "-")	-22,383,733.37	-420,744,101.07
Increase of operating payable accounts (decrease is listed with "-")	116,598,138.98	754,936,135.11
Other	25,695,102.28	44,731,055.15
Net cash flow arising from operating activities	450,946,811.55	877,209,485.62
2. Material investment and financing not involved in cash flow		
Conversion of debt into capital		0.00
Switching Company bonds due within one year		0.00
Financing lease of fixed assets	8,444,578.26	17,078,969.66

3. Net change of cash and cash equivalents:		
Balance of cash at period end	2,145,244,079.26	2,661,616,581.02
Less: Balance of cash equivalent at year-begin	2,661,616,581.02	1,805,028,401.76
Add: Balance at year-end of cash equivalents		
Less: Balance at year-begin of cash equivalents		
Net increased amount of cash and cash equivalent	-516,372,501.76	856,588,179.26

(2) Net cash paid for obtaining subsidiary in the Period

（3）Net cash received by disposing subsidiary in the Period

(4)Constitution of cash and cash equivalent

In RMB

Item	Ending balance	Opening balance
I. Cash	2,145,244,079.26	2,661,616,581.02
Including: Cash on hand	920.00	14,634.65
Bank deposit available for payment at any time	2,145,203,014.42	2,661,553,779.47
Other monetary capital could be used at any time	40,144.84	48,166.90
III. Balance of cash and cash equivalents at the period end	2,145,244,079.26	2,661,616,581.02

(5) Situations where the scope of use is limited but still classified as cash and cash equivalents

(6) Monetary funds that do not belong to cash and cash equivalents

In RMB

Item	Amount of the current period	Amount of the previous period	Reason for not belonging to cash and cash equivalents
Bank acceptance bill margin	73,623,274.53	130,198,606.73	It is used to pledge for issuing bank acceptance bills, and cannot be used for payment at any time
L/G margin	16,766,519.75	5,666,941.75	It is used to pledge for issuing L/G, and cannot be paid at any time
Litigation security fund	10,000,000.00		The account is frozen and cannot be paid at any time
Pledged time deposit	3,948,535.59		It is used to pledge for issuing L/G, and cannot be paid at any time
ETC business margin	42,000.00	43,000.00	The account is frozen and cannot be paid at any time
Foreign exchange trading margin		643,000.00	The account is frozen and cannot be paid at any time
Total	104,380,329.87	136,551,548.48	

(7) Description of other major activities

80. Note of statement of changes in the owner's equity

Explain "other" project name and adjustment amount of the adjustment of closing balance in previous year, etc.Not applicable

81. Monetary Item in foreign currencies

(1) Foreign currency monetary Item

In RMB

Item	Balance at end of period	Exchange rate	Translated to RMB at end of period
Monetary capital			450,981,240.09
Incl：USD	57,116,574.33	7.1884	410,576,782.91
Euro	5,368,077.61	7.5257	40,398,541.67
HKD	6,384.42	0.9260	5,912.23
Yen	71.00	0.0462	3.28
Account receivable			204,119,547.16
Incl：USD	26,912,536.61	7.1884	193,458,078.17
Euro	1,382,927.73	7.5257	10,407,499.22
HKD	0	0	0
SGD	47,726.12	5.3214	253,969.77
Long-term loans			0
Incl：USD	0	0	0
Euro	0	0	0
HKD	0	0	0
Contract assets			29,634,674.86
Incl：USD	3,803,257.52	7.1884	27,339,336.36
Euro	305,000.00	7.5257	2,295,338.50
Account payable	0.00	0	13,302,801.79
Incl：USD	928,973.40	7.1884	6,677,832.39
Euro	875,151.26	7.5257	6,586,125.84
Pound	3,570.00	9.0765	32,403.11
Ruble	97,500.00	0.0661	6,440.45

(2) Note to overseas operating entities, including important overseas operating entities, which should be disclosed about its principal business place, function currency for bookkeeping and basis for the choice. In case of any change in function currency, the cause should be disclosed.

□ Applicable √ Not applicable

82. Leasing

(1) The Company acts as the lessee

☑Applicable □Not applicable

Variable lease payments that are not included in the measurement of lease liabilities

□Applicable ☑Not applicable

Simplified processing of lease costs for short-term leases or lease for low-value assets

□Applicable ☑Not applicable

Involving the sale and leaseback transactions

As a lessee

Item	Amount incurred in the current period
Short-term lease expense	4,958,863.82
Low-value lease expense	3,070.36
Total	4,961,934.18

The total cash outflow related to leasing is RMB 23,220,352.16.

Whether sale-leaseback transactions qualify as sales and the basis for determination

In the Company's sale-leaseback transactions, the lessor (who is also the buyer) cannot direct the use of the goods or obtain substantially all of the economic benefits, while the lessee (who is also the seller) direct the use of the leased asset and has not transferred control of the asset. Therefore, the Company's sale-leaseback transactions do not qualify as sales.

(2) The Company acts as the lessor

Operating lease as a lessor

☑Applicable □Not applicable

In RMB

Item	Rental income	Thereinto: income related to variable lease payments that are not included in lease receipts
Real estate investment	1,590,867.33	0
Total	1,590,867.33	0

Financial lease as a lessor

□Applicable ☑Not applicable

Annual undiscounted lease receipts for the next five years

☑Applicable □Not applicable

In RMB

Item	Annual undiscounted lease receipts	
	Ending balance	Opening balance
First year	445,700.00	1,340,896.11
Second year	312,899.80	678,261.52

Third year	148,652.00	312,001.53
Fourth year		229,057.03
Total undiscounted lease receipts after five years	907,251.80	2,560,216.19

Adjustment table for undiscounted lease receipts and net lease investments

Not applicable

(3) Recognition of financial lease sales gains and losses as a producer or distributor

□Applicable ☑Not applicable

83.Data resources

84.Other

VIII. R&D expenditure

In RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Direct labor	144,134,443.42	154,704,802.86
Direct material	11,832,016.77	86,453,337.62
Outsourcing R&D	6,859,304.93	4,943,543.55
Depreciation and amortization	2,718,347.46	2,955,244.37
Share-based payment	2,436,567.17	7,401,707.41
Test and inspection fee	2,485,825.01	10,013,530.53
Others	8,000,069.15	10,213,472.64
Total	178,466,573.91	276,685,638.98
Including: expensed R&D expenditure	178,466,573.91	276,685,638.98

1. R&D projects that meet the conditions for capitalization

Significant capitalized R & D projects

Not applicable

Provision for impairment of development expenses

Not applicable

2. Important outsourced projects under research

Other note：Not applicable

IX. Changes of merge scope

1. Business merger not under same control

(1) Business merger not under same control in reporting period

Other note：Not applicable

（2）Merger cost and goodwill

Determination method of fair value of combination cost: Not applicable
Notes to contingent consideration and its changes
Not applicable
Main reasons for the formation of large goodwill:
Not applicable
Other note：Not applicable

(3) Identifiable assets and liability on purchasing date under the acquiree

Determination method of fair value of identifiable assets and liabilities: Not applicable
Contingent liabilities of the acquiree assumed in the business combination: Not applicable
Other note：Not applicable

(4) Gains or losses arising from re-measured by fair value for the equity held before purchasing date

Whether it is a business combination realized by two or more transactions of exchange and a transaction of obtained control rights in the Period or not

□Yes☑No

(5) On purchasing date or period-end of the combination, combination consideration or fair value of identifiable assets and liability for the acquiree are un-able to confirm rationally

（6） Other note

2. Business combination under the same control

(1) Business combination under the same control during the reporting period

Other note：Not applicable

（2）Combination cost

Notes to contingent consideration and its changes: Not applicable
Other note：Not applicable

（3）Book value of the assets and liabilities of the merge at the merger date

Contingent liabilities of the combined party assumed in the business combination:
Not applicable
Other note：Not applicable

3. Counter purchase

Basic information of trading, the basis of transactions constitute counter purchase, the retain assets , liabilities of the listed companies whether constituted a business and its basis, the determination of the combination costs, the amount and calculation of adjusted rights and interests in accordance with the equity transaction process.

4. The disposal of subsidiary

Whether there are multiple transactions step by step dispose the investment to subsidiary and lost control in reporting period

□ Yes √ No

Whether there are multiple transactions step by step dispose the investment to subsidiary and lost control in reporting period

□ Yes √ No

5. Other reasons for the changes in combination scope

Notes to reasons for the changes in combination scope (Newly established subsidiary and subsidiary of liquidation) and relevant information: Not applicable

6.Other

X. Equity in other entities

1. Equity in subsidiary

(1) The structure of the enterprise group

In RMB

Subsidiary	Registered capital	Main operation place	Registered place	Business nature	Share-holding ratio		Acquired way
					Directly	Indirectly	
Auxiliary Machine Co.	80,000,000.00	Hangzhou	Hangzhou	Commerce	87.53%		Incorporation
Guoneng Company	40,000,000.00	Hangzhou	Hangzhou	Manufacturing		100.00%	Incorporation
Packaged Technologies Co.	51,000,000.00	Hangzhou	Hangzhou	Commerce	100.00%		Incorporation
Machinery Co.	30,000,000.00	Hangzhou	Hangzhou	Manufacturing	100.00%		Incorporation
Huayuan Company	21,000,000.00	Hangzhou	Hangzhou	Manufacturing		100.00%	Incorporation
Turbine Co.	20,000,000.00	Hangzhou	Hangzhou	Commerce	100.00%		Incorporation
Zhongneng Company	120,000,000.00	Hangzhou	Hangzhou	Manufacturin	46.89%		Incorporation

				g			
Hangfa Company	80,000,000.00	Hangzhou	Hangzhou	Manufacturing		100.00%	Business consolidation under the same control
Casing Company	29,500,000.00	Hangzhou	Hangzhou	Manufacturing	38.03%		Incorporation
Anhui Casting Company	130,000,000.00	Wuhu	Wuhu	Manufacturing		51.54%	Incorporation
New Energy Company	500,000,000.00	Hangzhou	Hangzhou	Manufacturing	100.00%		Business consolidation under the same control
Ranchuang Companyp	155,000,000.00	Hangzhou	Hangzhou	Manufacturing	100.00%		Business consolidation under the same control
Western Power Company	143,000,000.00	Pengzhou	Peng Zhou	Manufacturing		56.64%	Business consolidation Not under the same control

Notes: holding proportion in subsidiary different from voting proportion:

Basis of holding half or less voting rights but still been controlled investee and holding more than half of the voting rights not been controlled investee:

(1) In December 2022, the subsidiary Zhongneng Company introduced strategic investors and simultaneously implemented employee shareholding, resulting in the Company's shareholding ratio falling from 60.83% to 46.89%. Since the shareholding ratio of the Company still exceeds 1/3, the three of the seven directors are appointed by the Company, and two other directors have signed the "Concerted Action Person Agreement" with the Company, thus the Company controls Zhongneng Company.

(2) In December 2018, the subsidiary Casting & Forging Company introduced external strategic investors, resulting in the Company's shareholding ratio falling from 51% to 38.03%. Since the Company still holds more than 1 / 3 equity and holds three of the five board seats, it has control over the casting company.

(2) Significant not wholly owned subsidiary

In RMB

Name of the subsidiaries	Share portion of minor shareholders	Gains/loss of the period attributable to minor shareholders	Dividend announced in the period to minor shareholders	Balance of equity of minor shareholders at end of period
Zhongneng Company	53.11%	14,373,558.52	19,120,230.00	222,871,393.31

(3) The main financial information of significant not wholly owned subsidiary

In RMB

Subsidiaries Name	End of term						Beginning of term					
	Current assets	Non-current	Total of	Current	Non-current	Total of	Current assets	Non-current	Total of	Current	Non-current	Total of

		assets	assets	liabilities	liabilities	liability		assets	assets	liabilities	liabilities	liability
Zhongneng Company	1,720,523,046.82	459,143,256.52	2,179,666,303.34	1,483,502,219.43	276,536,406.20	1,760,038,625.63	1,752,124,738.59	311,404,723.64	2,063,529,462.23	1,351,631,121.66	282,576,407.48	1,634,207,529.14

In RMB

Subsidiaries Name	Amount of current period				Amount of previous period			
	Turnover	Net profit	Total Misc Gains	Cash flow for business activities	Turnover	Net profit	Total Misc Gains	Cash flow for business activities
Zhongneng Company	1,419,159,339.60	27,062,851.53	27,062,851.53	168,795,264.94	1,350,099,692.90	129,399,937.58	129,399,937.58	8,025,373.43

(4) Significant restrictions of using enterprise group assets and pay off enterprise group debt

(5) Provide financial support or other support for structure entities incorporate into the scope of consolidated financial statements

2. The transaction of the Company with its owner's equity share changed but still controlling the subsidiary

(1) Note to owner's equity share changed in subsidiary

The Company originally held a 52.00% equity stake in Machinery Company. Following approval at the Third Meeting of the Ninth Board of Directors on October 30, 2023, and the 2023 Second Extraordinary General Meeting of Shareholders on November 20, 2023, the Company entered into a share transfer agreement with other shareholders of its subsidiary Machinery Company to acquire their 48% equity of the Machinery Company at a purchase price of RMB 194.616 million. Upon completion of the acquisition, the Machinery Company became a wholly-owned subsidiary of Hangzhou Steam Turbine Co., Ltd. (HTC). The equity acquisition was completed in two phases for business registration updates: The first update was completed on December 26, 2023, increasing HTC's ownership from 52% to 82%; The second update was completed on January 10, 2024, further increasing HTC's ownership from 82% to 100%.

The Company originally held a 75.86% equity in Packaged Company. The Company entered into a share transfer agreement with other shareholders of its subsidiary Packaged Company to acquire their 24.14% equity of the Machinery Company. Upon completion of the acquisition, Packaged Company became a wholly-owned subsidiary of Hangzhou Steam Turbine Co., Ltd., with the business registration update completed on December 26, 2024.

(2) The transaction's influence to equity of minority shareholders and attributable to the owner's equity of the parent company

In RMB

	Auxiliary Machine Co.	Machinery Co.
Cost/disposal consideration		
--Cash	27,300,027.15	72,981,000.00
-- Fair value of the non-cash assets		

Total purchase cost/disposal consideration	27,300,027.15	72,981,000.00
Less: share of net assets of subsidiaries calculated according to the proportion of equity acquired/disposed of	28,446,324.74	50,079,787.77
Difference	-1,146,297.59	22,901,212.23
Including: adjustment of capital reserve	-1,146,297.59	22,901,212.23
Adjustment of Surplus reserve		
Adjustment of the minority shareholders' equity		

3. Equity in joint venture arrangement or associated enterprise

(1) Significant joint venture arrangement or associated enterprise

Notes to the difference between the shareholding ratio and the proportion of voting rights in the joint ventures or associates: Not Applicable

Basis for holding less than 20% voting right but with significant influence, or holding 20% or more voting right but without significant influence: Not applicable

（2）Major joint ventures and associates

Other note: Not applicable

(3) Main financial information of significant associated enterprise

(4) Summary financial information of insignificant joint venture or associated enterprise

(5) Provide financial support or other support for structure entities incorporate into the scope of consolidated financial statements

(6) The excess loss of joint venture or associated enterprise

(7) The unrecognized commitment related to joint venture investment

(8) Contingent liabilities related to joint venture or associated enterprise investment

4. Significant common operation

5. Equity of structure entity not including in the scope of consolidated financial statements

6.Other

XI. G**overnment subsidy**

1. Government subsidies recognized according to the receivable amount at the end of the reporting period

□Applicable ☑Not applicable

The reason for not receiving the estimated amount of government subsidies at the expected point in time

□Applicable ☑Not applicable

2. Liabilities involving government subsidies

☑Applicable □Not applicable

In RMB

Accounting subject	Beginning balance	New subsidy amount in the current period	Amount included in non-operating income in the current period	Amount transferred to other income in the current period	Other changes in the current period	Closing balance	Related to assets/income
Government subsidies related to the assets							
Compensation for expropriation and relocation	1,060,635,078.21			51,655,959.09		1,008,979,119.12	
Other	206,910.00	18,440,000.00		68,970.00		18,577,940.00	
Subtotal	1,060,841,988.21	18,440,000.00		51,724,929.09		1,027,557,059.12	
Government subsidies related to the income							
Other	8,828,723.20	2,952,800.00		3,957,880.58		7,823,642.62	
Subtotal	8,828,723.20	2,952,800.00		3,957,880.58		7,823,642.62	

3. Government subsidies included in the current profit and loss

☑Applicable □Not applicable

In RMB

Accounting item	Amount incurred in the current period	Amount incurred in the previous period
Government subsidies related to the assets		
Compensation for expropriation and relocation	51,655,959.09	45,055,654.75
Other	68,970.00	68,970.00
Subtotal	51,724,929.09	45,124,624.75
Government subsidies related to the income		
Other	22,801,441.52	45,030,290.95
Financial discount interest	5,045,900.00	12,777.79
Subtotal	27,847,341.52	45,043,068.74

XII. Risks related to financial instruments

1. Risks related to financial instruments

The main financial instruments of the company include monetary funds, notes receivable, accounts receivable, other receivables, non-current assets due within one year, other current assets, investments in other equity instruments, long-term receivables, notes payable, accounts payable, other payables, short-term borrowings, current portion of non-current liabilities, long-term borrowings, debentures payable, lease liabilities, and long-term payables. The detailed information of each financial instrument has been disclosed in the relevant notes. The risks associated with these financial instruments, as well as the risk management policies adopted by the company to reduce these risks, are described below. The management of the company manages and monitors these risk exposures to ensure that the aforementioned risks are controlled within a limited scope.

Risk management objectives and policies

The principal risks arising from the Company's financial instruments are credit risk, liquidity risk, and market risk (including foreign exchange risk, interest rate risk, and commodity price risk).

The Company's risk management objective is to achieve an appropriate balance between risk and return while seeking to mitigate the adverse effects of financial risks on the Company's financial performance. Based on such objective, the Company has established risk management policies to identify and analyze risks faced by the Company, set appropriate risk tolerance levels and design corresponding internal control procedures to monitor risk exposure of the Company. The Company will regularly review these risk management policies and related internal control systems to adapt to changes in market conditions or business operations of the Company. The Company's internal audit department conduct will periodic and ad hoc inspections to verify compliance of internal control system implementation with risk management policies.

The Board of Directors is responsible for planning and establishing the Company's risk management framework, formulating risk management policies and guidelines, and overseeing the execution of risk management measures. The Company has established risk management policies to identify and analyze risks it faces. These policies clearly define specific risk exposures and cover multiple aspects including the management of market risk, credit risk, and liquidity risk. The Company periodically evaluates changes in market environments and its business activities to determine whether updates to risk management policies and systems are required. The Company's risk management is implemented by relevant departments in accordance with policies approved by the Board of Directors. These departments work closely with other business departments of the Company to identify, assess, and mitigate relevant risks.

(I) Credit risks

Credit risk refers to the risk of financial loss to the Company resulting from a counterparty's failure to fulfill contractual obligations.

The Company manages credit risk on a portfolio basis. Credit risk primarily arises from bank deposits, notes receivable, accounts receivable, other receivables, and long-term receivables.

The Company's bank deposits are mainly deposited in state-owned banks and other large-to-medium sized listed banks. The Company does not anticipate significant credit risk exposure from these bank deposits.

The Company establishes policies to control credit risk exposure for accounts receivable, accounts payable, contract assets, other receivables, and long-term receivables. Based on assessments of customers' financial status, the possibility of obtaining guarantees from third parties, credit records, and other factors such as current market conditions, the Company evaluates customers' creditworthiness and sets corresponding credit periods. The Company regularly monitors customers' credit records. For customers with poor credit records, the Company adopts measures such as written reminders, shortening credit periods, or cancelling credit periods to ensure that the Company's overall credit risk remains within a controllable range.

The debtors of the Company's accounts receivable are customers distributed across various industries and regions. The Company continuously conducts credit evaluations on the financial conditions of accounts receivable and purchases credit guarantee insurance when appropriate.

The maximum credit risk exposure the Company bears is the book amount of each financial asset as presented in the balance sheet. The Company has not provided any other guarantees that would expose it to credit risk.

Among the Company's accounts receivable, the accounts receivable from the top five customers accounted for 37.67% of the total accounts receivable of the Company (2023: 34.61%); Among the Company's other receivables, the top five debtors accounted for 51.41% of the total other receivables of the Company (2023: 52.95%).

(2) Liquidation risks

Liquidation risks are the possibilities of short in cash at fulfilling liabilities of payment or settlement for financial assets.

When managing liquidity risk, the Company maintains sufficient cash and cash equivalents as deemed by the management and monitors them to meet the Company's business needs and reduce the impact of cash flow fluctuations. The management of the Company monitors the use of bank loans and ensures compliance with the loan agreement. At the same time, it secures commitments from major financial institutions to provide adequate standby funding, addressing both short-term and long-term financing requirements.

As of December 31, 2024, the financial liabilities and off-balance sheet guarantee items held by the Company are analyzed based on the maturity of undiscounted remaining contractual cash flows as follows

Item	Year-end balance			
	Within 1 year	1-3 years	Over 3 years	Total
Financial Liabilities				
Bank loans	665,039,702.97	154,937,906.34	201,438,493.17	1,021,416,102.48
Notes payable	637,585,272.90			637,585,272.90
Account payable	1,686,388,594.36			1,686,388,594.36
Other payable	140,658,195.10			140,658,195.10
Lease liabilities	13,793,181.45	6,064,031.82	964,290.96	20,821,504.23
Long-term payable	4,107,658.80	7,130,377.60		11,238,036.40

As of the end of the previous year, the maturity analysis of the Company's financial liabilities and off-balance-sheet guarantees, based on undiscounted remaining contractual cash flows, is as follows:

Item	Balance at the end of last year			
	Within 1 year	1-3 years	Over 3 years	Total
Financial Liabilities				
Bank loans	581,556,041.73	230,472,297.97		812,028,339.70
Notes payable	481,424,952.96			481,424,952.96
Account payable	1,409,130,502.72			1,409,130,502.72
Other payable	151,669,883.07			151,669,883.07
Lease liabilities	20,561,705.82	15,395,787.98	1,018,264.72	36,975,758.52

The amounts of financial liabilities disclosed in the table above represent undiscounted contractual cash flows and therefore may differ from the book amounts in the balance sheet.

(3) Market risk

Market risk of financial instruments refers to the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market prices, including interest rate risk, foreign exchange risk, and other price risks.

(4) Interest rate risk

Interest rate risk refers to the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market interest rates. Interest rate risk may arise from recognized interest-bearing financial instruments as well as unrecognized financial instruments (such as certain loan commitments).

The Company's interest rate risk mainly stems from long-term interest-bearing liabilities such as long-term bank borrowings. Financial liabilities with floating interest rate expose the Company to cash flow interest rate risk, while financial liabilities with fixed interest rate expose the Company to fair value interest rate risk. The Company determines the relative proportion of fixed-rate and floating-rate contracts based on prevailing market conditions and maintains an appropriate mix of fixed- and floating-rate instruments through periodic reviews and monitoring.

The Company closely monitors the impact of interest rate changes on its interest rate risk exposure. Currently, the Company does not maintain an interest rate hedging policy. However, the management is responsible for monitoring interest rate risk and will consider hedging significant exposures when necessary. An increase in interest rates will raise the cost of new interest-bearing debt and the interest expense on existing floating-rate debt, potentially adversely affecting the Company's financial performance. The management will make timely adjustments based on the latest market conditions, which may include entering into interest rate swap arrangements to mitigate interest rate risk.

At the end of the period, if the interest rate on floating-rate borrowings increases or decreases by 50 basis points, with all other variables unchanged, the Company's net profit and shareholders' equity will decrease or increase by approximately RMB 5,107,100 (at the end of last year: RMB 4,060,100).

For financial instruments held at the balance sheet date that expose the Company to fair value interest rate risk, the impact on net profit and shareholders' equity in the above sensitivity analysis assumes a rate change occurring on the balance sheet date, with the above financial instruments remeasured at the new rate. For floating-rate non-derivative instruments held at the balance sheet date that expose the Company to cash flow interest rate risk, the impact on net profit and shareholders' equity in the above sensitivity analysis reflects the estimated annual effect of the rate change on interest expense or income. The analysis of the last year was based on the same assumptions and methodology.

(5) Foreign exchange risk

Foreign exchange risk refers to the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in foreign exchange rates. This risk may arise from financial instruments denominated in foreign currencies other than the functional currency.

The foreign exchange risk mainly relates to the potential impact of currency fluctuations on the Company's financial position and cash flows. The foreign currency assets and liabilities held by the Company do not account for a significant proportion of the total assets and liabilities. Consequently, the Company considers its foreign exchange risk exposure to be insignificant.

2. Hedging

(1) The Company conducts hedging business for risk management

□Applicable ☑Not applicable

(2) The Company conducts qualified hedging business and applies hedge accounting

Other note

Not applicable

（3） The Company conducts hedging business for risk management and expects to achieve risk management objective but does not apply hedge accounting

□Applicable ☑Not applicable

3. Financial assets

(1) Classification of transfer methods

□Applicable ☑Not applicable

(2) Financial assets that have been derecognized as a result of a transfer

□Applicable ☑Not applicable

(3) Financial assets of continued involvement in asset transfer

□Applicable ☑Not applicable

XIII. The disclosure of the fair value

1. Closing fair value of assets and liabilities calculated by fair value

In RMB

Item	Closing fair value			
	Fair value measurement items at level 1	Fair value measurement items at level 2	Fair value measurement items at level 3	Total
I. Consistent fair value measurement	--	--	--	--
1. Transactional financial assets	1,850,839.08		673,534,773.22	675,385,612.30
1. Financial assets classified as fair value through profit or loss	1,850,839.08		673,534,773.22	675,385,612.30
（2）Equity instrument investment	1,850,839.08		5,534,773.22	7,385,612.30
(4) Structure deposit			500,000,000.00	500,000,000.00
(5) Financing product			168,000,000.00	168,000,000.00
3. Other equipment instrument investment	3,972,096,759.66			3,972,096,759.66
4. Financing receivable			598,790,851.05	598,790,851.05
Total liabilities of consistent fair value measurement	3,973,947,598.74		1,272,325,624.27	5,246,273,223.01
II. Non-continuous fair value measurement	--	--	--	--

2. Market price recognition basis for consistent and inconsistent fair value measurement Item at level 1

3. Continuous and non-continuous Second-level fair value measurement Item, using valuation techniques and qualitative and quantitative information on important parameters

4. Continuous and non-continuous third-level fair value measurement Item, using valuation techniques and qualitative and quantitative information on important parameters

5. Sensitiveness analysis on unobservable parameters and adjustment information between opening and closing book value of consistent fair value measurement Item at level 3

6. Explain the reason for conversion and the policy governing when the conversion happens if conversion happens among consistent fair value measurement Item at different levels

7. Changes in the valuation technique in the current period and the reason for change

8. Fair value of financial assets and liabilities not measured at fair value

The financial assets and financial liabilities measured at amortized cost of the Company mainly include Monetary fund, notes receivable, accounts receivable, other receivables, long-term receivables, short-term borrowings, Note payable, accounts payable, Other payable, Long-term borrowing due within one year , Long-term borrowing, lease liabilities, long-term and long-term payables.etc, There is little difference between its book value and fair value.

9.Other

The transactional financial assets and other equity instruments held by the Company and measured at the first level fair value are stocks traded in the active market, and the Company determines their fair values based on their quotations in the active market.

The transactional financial assets held by the Company and measured at the third level of fair value are bank wealth management products and structured deposits, and the Company estimates the future cash flow based on the expected rate of return and discounts them to determine their fair values.

The receivable financing held by the Company and measured at the third level of fair value is bill receivable measured at fair value with its changes included in other comprehensive income. Its credit risk is small and its remaining period is short. The Company determines its fair value by its face balance.

The Company's investment in other equity instruments measured at the third-level fair value is the equity of unlisted companies. For unlisted equity instrument investments, the Company comprehensively applies valuation approaches including the market approach and discounted cash flow method to estimate fair value. For investments where no significant changes have occurred in the investee's operating environment, business conditions, or financial position, the Company uses the investment cost as a reasonable estimate of fair value for measurement purposes.

XIV. Related party and related Transaction

1. Information related to parent company of the Company

Name of the parent company	Registered place	Business nature	Registered capital	Shareholding ratio in the Company (%)	Voting ratio in the Company (%)
Turbine Holdings	Hangzhou	Manufacturing	800 million yuan	58.70%	58.70%

Notes

Hangzhou Municipal Government State-owned Asset Supervisory Committee is the ultimate controller

of the Company.

Other note：Not applicable

2.Subsidiaries of the enterprise

For details of the subsidiary, see note .

3. Information on the joint ventures and associated enterprises of the Company

For details of the subsidiary, see note .

Joint ventures and associates involved in the related party transactions with the Company in the Current

Period, or leading to balance due to the related party transaction they had with the Company in previous periods: Not applicable

4.Other related parties of the Company

Name of other related parties	Relationship with the Company
Hangzhou Capital	The parent company of Hangzhou Steam Turbine Holdings
Hangzhou Xiangjiang Technology Co., Ltd.	Joint-stock enterprise of a subsidiary of Hangzhou Capital
Hangzhou Guoyu Property Management Co.,Ltd.	A subsidiary enterprise of Hangzhou Turbine Holdings
Hangzhou Oxygen Group Co., Ltd	Affiliated enterprise of Hangzhou Capital
Hangzhou Guoyou Huitong Enterprise Management Co., Ltd	Affiliated enterprise of Hangzhou Capital
Hangzhou Talent Market Development Co., Ltd	Affiliated enterprise of Hangzhou Capital
Hangzhou Oxygen Turbine Machinery Co., Ltd	Affiliated enterprise of Hangzhou Oxygen
Hangzhou Oxyen Expander Machine Co., Ltd.	Affiliated enterprise of Hangzhou Oxygen
Hangzhou Oxyen Cryogenic Container Co., Ltd	Affiliated enterprise of Hangzhou Oxygen
Hangzhou Oxyen Tooling Pump Co., Ltd	Affiliated enterprise of Hangzhou Oxygen
Hangzhou Oxygen Machine Research Institute Co.,Ltd	Affiliated enterprise of Hangzhou Oxygen
Hangzhou Oxygen Casting Co., Ltd.	Affiliated enterprise of Hangzhou Oxygen
Hangzhou Oxygen Forging heat Co., Ltd.	Affiliated enterprise of Hangzhou Oxygen
Jiangxi Oxyen Gas Co., Ltd.	Affiliated enterprise of Hangzhou Oxygen
Greenesol power systems PVT Ltd.	shareholding enterprise of the company
Hangzhou Turbine Auto sales service Co., Ltd.	Affiliated enterprise of Turbine Holdings
Hangzhou Turbine Trading Co., Ltd.	A subsidiary enterprise of Turbine Holdings
Hangzhou Bank Co., Ltd.	Hangzhou Capital's director Xu Yunhe previously served as director. Xu Yunhe assumed directorship at Hangzhou Capital on September 26, 2022 and ceased being director of Hangzhou Bank Co., Ltd. on July 18, 2023, with the related-party relationship period calculated from September 26, 2022 to July 18, 2024
Directors, Managers, Chief Financial Officer and Secretary of the Board	**Remunerations of key managements**

Other Note: Not applicable

5.Related transaction

(1) Sale of goods/rendering of labor services/labor service offering

Purchase of goods and service

In RMB

Related parties	Content of related transaction	Amount of current period	Amount of previous period	Over the trading limit or not?	Amount of last period
Hangzhou Turbine Auto sales service Co., Ltd.	Freight, storage services, repair, etc	51,096,680.70	44,624,600.00	Yes	
Hangzhou Turbine Trading Co., Ltd.	Grinding fee, packaging fee, storage service	15,082,081.10	16,237,600.00	No	
Hangzhou Oxygen Turbine Machinery Co., Ltd	Part	640,602.65	1,000,000.00	No	2,223,642.09
Hangzhou Guoyou Huitong Enterprise Management Co.,	Real estate transaction fee	267,479.24		Yes	

Ltd					
Hangzhou Oxygen Forging heat Co., Ltd.	Forging	244,100.88	350,000.00	No	
Greenesol power systems PVT Ltd.	Technical service	151,908.70	3,000,000.00	No	89,172.00
Hangzhou Talent Market Development Co., Ltd	Training expenses	16,424.52		Yes	
Hangzhou Oxygen Turbine Machinery Co., Ltd	Part				876,106.19
Hangzhou Oxyen Tooling Pump Co., Ltd	Regulating value				128,318.59

Related transactions regarding sales of goods or providing of services

In RMB

Related parties	Subjects of the related transactions	Current term	Same period of last term
Hangzhou Oxygen Turbine Machinery Co., Ltd	Industrial steam turbine and auxiliary	11,715,690.11	
Greenesol power systems PVT Ltd.	Part	2,001,170.69	3,355,861.57
Hangzhou Turbine Trading Co., Ltd.	Water and electricity	293,050.78	
Oxyen Company	Auxiliary	76,814.16	8,849,557.53
Jiangxi Oxyen Gas Co., Ltd.	Auxiliary	20,176.99	
Hangzhou Oxyen Expander Machine Co., Ltd.	Auxiliary, Part		415,929.20
Hangzhou Oxyen Cryogenic Container Co., Ltd	Transport service		30,733.94

Explanation on goods purchasing, labor service providing and receiving

Not applicable

(2) Related trusteeship/contract and delegated administration/outsourcing

Information on the trusteeship management and contracting by the COOEC: Not applicable

Custody/contracting of related parties

Not applicable

Information on the entrustment management/contracting of the Company

Not applicable

Information on the related party management/contracting

Not applicable

(3) Information of related lease

The company was lessor

- The company was lessee：

In RMB

Lessor	Category of leased assets	Rental charges for short-term and low-value assets (if any)		Variable lease payments not included in lease liabilities measurement (if any)		Rent paid		Interest expenses on lease liabilities assumed		Increased use right assets	
		Amount of current period	Amount of previous period	Amount of current period	Amount of previous period	Amount of current period	Amount of previous period	Amount of current period	Amount of previous period	Amount of current period	Amount of previous period
Hangzhou Xiangjiang Technology Co., Ltd.	House and Building					1,145,495.16	1,145,495.20	134,678.66	181,034.56		
Industry and trade Company	House and Building					2,446,661.92		107,484.40			

Explanation on related lease

Not applicable

（4）Related-party guarantee

(5) Inter-bank lending of capital of related parties

（6）Related party asset transfer and debt restructuring

（7） Remunerations of key managements

In RMB

Item	Current term	Same period of last term
Remunerations of key managements	14,687,228.55	14,664,240.90

(8) Other related transactions

① Trademark royalty

In 2024, The Company may exclusively use the registered trademark owned by Hangzhou Steam Turbine Holdings Company for free in the current period.

② Exclusive license of intangible assets

In 2024, the Company exclusively uses 82 patents, 6 software copyrights, non-patented technologies and R&D achievements related to the 50MW power gas turbine R&D project (i.e. licensed project) owned by Hangzhou Steam Turbine Holdings Company for free.

③ Staff reduction subsidies

In 2024, the subsidiary Hangfa Company received staff reduction subsidies totaling RMB 374,550.00 from Hangzhou Steam Turbine Holdings Company.

④ Interest of bank deposits, loans and wealth management products

In 2024, the Company and its subsidiaries earned RMB 2,357,191.63 in interest income from related-party deposits with Hangzhou Bank Co., Ltd., recognized RMB 1,229,042.81 in interest expenses on related-party bank loans, and obtained RMB 4,442,527.59 in returns from related-party wealth management products.

6. Receivables and payables of related parties

（1）Receivables

In RMB

Name	Related party	End of term		Beginning of term	
		Book balance	Bad debt provision	Book balance	Bad debt provision
Account receivable	Greenesol Power System Pvt. Ltd.	15,247,666.92	15,221,424.34	15,024,890.99	14,990,316.19
Account receivable	Hangzhou Oxyen Turbine Machinery Co., Ltd.	4,700,500.00	3,706,900.00	6,666,500.00	6,376,000.00
Account receivable	Oxyen Co., Ltd.	2,769,000.00	775,700.00	275,000.00	13,750.00
Account receivable	Hangzhou Oxyen Expander Machine Co., Ltd.	47,000.00	4,700.00		
Financing receivable	Hangzhou Oxyen Turbine Machinery Co., Ltd.	2,500,000.00		2,500,000.00	
Advanced payment	Greenesol Power System Pvt. Ltd.	186,504.67			
Other receivable	Hangzhou Xiangjiang Technology Co., Ltd.	601,384.98	481,107.98	601,384.98	360,830.99
Other receivable	Industry and trade Company	58,349.73	2,917.49	121,091.88	6,054.59
Constrict assets	Hangzhou Oxyen Expander Machine Co., Ltd.	1,330,000.00	66,500.00		
Constrict assets	Oxyen Co., Ltd.	1,225,000.00	122,500.00	3,719,000.00	310,650.00
Constrict assets	Hangzhou Oxyen Expander Machine Co., Ltd.			47,000.00	2,350.00

（2）Payables

In RMB

Name	Related party	Amount at year	Amount at year beginning
Account payable	Sales Company	14,122,505.23	15,451,123.39
Account payable	Industry and trade Company	2,273,326.25	2,360,725.17
Account payable	Hangzhou Oxygen Casting Co., Ltd.	321,405.12	807,831.28
Account payable	Hangzhou Oxygen Forging	169,161.43	

	heat Co., Ltd.		
Account payable	Greenesol Power System Pvt. Ltd.		1,857,484.54
Account payable	Hangzhou Oxyen Turbine Machinery Co., Ltd.		106,194.68
Notes Payable	Industry and trade Company	2,634,595.48	600,000.00
Notes Payable	Sales Company	750,000.00	330,000.00
Contract liabilities	Hangzhou Oxyen Co., Ltd.	21,795,949.03	
Contract liabilities	Greenesol Power System Pvt. Ltd.	199,708.29	41,208.81
Contract liabilities	Hangzhou Oxyen Turbine Machinery Co., Ltd.		3,584,070.80
Other payable	Turbine Holdings	311,380.51	658,980.51
Other payable	Sales Company	100,000.00	100,000.00
Lease liabilities	Hangzhou Xiangjiang Technology Co., Ltd.	2,074,262.18	3,085,078.68
Lease liabilities	Industry and trade Company	1,951,793.88	4,290,971.40

7. Related party commitment

8.Other

XV. Stock payment

1. The Stock payment overall situation

√ Applicable □ Not applicable

In RMB

Grant object category	Grant in the current period		Exercise in the current period		Unlocking in the current period		Failure in the current period(Note)	
	Qty	Amount	Qty	Amount	Qty	Amount	Qty	Amount
Management personnel					5,693,204	20,666,990.38	83,928	303,908.94
R & D personnel					1,388,302	5,051,596.11		
Sales personnel					865,346	3,148,723.82	20,904	76,063.12
Operating personnel					1,690,204	6,149,395.21		
Total					9,637,056	35,016,705.52	104,832	379,972.06

Stock options or other equity instruments issued at the end of the period

□Applicable ☑Not applicable

Other note：

Note: The number of original shares unlocked in this period is 6,177,600 shares, and the number of expired original shares is 67,200 shares, and the number in the table is the number of shares after the bonus shares given in the past, 3 bonus shares for every 10 shares in the 2021 profit distribution plan, and 2 bonus shares for every 10 shares in the 2022 profit distribution plan

(1) Restricted stocks lifted restricted sales during the current period

① According to the Proposal on Achievement of Partial First-phase Lifting of Restricted Sale of the Reserved Grant Part of Restricted Stock Incentive Plan in 2021, which was reviewed and passed by the Fourth Meeting of the Ninth Board of Directors and the Fourth Meeting of the Ninth Board of Supervisors in 2024, as of January 15, 2024, the first period for restricted sale of restricted stock of reserved grant in 2021 in the equity incentive plan has expired. The number of restricted stocks that can be lifted for restricted sale is 700,128 shares.

② According to the Proposal on Achievement of Partial Second-phase Lifting of Restricted Sale of the First Grant Part of Restricted Stock Incentive Plan in 2021, which was reviewed and passed by the Ninth Meeting of the Ninth Board of Directors and the Eighth Meeting of the Ninth Board of Supervisors in 2024, as of October 21, 2024, the second period for restricted sale of restricted stock of first grant in 2021 in the equity incentive plan has expired. The number of restricted stocks that can be lifted for restricted sale is 8,936,928 shares.

(2) Restricted stocks that lapsed during the current period

① According to the *Proposal on Repurchase and Cancellation of Some Restricted Stocks* approved at the Ninth Meeting of the Ninth Board of Directors and the Eighth Meeting of the Ninth Board of Supervisors in 2024, as well as the Third Extraordinary General Meeting of Shareholders in 2024, 3 participants under the Company's 2021 Restricted Stock Incentive Plan became ineligible due to personal resignations. The 62,712 restricted stocks granted but not yet lifted for restricted sales of the above personnel are subject to repurchase and cancellation at the grant price. As of December 31, 2024, the repurchase and cancellation had not been completed. The Company completed the custody registration procedures with China Securities Depository and Clearing Corporation Limited (Shenzhen Branch) on March 13, 2025.

②According to the Proposal on Repurchase and Cancellation of Some Restricted Stocks approved at the Eleventh Meeting of the Ninth Board of Directors and the Tenth Meeting of the Ninth Board of Supervisors, as well as the First Extraordinary General Meeting of Shareholders in 2025, 3 participants under the Company's 2021 Restricted Stock Incentive Plan became ineligible due to personal resignations. The 42,120 restricted stocks granted but not yet lifted for restricted sales of the above personnel are subject to repurchase and cancellation at the grant price. As of December 31, 2024, the repurchase and cancellation had not been completed.

Stock options or other equity instruments issued at the end of the period

√ Applicable □ Not applicable

Grant object	Stock options issued outside at the end of the term	
	Strike price Range	Remaining term of the contract
Management personnel, R& D personnel, Sales personnel, production personnel	The price of restricted shares initially granted in September 2021 and reserved for grant in December 2021 was	The lock-up period for the first grant and reserved grant of restricted shares is 24 months, 36 months and 48 months respectively from the date of

	HK$ 6.625 per share.	completion of the registration of restricted shares

2. Equity-settled share-based payment

√ Applicable □Not applicable

In RMB

Significant parameters of fair value of Equity instruments on Determine the method	Closing price on the grant date
Significant parameters of fair value of equity instruments on the grant date	Closing price on the grant date
The basis for determining the number of viable equity instruments	Best estimate of the number of unlocked
Reasons for the significant difference in this current estimate from the previous estimate	No significant difference
Cumulative amount of equity-settled share-based payment included in capital reserve	139,535,337.37
Total expenses recognized for equity-settled share-based payments in the current period	23,343,177.29

Other note: Not applicable

3. The Stock payment settled by cash

□ Applicable √ Not applicable

4. Modification and termination of the stock payment

☑Applicable □Not applicable

In RMB

Grant object category	Equity-settled share-based payment fees	Cash-settled share-based payment fees
Management personnel	14,632,204.63	
R & D personnel	2,436,567.17	
Sales personnel	2,223,829.16	
Operating personnel	4,050,576.33	
Total	23,343,177.29	

Other note: Not applicable

5. Revised and termination on share-based payment

6. Other

XVI. Commitment or contingency

I. Important commitments

Important commitments in balance sheet date

As of December 31, 2024, the outstanding balance of L/G issued by the Company and its subsidiaries in relevant banks was EUR 17,090,000.000 and SEK407,405,920.80 and RMB 8,746,175.35, and the outstanding balance of L/G was USD56,803,823.10, EUR 29,688,200.00 and RMB 659,958,760.72.

II Contingency

(1) Significant contingency at balance sheet date

As of December 31, 2024, the Company has no important commitments that should be disclosed but not disclosed.

(2) The Company have no significant contingency to disclose, also should be stated

There was no significant contingency in the Company.

3.Other

XVII. Events after balance sheet date

1. Significant events had not adjusted

2. Profit distribution

Profit or dividend proposed to be distributed	According to the 2024 annual profit distribution plan reviewed and passed at the 6 Meeting of the 13th board of director of the Company on April 11,2025, Based on the Compan total share capital of 11,175,009,597 shares at the end of 2024, after deducting104,83203 treasu shares, that is, based on 1,174,904,765 shares, a cash dividend of RMB 2.1 (including tax) will distributed to all shareholders for every 10 shares, The above profit distribution plan is subject approval by the shareholders' meeting

3. Sales return

4. Notes of other significant events

(1) Lifting of restricted stock from restricted sale

According to the Proposal on Achievement of Partial Second-phase Lifting of Restricted Sale of the Reserved Grant Part of Restricted Stock Incentive Plan in 2021, which was reviewed and passed by the 11th Meeting of the Ninth Board of Directors and the 10th Meeting of the Ninth Board of Supervisors in 2025, as of January 13, 2025, the second period for restricted sale of restricted stock of reserved grant in 2021 in the equity incentive plan has expired. The number of restricted stocks that can be lifted for restricted sale is 689,832 shares.

(2) Newly established subsidiary

On February 14, 2025, to meet business development needs, the Company established a wholly-owned subsidiary, Wuhu HTC New Energy Co., Ltd., in Wuhu, Anhui Province, with a registered capital of RMB10 million. In March 2025, The company has actually contributed RMB 10 million .

(3) Repurchase and cancellation of restricted stocks

The repurchase and cancellation of restricted stocks were completed in March 2025 as detailed in Note XV, 1, (2)① of this report.

As of April 11, 2025, there are no other significant post-balance-sheet matters requiring disclosure in the Company.

XVIII. Other significant events

1. The accounting errors correction in previous period

（1）Retrospective restatement

（2）Prospective application

2. Debt restructuring

3. Replacement of assets

(1) Non-monetary assets exchange

(2) Other assets replacement

4. Pension plan

5. Discontinuing operation

6. Segment information

(1) Recognition basis and accounting policies of reportable segment
(2) The financial information of reportable segment

(3) There was no reportable segment, or the total amount of assets and liabilities of each part of reportable

（4） Other note

7. Other important transactions and events have an impact on investors' decision-making

8. Other

(1) Relocation of Zhongneng Company

The 27th meeting of the Eighth Board of Directors of the Company reviewed and passed the *Proposal on Zhongneng Company's Investment in Building a New Production Base*. Zhongneng Company started the overall relocation of the enterprise and planned to invest in building a new production base in Qianjin Manufacturing Park, Dajiangdong Industrial Cluster Area, Qiantang New District, Hangzhou.

According to the needs of the development and construction of Dongbuwan New Town in Qiantang New District, Hangzhou, Zhongneng Company and the development and construction headquarters of Dongbuwan New Town in Hangzhou signed the *Compensation Agreement for Relocation of Non-residential Houses* on February 13, 2023. The relevant plots are No.18, 22nd Street, Baiyang Block, Hangzhou Economic and Technological Development Zone and No.855, 18th Street, Baiyang Block, Hangzhou Economic and Technological Development Zone. The compensation includes compensation for real estate, decoration and accessories within the relocation scope, compensation for equipment relocation, relocation expenses, loss of production and business suspension (including compensation for employee resettlement, operating losses, etc.), contract award and plot ratio subsidy award, etc. The total compensation for relocation of the two plots is RMB 202.227 million. On December 18, 2023, Zhongneng Company completed the handover work within the relocation scope of No.855, 18th Street, Baiyang Block, Hangzhou Economic and Technological Development Zone, and received 90% of the compensation funds for the plot relocation, namely RMB 85,154,850.00, and recognized the income from the disposal of the relocated assets of RMB 65,888,315.19. As of December 31, 2023, the relocation project of No.18, 22nd Street, Baiyang Block, Hangzhou Economic and Technological Development Zone had not been completed, and 60% of the compensation funds for this plot relocation, namely RMB 64,566,300.00 (including RMB 58,696,860.00 for relocation compensation and RMB 5,869,440.00 for incentive subsidies) had been received.

(2) Major asset restructuring

Pursuant to the Proposal on the Share Swap and Absorption of Hangzhou Steam Turbine Power Group Co., Ltd. by Hangzhou Hirisun Technology Incorporated and Related Party Transaction Plan approved at the Tenth Meeting of the Ninth Board of Directors and the Ninth Meeting of the Ninth Board of Supervisors in 2024, Hangzhou Hirisun Technology Incorporated will issue A-shares to all share swap shareholders of the Company as consideration for absorbing and merging the Company through a share swap. All shares held by the Company's shareholders will be converted into A-shares of Hangzhou Hirisun Technology Incorporated according to the swap ratio. Upon completion of the absorption and merger, the Company will delist and terminate its legal entity status, and Hangzhou Hirisun Technology Incorporated, as the merging party and surviving entity, will succeed to and assume all assets, liabilities, businesses, personnel, and other rights/obligations of the Company. This transaction constitutes a major asset restructuring of the Company.

XIX. Notes of main items in the financial statements of the Parent Company

1. Accounts receivable

（1）Disclosure according to the aging

In RMB

Aging	Balance in year-end	Balance Year-beginning
Within one year(one year included)	690,648,752.58	920,119,639.65
1-2 years	541,529,828.81	456,641,110.95
2-3 years	354,309,186.23	296,849,266.51
Over 3 years	383,116,168.44	532,143,329.79
3-4 years	130,737,352.69	167,941,610.93
4-5 years	40,531,902.89	72,219,824.81

Over 5 years	211,846,912.86	291,981,894.05
Total	1,969,603,936.06	2,205,753,346.90

（2） According to the bad debt provision method classification disclosure

In RMB

Category	Amount in year-end					Balance Year-beginning				
	Book Balance		Bad debt provision		Book value	Book Balance		Bad debt provision		Book value
	Amount	Proportion(%)	Amount	Proportion(%)		Amount	Proportion(%)	Amount	Proportion(%)	
Including：										
Accrual of bad debt provision by portfolio	1,969,603,936.06	100.00%	491,984,739.00	24.98%	1,477,619,197.06	2,205,753,346.90	100.00%	595,277,375.07	26.99%	1,610,475,971.83
Including：										
Aging portfolio	1,762,594,281.75	89.49%	491,984,739.00	27.91%	1,270,609,542.75	2,004,672,592.96	90.88%	595,277,375.07	29.69%	1,409,395,217.89
Related party Portfolio	207,009,654.31	10.51%			207,009,654.31	201,080,753.94	9.12%			201,080,753.94
Total	1,969,603,936.06	100.00%	491,984,739.00	24.98%	1,477,619,197.06	2,205,753,346.90	100.00%	595,277,375.07	26.99%	1,610,475,971.83

Accrual of bad debt provision by portfolio:491,984,739.00

In RMB

Name	Closing balance		
	Book balance	Bad debt provision	Proportion
Aging portfolio	1,762,594,281.75	491,984,739.00	27.91%
Total	1,762,594,281.75	491,984,739.00	

Explanation on portfolio basis: Not applicable

Accrual of bad debt provision by portfolio:0

In RMB

Name	Closing balance		
	Book balance	Bad debt provision	Proportion
Related party Portfolio	207,009,654.31		
Total	207,009,654.31		

Explanation on portfolio basis: Not applicable

Relevant information of the provision for bad debts will be disclosed with reference to the disclosure method of other receivables if the provision for bad debts of bills receivable is accrued according to the general model of expected credit loss:

□ Applicable √ Not applicable

(3) Accounts receivable withdraw, reversed or collected during the reporting period

The withdrawal amount of the bad debt provision：

In RMB

Category	Opening balance	Amount of change in the current period				Closing balance
		Accrual	Reversed or collected amount	Write-off	Other	
Aging portfolio	595,277,375.07	-103,729,701.04	437,064.97			491,984,739.00
Total	595,277,375.07	-103,729,701.04	437,064.97			491,984,739.00

（4）The actual write-off accounts receivable

Important accounts receivable write-off situation：Not applicable

Accounts receivable write-off description：Not applicable

(5) The top five accounts receivable and contract assets at the end of the period aggregated according to debtor

In RMB

Name of the organization	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 accounts receivable bad debt provision and contract asset impairment provision
Shenyang Turbine Machinery Co., Ltd	672,806,555.45	126,490,120.00	799,296,675.45	32.76%	111,488,155.33
Wanhua Chemical Group Materials Co., Ltd	156,691,911.87	59,930,000.00	216,621,911.87	8.88%	
Xi'an Shaangu Power Co., Ltd	145,791,495.11	10,738,500.00	156,529,995.11	6.42%	83,513,433.30
CSIC	127,099,937.44	6,993,798.08	134,093,735.52	5.50%	20,327,219.63
Huaguang Environmental Protection Energy (Xi'an) Design and Research Institute Co., Ltd	38,760,000.00	570,000.00	39,330,000.00	1.61%	6,115,300.00
Total	1,141,149,899.87	204,722,418.08	1,345,872,317.95	55.17%	221,444,108.26

2.Other account receivable

In RMB

Item	Ending balance	Opening balance
Other receivable	10,694,085.45	6,258,018.53
Total	10,694,085.45	6,258,018.53

(1)Interest receivable

1)Category

2) Important overdue interest

3)Accrual of bad debt provision

□Applicable ☑Not applicable

4）Bad debt provision accrual, collected or reversal in the period

5）Interest receivables actually written off in the current period

(2)Dividend receivable

1)Category

2)Important dividend receivable with over one year aged

3)Accrual of bad debt provision

□Applicable ☑Not applicable

4）Bad debt provision accrual, collected or reversal in the period

5） Dividend receivables actually written off in the current period

（3）Other account receivable

1)By nature

In RMB

Nature	Ending book balance	Opening book balance
Deposit	13,635,642.93	10,056,195.41
Provisional payment receivable	563,424.62	789,486.16
Other	2,057,845.98	866,480.12
Total	16,256,913.53	11,712,161.69

2）Disclosure by aging

In RMB

Aging	Ending book balance	Opening book balance
Within 1 year(Including 1 year）	10,935,039.59	4,306,954.42
1-2 years		1,909,699.00
2-3 years	50,000.00	35,987.84

Over 3 years	5,271,873.94	5,459,520.43
3-4 years	21,000.00	980,368.59
4-5 years	800,000.00	185.00
Over 5 years	4,450,873.94	4,478,966.84
Total	16,256,913.53	11,712,161.69

3) According to the bad debt provision method classification disclosure

In RMB

Category	Amount in year-end					Balance Year-beginning				
	Book Balance		Bad debt provision		Book value	Book Balance		Bad debt provision		Book value
	Amount	Proportion(%)	Amount	Proportion(%)		Amount	Proportion(%)	Amount	Proportion(%)	
Including:										
Including:										
Accrual of bad debt provision by portfolio	16,256,913.53	100.00%	5,562,828.08	34.22%	10,694,085.45	11,712,161.69	100.00%	5,454,143.16	46.57%	6,258,018.53

Accrual of bad debt provision by portfolio:5,562,828.08

In RMB

Name of the Company	Ending balance		
	Book balance	Bad debt provision	Accrual ratio
Aging Portfolio	14,208,956.72	5,562,828.08	39.15%
Total	14,208,956.72	5,562,828.08	

Explanation on portfolio basis: Not applicable

Accrual of bad debt provision by portfolio:0

In RMB

Name of the Company	Ending balance		
	Book balance	Bad debt provision	Accrual ratio
Related party Portfolio	2,047,956.81	0.00	0.00%
Total	2,047,956.81	0.00	

Explanation on portfolio basis: Not applicable

Provision for bad debts is made according to the general model of expected credit losses

In RMB

Bad debt provision	Phase I	Phase II	Phase III	Total
	Expected credit losses over next 12 months	Expected credit losses for the entire duration (without credit impairment occurred)	Expected credit losses for the entire duration (with credit impairment occurred)	
Balance on January 1, 2024	185,040.92	190,969.90	5,078,132.34	5,454,143.16

January 1, 2024 balance in the current period				
-- Transfer to the third stage		-5,000.00	5,000.00	
Provision in Current Year	259,313.22	-185,969.90	35,341.60	108,684.92
Balance on December 31, 2024	444,354.14		5,118,473.94	5,562,828.08

The basis for the division of each stage and the proportion of bad debt provision

Basis for dividing each stage: those with an age of less than 1 year are divided into the first stage, those with an age of 1-2 years are divided into the second stage, and those with an age of more than 2 years are divided into the third stage.

Provision for bad debts

Bad debt provision	Phase I	Phase II	Phase III	Total
	Expected credit losses over next 12 months	Expected credit losses for the entire duration (without credit impairment occurred)	Expected credit losses for the entire duration (with credit impairment occurred)	
Ending balance	444,354.14		5,118,473.94	5,562,828.08
End of the proportion of provision for bad debts（%）	5.00%		96.18%	34.22%

Loss provision changes in current period, change in book balance with significant amount
□ Applicable √ Not applicable

4)Bad debt provision accrual, collected or reversal in the period

The withdrawal amount of the bad debt provision：

In RMB

Category	Opening balance	Amount of change in the current period				Closing balance
		Accrual	Reversed or collected amount	Write-off	Other	
Bad debt provision	5,454,143.16	108,684.92				5,562,828.08
Total	5,454,143.16	108,684.92				5,562,828.08

The amount of bad debt reserves being reversed or recovered in the current period is important: Not applicable

5）The actual write-off accounts receivable

Important other receivables write-off situation: Not applicable

Description for write-off of other receivables：Not applicable

6)Top 5 other account receivable collected by arrears party at ending balance

In RMB

Name	Nature	Closing balance	Aging	Proportion of the total year end balance of the accounts receivable	Closing balance of bad debt provision
Shanghai Customs Waigaoqiao Office	Deposit	3,710,320.94	Over 5 years	22.82%	3,710,320.94
China Coal Tendering Co., Ltd	Deposit	1,500,000.00	Within 1 year	9.23%	75,000.00
Hangzhou Ganghua Gas Co., Ltd	Deposit	1,300,000.00	Within 1 year：400,000.00 yuan，4-5 years：800,000.00 yuan，Over 5 years：100,000.00 yuan	8.00%	120,000.00
China Power Complete Equipment Co., Ltd.	Deposit	800,000.00	Within 1 year	4.92%	40,000.00
Hunan Public Resources Trading Center	Deposit	800,000.00	Within 1 year	4.92%	40,000.00
Yang Xi Harbor electric Power Development Co., Ltd.	Deposit	800,000.00	Within 1 year	4.92%	40,000.00
Total		8,910,320.94		54.81%	4,025,320.94

(7) Other account receivable which terminate the recognition owning to the transfer of the financial assets

3. Long-term equity investment

In RMB

Items	Closing balance			Opening balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Investments in subsidiaries	844,864,375.75		844,864,375.75	741,912,842.24		741,912,842.24
Total	844,864,375.75		844,864,375.75	741,912,842.24		741,912,842.24

(1)Investments in subsidiaries

In RMB

Investees	Opening balance	Opening balance of the impairment provisio	Increase /decrease				Closing balance	Closing balance of impairment provision
			Add investment	Decreased investment	Withdrawn impairment provisi	Other		

		n			on			
Auxiliary Machine Co.	46,447,254.68					125,167.39	46,572,422.07	
Packaged Co.	40,161,130.83		27,300,027.15			125,167.39	67,586,325.37	
Machinery Company	129,603,000.00		72,981,000.00				202,584,000.00	
Turbine Company	21,293,308.47					250,334.77	21,543,643.24	
Zhongneng Company	27,644,475.06						27,644,475.06	
Casting Company	11,220,000.00						11,220,000.00	
New Energy Company	309,747,306.18					1,993,743.52	311,741,049.70	
Ranchuang Company	155,796,367.02					176,093.29	155,972,460.31	
Total	741,912,842.24		100,281,027.15			2,670,506.36	844,864,375.75	

（2）Investments in associates and joint ventures

The recoverable amount is determined on the basis of the net amount of fair value less disposal costs

□Applicable ☑Not applicable

The recoverable amount is determined by the present value of the projected future cash flows

□Applicable ☑Not applicable

Reasons for the obvious inconsistency between the above information and the information used in previous impairment test or external information

Reasons for the difference between the information used in the impairment test of the Company in previous years and the actual situation of the current year

（3）Other note

[Note]It is the share payment fee recognized in this period.

4. Business income and Business cost

In RMB

Items	Amount of current period		Amount of previous period	
	Income	Cost	Income	Cost
Main business	2,594,251,461.26	2,265,502,534.02	3,281,547,555.63	2,781,802,020.01
Other	15,198,410.84	5,468,782.69	19,300,704.11	8,086,350.71
Total	2,609,449,872.10	2,270,971,316.71	3,300,848,259.74	2,789,888,370.72

Information related to the transaction price allocated to the remaining performance obligation:

At the end of the reporting period, the amount of revenue corresponding to the performance obligations with signed contract but not yet fulfilled or not fulfilled is RMB 3,267,750,000.00.

5. Investment income

In RMB

Items	Occurred current term	Occurred in previous term
Long-term equity investment income by Cost method	147,339,190.00	83,936,420.00
Disposition of the investment income generated by the long-term equity investments		921,239.53
Investment income obtained from the disposal of trading financial assets	8,039,598.76	9,448,780.38
Dividend income from other equity instrument investments during the holding period	241,968,933.34	108,750,082.40
Debt restructuring gains and losses	5,405,869.63	
Discounted loss of financing receivable	-2,113,909.40	-2,527,719.35
Total	400,639,682.33	200,528,802.96

6.Other

XX. Supplement information

1. Particulars about current non-recurring gains and loss

√ Applicable □Not applicable

In RMB

Item	Amount	Notes
Non-current asset disposal gain/loss	2,048,611.06	Mainly due to the income from the disposal of assets of the subsidiary machinery company and Hangfa company in the current period
Governmental Subsidy accounted as current gain/loss, except for those subsidies at with amount or quantity fixed by the national government and closely related to the Company’s business operation.	79,501,721.38	Mainly due to the government subsidy for the compensation for the relocation of the company's Shiqiao Road plant and other government subsidies such as R&D subsidies confirmed in the current period
Gain and loss from change of the fair value arising from transactional monetary assets, transactional financial liabilities as held as well as the investment income arising from disposal of the transactional monetary assets, transactional financial liabilities and financial assets available for sale excluding the effective hedging transaction in connection with the Company’s normal business	9,144,457.96	It is mainly due to the investment income of bank wealth management products
Reverse of the provision for impairment of accounts receivable undergoing impairment test individually	12,534,831.10	Mainly due to the separately impaired receivables recovered by subsidiaries New Energy Company and Hangfa Company
Gains/losses of debt restructure	5,495,530.91	Mainly due to the debt restructuring gains and losses on payables by suppliers Jiangsu Shuangliang Cooling Systems Co., Ltd. and Zhengzhou Research Institute of Mechanical Engineering Co., Ltd.
Other gains and losses that meet the definition of exceptional gain/loss	51,983,999.18	Mainly due to liquidated damages income
Less: Influenced amount of income tax	19,936,659.13	
Amount of influence of minority interests（After tax）	12,363,382.12	
Total	128,409,110.34	--

Details of other gains/losses items that meets the definition of non-recurring gains/losses:

□Applicable☑Not applicable

There are no other gains/losses items that meet the definition of non-recurring gains/losses in the Company.

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

2. Return on net asset and earnings per share

Profit of report period	Weighted average returns equity(%)	Earnings per share	
		Basic earnings per share(RMB/share）	Diluted earnings per share(RMB/share)
Net profit attributable to the Common stock shareholders of Company.	6.46%	0.46	0.46
Net profit attributable to the Common stock shareholders of Company after deducting of non-recurring gain/loss.	4.92%	0.35	0.35

3. Differences between accounting data under domestic and overseas accounting standards

（1） Simultaneously pursuant to both Chinese accounting standards and international accounting standards disclosed in the financial reports of differences in net income and net assets.

□ Applicable□√ Not applicable

（2） Differences of net profit and net assets disclosed in financial reports prepared under overseas and Chinese accounting standards.

□ Applicable□√ Not applicable

(3)Explanation of the reasons for the differences in accounting data under domestic and foreign ac counting standards. If the data that has been audited by an overseas audit institution is adjusted f or differences, the name of the overseas institution should be indicated

4.Other

The Board of Directors of Hangzhou Turbine Power Group Co., Ltd.

April 15,2025