

Stock code: 000037, 200037

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

Announcement No.: 2025-034

Shenzhen Nanshan Power Co., Ltd.

The Semi-Annual Report 2025

August 22, 2025

Section I Important Notes, Table of Contents and Definitions

The Board of Directors, the Board of Supervisors, directors, supervisors and senior officers of the Company guarantee that the contents of the semi-annual report are true, accurate and complete, and do not contain false records, misleading statements or major omissions, and that they bear individual and joint legal liabilities.

Kong Guoliang (legal representative), Chen Yuhui (chief accountant), Zhang Xiaoyin (Chief Financial Officer), and Lin Xiaojia (head of the accounting department) (accounting officer) declare that the financial reports in this semi-annual report are true, accurate and complete.

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

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

Any forward-looking statements in this semi-annual report, including future plans, do not constitute a material commitment of the Company to investors. Investors are kindly requested to pay attention to investment risks.

The semi-annual report is prepared in Chinese and English respectively. In case of any ambiguity between the two versions, the Chinese version shall prevail. Investors are advised to read the full text of this semi-annual report carefully.

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List of Documents for Inspection

- I. Original of the 2025 semi-annual report bearing the signature of the Company's legal representative.
- II. Financial statements signed and stamped by the Company's Legal Representative, Chief Accountant, Chief Financial Officer and Head of the Finance Department (Finance Head).
- III. The originals of all the Company's documents and announcements that have been publicly disclosed in the designated media during the reporting period.
- IV. Place of inspection: office of the Company's Board of Directors.

Interpretation

Item	Refer to	Content
Company, the Company, Shenzhen Nanshan Power and listed company	Refer to	Shenzhen Nanshan Power Co., Ltd.
Energy Corporation	Refer to	Shenzhen Energy Corporation
Shenzhen Nanshan Power Zhongshan Company	Refer to	Shenzhen Nanshan Power (Zhongshan) Power Co., Ltd.
Shenzhen Nanshan Power Engineering Company	Refer to	Shenzhen Nanshan Power Gas Turbine Engineering Technology (Shenzhen) Co., Ltd.
Shenzhen Nanshan Power Environmental Protection Company	Refer to	Shenzhen Nanshan Power Environmental Protection (Shenzhen) Co., Ltd.
Shenzhen Nanshan Power Xiwan Company	Refer to	Shenzhen Nanshan Power Xiwan Energy (Zhongshan) Co., Ltd.
Nanshan Power Plant	Refer to	Shenzhen Nanshan Power Co., Ltd. Nanshan Power Plant
Shenzhen United Property and Equity Exchange	Refer to	Shenzhen United Property and Equity Exchange
Clou Electronics	Refer to	Shenzhen Clou Electronics Co., Ltd.
RMB, RMB 10,000, RMB 100,000,000	Refer to	Except for the specially described monetary units, the remaining ones are RMB, RMB 10,000, and RMB 100,000,000
Reporting period	Refer to	From January 1, 2025 to June 30, 2025

Section II Company Profile and Key Financial Indicators

I. Company profile

Stock name	Shenzhen Nanshan Power A, Shenzhen Nanshan Power B	Ticker	000037, 200037
Stock exchange	Shenzhen Stock Exchange		
Name in Chinese	Shenzhen Nanshan Power Co., Ltd.		
Chinese abbreviation of the Company (if any)	深南电		
Name in English (if any)	Shenzhen Nanshan Power Co., Ltd.		
Legal representative of the Company	Kong Guoliang		

II. Contact and contact information

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

III. Other information

1. Contact information of the Company

Whether the Company's registered address, office address, postal code, website, e-mail address, etc. have changed during the reporting period

☐Applicable ☒Not applicable

The Company's registered address, office address and postal code, website and e-mail address have not changed during the reporting period. For details, please refer to the 2024 Annual Report.

2. Place of information disclosure and provision

Whether the place of information disclosure and provision has changed during the reporting period

☐Applicable ☒Not applicable

The website of stock exchange and the name and URL of the media where the Company discloses its semi-annual report, and the place of provision of the Company's semi-annual report have not changed during the reporting period. For details, please refer to the 2024 Annual Report.

3. Other relevant information

Whether other relevant information has changed in the reporting period

☐Applicable ☒Not applicable

IV. Key accounting data and financial indicators

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

☐Yes ☒No

	The reporting period	Same period last year	Changes YoY
Operating revenue (RMB)	166,389,954.25	187,904,264.71	-11.45%
Net profit attributable to shareholders of listed companies (RMB)	-21,739,509.64	-37,851,109.90	42.57%
Net profit attributable to shareholders of listed companies after deducting non-recurring profit or loss (RMB)	-28,327,017.35	-44,760,057.08	36.71%
Net cash flows from operating activities (RMB)	-62,253,765.51	-52,996,491.43	-17.47%
Basic earnings per share (RMB/share)	-0.0361	-0.0628	42.52%
Diluted earnings per share (RMB/share)	-0.0361	-0.0628	42.52%
Weighted average rate of return on net assets	-1.47%	-2.63%	Increased by 1.16 percentage points
	At the end of the reporting period	At the end of the previous year	Change compared to the end of the previous year.
Total assets (RMB)	1,982,671,774.99	2,012,736,635.59	-1.49%
Net assets attributable to shareholders of listed companies (RMB)	1,467,668,154.94	1,485,380,575.08	-1.19%

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

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

☐Applicable ☒Not applicable

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

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

☐Applicable ☒Not applicable

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

VI. Non-recurring profit or loss items and amounts

☒Applicable ☐ Not applicable

Unit: RMB

Item	Amount	Remark
Profit or loss on disposal of non-current assets (including write-off of provision for asset impairment)	1,156,732.52	Mainly due to the impact of adjustment for unrealized internal transaction profit/loss after disposal of non-current

		assets.
Government subsidies included in the current profit or loss (except for those that are closely related to the Company's normal business operations, comply with national policies and regulations, are enjoyed according to determined standards, and have a sustained impact on the Company's profit or loss)	64,723.14	Mainly the government subsidies related to income.
Profit or loss from changes in fair value of financial assets and liabilities held by non-financial enterprises and profit or loss from the disposal of financial assets and financial liabilities, except for effective hedging operations related to the Company's normal business operations	5,195,211.68	Mainly from the investment income obtained from the large-denomination certificates of deposit, structured deposits and money market funds.
Other non-operating revenue and expenses other than the above	-92,279.19	
Less: income tax impact	0.00	
Changes in the amount of minority interests (after tax)	-263,119.56	
Total	6,587,507.71	

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

☐Applicable ☒Not applicable

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

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

☐Applicable ☒Not applicable

The company does not define non-recurring profit or loss listed in the Explanation on defining non-recurring profit or loss listed in the Explanatory Announcement No. 1 on Information Disclosure of Companies that Offer Securities to the Public - Non-recurring Gains and Losses as recurring profit or loss.

Section III Management Discussion and Analysis

I. Main business engaged in by the Company during the reporting period

In 1H25, China's electricity consumption demand continued its steady growth trend. The total electricity consumption of the whole society reached 4,841.8 billion kWh, up 3.7% YoY. By sector, the electricity consumption of the primary industry was 67.6 billion kWh, up 8.7% YoY; the electricity consumption of the secondary industry was 3,148.5 billion kWh, up 2.4% YoY; the electricity consumption of the tertiary industry was 916.4 billion kWh, up 7.1% YoY; the urban and rural residential electricity consumption was 709.3 billion kWh, up 4.9% YoY, showing a structural growth trend with coordinated development across various sectors in whole.

The Company's primary business includes power and heat supply for production and operation, and technical consulting and technical services related to power plants (stations). At the end of the reporting period, the Company's Nanshan Power Plant had a total of 3 sets of 9E type gas-steam combined cycle generating units with a total installed capacity of 540,000 KW. The power plant is located in the power load center area of Shenzhen and is the peak shaving power supply plant in the region. It is currently in normal production and operation. During the reporting period, Nanshan Power Plant actively fulfilled its power supply guarantee responsibilities, firmly strengthened safety protocols, and optimized gas-power coordination through dynamic adjustments to electricity marketing and fuel procurement strategies. The plant achieved 172 million kWh of grid-connected electricity generation, and 250 million kWh of settled contracted electricity; Its subsidiary Shenzhen Nanshan Power Environmental Protection Company fully expanded electricity retail services, acting as an agent for 21.56 million kWh of end-user electricity consumption.

In 1H25, the Company remained firmly focused on its annual objectives, seizing opportunities in the new energy sector. While steadily enhancing the profitability of its power generation business, the Company accelerated the development of an integrated "investment-construction-operation-management-maintenance" platform and committed to building a diversified and intelligent comprehensive energy service system, thereby further consolidating its core competitive advantages. In terms of key project construction, leveraging its technical and resource strengths, the Company implemented full lifecycle quality control in strict compliance with national standards for key projects. The Zhongshan Independent Energy Storage Project (Phase I) was successfully commissioned under these high-quality benchmarks, and commenced commercial operation in June 2025, fully participating in frequency regulation and spot markets within the Southern China grid. Meanwhile, as Guangdong Province's first independent energy storage project is repurposed from a decommissioned coal plant, it sets a significant industry benchmark. In terms of project management, building on the construction experience of the Zhongshan Independent Energy Storage Project (Phase I), the Company optimized and standardized its project management processes, establishing replicable operational mechanisms and profitable business models. This has significantly improved the efficiency and standardization of full-cycle project management while strengthening its integrated "investment-construction-operation-management-maintenance" capabilities. In terms of industry chain expansion, aligned with its vision as a comprehensive energy service provider, the Company actively pursued mergers and acquisitions across the industry chain to enhance core competencies. During the reporting period, the Company successfully acquired Sichuan Ruinan Electric Power Construction Engineering Co., Ltd. (renamed Shenzhen Nanshan Power Energy Technology (Sichuan) Co., Ltd.), substantially boosting its power engineering capabilities and laying a solid foundation for deeper engagement in the new energy market.

During the reporting period, the Company reported operating revenue of RMB 166.39 million, with net profit attributable to shareholders of the listed company of -RMB 21.7395 million, and basic earnings per share of -RMB 0.0361.

II. Core competitiveness analysis

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

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

2. Professional and enterprising technical talents. With more than 30 years of hard work and influence in the gas turbine power generation industry, the Company has attracted and trained a group of technical experts and professionals in the gas turbine industry, and has accumulated rich experience in the construction and operational management of gas turbine power plants. In order to comply with the market trend of power market-oriented reform in the Guangdong Province, the Company has established a professional power marketing team to study power trading strategies, explore and build power marketing mathematical models. The accumulative rich experience in power marketing has laid a solid foundation for the Company to participate in the construction of new power market and integrate into the wave of power market reform. In addition, with its excellent technical strength, Shenzhen Nanshan Power Engineering Company has provided comprehensive professional services such as technical consulting, commissioning and operation guarantee for dozens of gas turbine power stations at home and abroad; The Company has successively undertaken the technical personnel training business of dozens of power plants at home and abroad. With high-quality training content and professional teaching team, it has become a well-known professional talent training base in the domestic gas turbine industry, and has established a good reputation and professional brand image in the industry.

3. A level of expertise that is up to date. In recent years, the Company has continued to increase its R&D efforts and promoted the sci-tech innovation-driven development to constantly enhance its core competitiveness. On December 26, 2024, it successfully passed the review again and obtained the national high-tech enterprise certificate. The Company has a number of independent invention patents, utility model patents and software copyrights, and jointly drafted and prepared 1 national standard. During the reporting period, the Company applied for 6 utility model patents to the China National Intellectual Property Administration. The Company had 45 authorized patents in total (including 5 invention patents) and 8 software copyrights, which has greatly enhanced the Company's brand image and industrial competitiveness.

4. Rich experience in industrial exploration. The Company gives full play to its own advantages, makes every effort to develop the integrated energy service business field, and continuously accumulates experience in the construction and operation of new energy industries such as electrochemical energy

storage, photovoltaics, and charging piles. Through the construction and operation of energy storage black start projects, photovoltaic projects, MTC industrial and commercial energy storage project, the construction of Zhongshan independent energy storage power station, and the development of integrated photovoltaic, storage and charging projects, the Company has accumulated rich experience in the construction, commissioning and operation & maintenance of new energy and energy storage projects, and has trained a group of professional and technical talents. In addition, the talent accumulation and technical advantages of the traditional power industry have prepared sufficient technical and talent resources for the Company to enter the field of integrated energy service and laid a solid foundation.

5. Leading environmental protection level. The Company's power generation units are all gas-fired power generation units, adopting natural gas as fuel, and the CO₂ emission in the flue gas is about 42% of that of the coal-fired power plants, providing strong support for the national "double carbon" (carbon peaking and carbon neutrality) construction. According to the requirements of the "2018 'Shenzhen Blue' Sustainable Action Plan" of the Shenzhen Municipal People's Government, the Company has fully completed the "Shenzhen Blue" transformation of #3, #10 and #1 gas turbines of Nanshan Power Plant. After the transformation, the nitrogen oxides emissions of each unit have been reduced to less than 15mg/m³, reaching the world's most advanced level. Nanshan Power Plant was also selected as the best power plant of the Top Plant Award by Power Magazine, the most authoritative magazine in the global power industry, founded in 1882.

III. Primary business analysis

Overview

Please refer to the relevant contents of "I. Main businesses engaged in by the Company during the reporting period".

Year-on-year changes in key financial data

Unit: RMB

Item	The reporting period	Same period last year	Year-on-year increase or decrease	Reasons for changes
Operating revenue	166,389,954.25	187,904,264.71	-11.45%	Mainly due to Nanshan Power Plant's dynamic adjustment of spot market clearing strategies in response to nodal electricity prices, with the objective of maximizing comprehensive returns from its power generation business, and proactive reduction of electricity output, resulting in a year-on-year decrease in power generation sales revenue.
Operating costs	162,096,776.61	180,350,403.95	-10.12%	Mainly due to reduced power generation output at Nanshan Power Plant, resulting in a year-on-year decrease in power production and sales costs.
Selling and distribution expenses	1,048,176.93	1,609,144.89	-34.86%	Mainly due to the Company's enhanced budget controls and optimized operational management, resulting in a year-on-year decrease in selling and distribution expenses.

G&A expenses	34,186,284.20	36,646,293.91	-6.71%	
Financial expenses	1,412,373.17	5,742,174.61	-75.40%	Mainly due to the Company's notable progress in revitalizing existing assets in 2024, resulting in a year-on-year increase in net monetary holdings during the first half of the year, and enhanced liquidity management, resulting in a year-on-year decrease in financial expenses.
Income tax expenses	53,667.86	0.00	100.00%	
R&D expenses	8,552,435.26	15,116,862.75	-43.42%	Mainly due to the decrease in ongoing R&D projects of the Company, resulting in a year-on-year decrease in R&D expenses.
Net cash flows from operating activities	-62,253,765.51	-52,996,491.43	-17.47%	Mainly due to the Company's strengthening of working capital management, and the recovery by Shenzhen Nanshan Power Engineering Company of accounts receivable of previous years' integrated energy service business in the same period of the previous year, resulting in a year-on-year decrease in net cash flows from operating activities during the reporting period.
Net cash flows from investing activities	-222,110,234.68	-29,435,927.80	-654.55%	Mainly due to the following factors: firstly, the Company's active advancement of the Zhongshan Independent Energy Storage Project, resulting in increased expenditures of RMB 118 million for equipment procurement and construction payments during the reporting period; secondly, enhanced fund management to improve capital efficiency, with RMB 193 million of existing monetary funds allocated to structured deposits at commercial banks and money market funds in the current period, leading to increased cash outflows from investing activities and a consequent year-on-year decrease in net cash flow from investing activities.
Net cash flows from financing activities	-82,535,939.48	81,386,462.47	-201.41%	Mainly due to the Company's optimization of its asset and liability structure, and the year-on-year decrease in the scale of new financing during the current period, resulting in an increase in the net cash flows from financing activities on a year-on-year basis.
Net increase in cash	-366,926,252.82	-1,008,351.65	-	Mainly due to year-on-year

equivalents			36288.72%	decreases in net cash flows from operating activities, investing activities, and financing activities, collectively resulting in a reduction of net increase in cash and cash equivalents on a year-on-year basis.
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Major changes in the Company's profit composition or profit sources during the reporting period

☐Applicable ☒Not applicable

There were no major changes in the profit composition or profit source of the Company during the reporting period.

Composition of operating revenue

Unit: RMB

Item	The reporting period		Same period last year		Year-on-year increase or decrease
	Amount	Proportion to operating revenue	Amount	Proportion to operating revenue	
Total operating revenue	166,389,954.25	100.00%	187,904,264.71	100.00%	-11.45%
By sector					
Power industry	162,292,199.47	97.54%	187,206,813.92	99.63%	-13.31%
Others	4,097,754.78	2.46%	697,450.79	0.37%	487.53%
Total	166,389,954.25	100.00%	187,904,264.71	100.00%	-11.45%
By product					
Power production and sale	145,150,536.76	87.24%	182,701,860.97	97.23%	-20.55%
Integrated energy service	27,098,360.08	16.29%	18,756,095.68	9.98%	44.48%
Others	4,333,656.63	2.60%	697,450.79	0.37%	521.36%
Consolidation offset	-10,192,599.22	-6.13%	-14,251,142.73	-7.58%	28.48%
Total	166,389,954.25	100.00%	187,904,264.71	100.00%	-11.45%
By region					
Domestic	166,389,954.25	100.00%	187,904,264.71	100.00%	-11.45%
Total	166,389,954.25	100.00%	187,904,264.71	100.00%	-11.45%

Industries, products or regions that account for more than 10% of the Company's operating revenue or operating profit

☒Applicable ☐ Not applicable

Unit: RMB

Item	Operating revenue	Operating costs	Gross margin	Year-on-year increase or decrease in operating revenue	Year-on-year increase or decrease in operating costs	Year-on-year increase or decrease in gross margin
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By sector						
Power industry	162,292,199.47	159,841,635.44	1.51%	-13.31%	-11.33%	-2.20%
Others	4,097,754.78	2,255,141.17	44.97%	487.53%	2607.96%	-43.09%
Total	166,389,954.25	162,096,776.61	2.58%	-11.45%	-10.12%	-1.44%
By product						
Power production and sale	145,150,536.76	147,223,840.47	-1.43%	-20.55%	-18.73%	-2.28%
Integrated energy service	27,098,360.08	21,157,322.09	21.92%	44.48%	78.42%	-14.86%
Others	4,333,656.63	2,353,720.95	45.69%	521.36%	2726.33%	-42.37%
Consolidation offset	-10,192,599.22	-8,638,106.90		28.48%	-32.20%	
Total	166,389,954.25	162,096,776.61	2.58%	-11.45%	-10.12%	-1.44%
By region						
Domestic	166,389,954.25	162,096,776.61	2.58%	-11.45%	-10.12%	-1.44%
Total	166,389,954.25	162,096,776.61	2.58%	-11.45%	-10.12%	-1.44%

Under the circumstances that the calculation method of the Company's main business data is adjusted during the reporting period, the Company's main business data for the latest period is adjusted according to the calculation method at the end of the reporting period

☐Applicable ☒Not applicable

IV. Non-primary business analysis

☑Applicable ☐ Not applicable

Unit: RMB

Item	Amount	Ratio in total profit	Explanation of causes	Sustainability
Investment income	13,771,642.72	-55.12%	Mainly from the dividend distributions received from the Company's investments in other equity instruments, the investment income generated from structured deposits, large-denomination certificates of deposit, and money market funds, and the investment income recognized and accounted for under the equity method for the participated companies.	The investment income recognized and accounted for under the equity method for the participated companies is sustainable
Gains from disposal of assets	1,156,732.52	-4.63%	Mainly due to the adjustment for unrealized internal transaction profit/loss after disposal of non-current assets.	No
Non-operating expenses	92,279.19	-0.37%		No

V. Analysis of assets and liabilities**1. Major changes in asset composition**

Unit: RMB

Item	At the end of the reporting period		At the end of last year		Increase or decrease in proportion	Description of significant changes
	Amount	Ratio of total assets	Amount	Ratio of total assets		
Monetary funds	109,252,968.84	5.51%	478,979,221.66	23.80%	-18.29%	Mainly due to: firstly, the optimization of the asset and liability structure and the repayment of short-term borrowings in the current period; secondly, enhanced fund management to improve capital efficiency, with increase in existing monetary funds allocated to structured deposits at commercial banks and money market funds in the current period, leading to a decrease in monetary funds.
Financial assets held for trading	192,530,263.51	9.71%	0.00	0.00%	9.71%	Mainly due to the increase in existing monetary funds allocated to structured deposits at commercial banks and money market funds.
Accounts receivable	85,710,068.42	4.32%	67,817,025.91	3.37%	0.95%	

Other receivables	118,436,883.64	5.97%	131,831,575.62	6.55%	-0.58%	
Inventories	78,387,775.32	3.95%	80,234,374.79	3.99%	-0.04%	
Contract assets	7,899,241.04	0.40%	95,580.68	0.00%	0.40%	
Assets held for sale	24,582,784.59	1.24%	24,582,784.59	1.22%	0.02%	
Other current assets	304,301,620.27	15.35%	285,528,539.22	14.19%	1.16%	
Long-term equity investments	92,754,252.48	4.68%	90,587,521.44	4.50%	0.18%	
Other investments in equity instruments	350,768,378.71	17.69%	354,798,054.57	17.63%	0.06%	
Investment properties	1,414,731.46	0.07%	1,498,009.84	0.07%	0.00%	
Fixed assets	560,840,115.56	28.29%	451,203,790.97	22.42%	5.87%	Mainly due to the Company's active advancement of the Zhongshan Independent Energy Storage Project, and completion of the project's preliminary transfer to fixed assets during the current period, resulting in an increase in fixed assets.
Construction in progress	2,838,171.11	0.14%	6,983,713.85	0.35%	-0.21%	
Right-of-use assets	31,379,793.70	1.58%	6,160,020.43	0.31%	1.27%	Mainly due to the construction of the Zhongshan Independent Energy Storage Project, which involved new land and building leases recognized as right-of-use assets during the current period, leading to an increase in such assets.
Intangible assets	1,263,932.79	0.06%	1,349,731.81	0.07%	-0.01%	
Short-term borrowings	93,067,166.65	4.69%	268,615,009.19	13.35%	-8.66%	Mainly due to the repayment of short-term borrowings in the current period.
Contract liabilities	0.00	0.00%	50,000.00	0.00%	0.00%	
Employee compensation payable	5,126,452.70	0.26%	16,052,879.47	0.80%	-0.54%	Mainly due to the payment of prior-year annual performance bonuses during the current period, resulting in a decrease in employee compensation payable.
Other current liabilities	107,922,581.00	5.44%	107,922,984.82	5.36%	0.08%	

Long-term borrowings	97,154,742.83	4.90%	0.00	0.00%	4.90%	Mainly due to the construction of the Zhongshan Independent Energy Storage Project, which involved new special fixed asset loans during the current period, leading to an increase in long-term borrowings.
Lease liabilities	25,452,499.49	1.28%	2,125,910.18	0.11%	1.17%	Mainly due to the recognition of lease liabilities in relation to newly executed lease contracts for land and buildings for the Zhongshan Independent Energy Storage Project, resulting in an increase in lease liabilities.

2. Main overseas assets

☐Applicable ☒Not applicable

3. Assets and liabilities measured at fair value

☒Applicable ☐ Not applicable

Unit: RMB

Item	Beginning balance	Changes in fair value of the current period	Cumulative changes in fair value included in equity	Provision for impairment of the current period	Purchase amount of the current period	Sales amount the current period	Other changes	Ending balance
Financial assets								
1. Financial assets held for trading (excluding derivative financial assets)					710,000,000.00	517,726,501.27	256,764.78	192,530,263.51
2. Derivative financial assets								
3. Other debt investments								
4. Investments in other equity instruments	354,798,054.57	1,366,324.14	3,049,378.71		1,950,000.00		-7,346,000.00	350,768,378.71
5. Other non-current financial assets								
Subtotal of financial assets	354,798,054.57	1,366,324.14	3,049,378.71		711,950,000.00	517,726,501.27	-7,089,235.22	543,298,642.22
Investment properties								
Others								
Total	354,798,054.57	1,366,324.14	3,049,378.71		711,950,000.00	517,726,501.27	-7,089,235.22	543,298,642.22
Financial liabilities	0.00							0.00

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

during the reporting period

☐ Yes ☒ No

4. Restrictions on asset rights as of the end of the reporting period

Item	Ending balance (RMB)	Balance at the end of the previous year (RMB)
L/G deposit	5,112,100.00	7,912,100.00
Total	5,112,100.00	7,912,100.00

VI. Investment status analysis

1. Overall situation

☒ Applicable ☐ Not applicable

Investment amount during the reporting period (RMB)	Investment amount during the same period last year (RMB)	Range of change
1,950,000.00	50,000,000.00	-96.10%

2. Major equity investments acquired during the reporting period

☒ Applicable ☐ Not applicable

Unit: RMB

Name of investee	Main business	Investment method	Investment amount	Shareholding ratio	Sources of funds	Partner	Investment period	Product type	Progress as of the balance sheet date	Expected earnings	Profit or loss of investment in the current period	Litigation involved or not	Date of disclosure (if any)	Disclosure index (if any)
Sichuan Ruinan Electric Power Construction Engineering Co., Ltd. [now renamed as Shenzhen Nanshan Power Energy Technology (Sichuan) Co., Ltd.]	Mainly engaged in EPC business of new energy photovoltaic power stations, wind farm stations and energy storage power station projects	Acquisition	18,337,500.00	75.00%	Acquisition of equity through debt assumption	Shenzhen Clou Electronics Co., Ltd., Fan Peng	Long term	Limited liability company	Executed the equity transfer agreement on 21 May 2025, and completed the industrial and commercial registration change in July 2025.			No	May 17 and July 15, 2025	Announcement No.: 2025-021, 029
Shenzhen Yuanzhi Zhongkai Energy Storage Technology Innovation Private Fund Partnership (Limited Partnership)	Engagement in equity investment, investment management, and asset management activities through private funds	Establishment	26,000,000.00	6.50%	Self-owned funds	Shenzhen Zhongke Incubation Equity Investments Fund Management Co., Ltd., Shenzhen Yuanzhi Energy Storage Private Equity Fund Management Co., Ltd., Shenzhen New Energy Storage Industry Equity Fund Partnership, China Science and Technology Development Co., Ltd., etc.	Long term	Fund	Completed an investment of RMB 1.95 million.			No	October 25, 2024	Announcement No.: 2024-060
Total	--	--	44,337,50	--	--	--	--	--	--	--	--	--	--	--

			0.00											
--	--	--	------	--	--	--	--	--	--	--	--	--	--	--

3. Major ongoing non-equity investments during the reporting period

☐Applicable ☒Not applicable

4. Financial assets investment

(1) Securities investment situation

☐Applicable ☒Not applicable

The Company had no securities investments during the reporting period.

(2) Derivatives investment situation

☐Applicable ☒Not applicable

The Company had no derivative investments during the reporting period.

5. Usage of raised funds

☐Applicable ☒Not applicable

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

VII. Sale of major assets and equity

1. Sale of major assets

☒Applicable ☐ Not applicable

Counterparty	Assets sold	Date of sale	Transaction prices (RMB 10,000)	Net profit contributed by the asset to the listed company from the beginning of the current period to the date of sale (RMB 10,000)	Impact of the sale on the Company (Note 3)	Ratio of net profit contributed by asset sales to the listed company in the total net profit	Pricing principles of asset sale	Whether it is related transactions	Relationship with the counterparty (applicable to related transactions)	Whether all the property rights of the assets involved have been transferred	Whether all the claims and debts involved have been transferred	Whether it is implemented as planned and as scheduled. If it is not implemented as planned, the reasons and the measures the Company has taken should be explained.	Disclosure date	Disclosure index
Cuiheng New District Management Committee, Zhongshan City	Shenzhen Nanshan Power Zhongshan Company has three state-owned land use right located	December 12, 2023	58,445.35	0.00	It is conducive to revitalizing the Company's assets in stock, improving its operating cash flows, relieving its	0.00	Based on the asset appraisal results, it shall be determined after consultation by the Parties.	No	Not applicable	No	No	Yes	November 8, 2023, December 15, 2023, December 20, 2023, April 13, 2024, November 6, 2024,	Announcement No.: 2023-048, 052, 053; 2024-027, 062, 076.

	in Hengmen Industrial Zone, Nanlang Street, Cuiheng New District, Zhongshan City				operating pressure, supporting it to better focus on transformation and development, and is in line with the Company's strategic development plan.								December 28, 2024	
Fujian Hengjing Investment Co., Ltd.	Generating units and auxiliary equipment of Shenzhen Nanshan Power Zhongshan Company	March 4, 2025	6,372.69	0.00	It is conducive to ensuring the smooth completion of land acquisition and storage work of Shenzhen Nanshan Power Zhongshan Company, revitalizing assets in stock, and helping the Company's transformation and development.	0.00	The transfer shall be made through public listing on the Shenzhen United Property and Equity Exchange with the asset evaluation value as the base price for listing.	No	Not applicable	Yes	Yes	Completed	December 7, 2024, March 6, 2025, June 4, 2025	Announcement No.: 2024-070, 2025-002, 2025-024.

2. Sale of major equity interests

☐Applicable ☒Not applicable

VIII. Analysis of major holding and shareholding companies

☒Applicable ☐ Not applicable

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

Unit: RMB 10,000

Company name	Company type	Main business	Registered capital	Total assets	Net assets	Operating revenue	Operating profit	Net profit
Shenzhen Nanshan Power (Zhongshan) Power Co., Ltd.	subsidiary	Gas turbine power generation, waste heat power generation, power supply	74,680	44,313.49	-42,675.03	447.14	-1,062.56	-1,063.02

		and heat supply (excluding heat supply pipe networks), wharves, oil depots (excluding refined oil, hazardous chemicals and flammable and explosive products) and lease of power equipment and facilities; Land use rights lease; Nonresidential real estate lease.						
Shenzhen New Power Industrial Co., Ltd.	subsidiary	Technology development of waste heat utilization (excluding restricted items): waste heat utilization for power generation, gas turbine power generation.	11,385	27,034.36	26,074.29	0.00	481.97	481.97
Shenzhen Nanshan Power Environmental Protection (Shenzhen) Co., Ltd.	subsidiary	Energy storage technology services; Energy saving management services; Contract energy management; Technical services of solar power generation technology; Centralized fast charging stations; Engage in investing activities with	7,900	4,219.98	3,709.25	152.22	-190.79	-191.20

		self-owned funds.						
Shenzhen Nanshan Power Gas Turbine Engineering Technology (Shenzhen) Co., Ltd.	subsidiary	Technical consulting services of construction engineering for gas-steam combined cycle power plant (stations), maintenance and overhaul of operating equipment for gas-steam combined cycle power plant (stations); Engineering management services, technical services of engineering, power generation, solar power generation, and energy storage, as well as repairs of electrical equipment and general equipment, etc.	1,000	4,884.62	1,363.52	2,441.51	-69.43	-73.06
Shenzhen Xiefu Energy Co., Ltd.	subsidiary	Import and export business of goods and technology, domestic trade (excluding exclusive, controlled, and monopolized goods); lease business, etc.	5,330	13,335.06	13,262.08	65.26	-63.98	-66.81
Jiangsu Liaoyuan Environmental Protection Technology	Joint stock company	Chemical raw materials, chemicals, and energy	4,075	105,665.64	84,889.95	35,293.46	4,327.49	4,041.86

Co., Ltd.								
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Situation of acquiring and disposing subsidiary during the reporting period

☒Applicable ☐ Not applicable

Company name	Methods of acquiring and disposing subsidiary during the reporting period	Impact on overall production operations and performance
Zhuhai Hengqin Zhuozhi Investment Partnership (Limited Partnership)	Liquidation and cancellation on June 30, 2025	Be helpful to streamline management hierarchies and optimize the Company's external investment structure, with no material impact on financial performance.

Notes to main holding and shareholding companies

Shenzhen Nanshan Power Zhongshan Company: On March 4, 2025, Shenzhen Nanshan Power Zhongshan Company entered into a Physical Asset Transaction Contract with Fujian Hengjing Investment Co., Ltd. for two sets of power generation units and related assets with a transfer consideration of RMB 63,726,928.75 (tax exclusive). Fujian Hengjing Investment Co., Ltd. completed the full payment of the transfer consideration, applicable interest and VAT in installments by May 30, 2025, marking the successful completion of the public listing and transfer of Shenzhen Nanshan Power Zhongshan Company's power generation units.

IX. Structured entities controlled by the Company

☐Applicable ☒Not applicable

X. Risks faced by the Company and countermeasures

1. Primary business: Since 2025, affected by multiple factors, the annual medium- and long-term contract prices of the Company's Nanshan Power Plant have further dropped. At the same time, with the official commencement of the Guangdong Province's spot power market, the 9E unit faces profitability difficulties in competing with more efficient and cost-effective units. As a result, the Company's main business continues to face severe operational difficulties. The Company will persist in enhancing the operation and management of assets in stocks, proactively adapting to the demands and dynamics of the power market, and striving to optimize the profitability of its primary business and overall operational efficiency. In June 2025, the Zhongshan Independent Energy Storage Project (Phase I) of the Company commenced commercial operation, fully participating in frequency regulation and spot markets within the Southern China grid. In the future, the Company will focus on the construction of a new power system, and actively investigate diverse business models and opportunities to transition from a traditional power generation entity to a comprehensive energy service provider, to foster favorable conditions for the Company's sustained operations and robust growth.

2. Safety management: Under the market-oriented power production model, more flexible scheduling methods and stricter assessment policies of the grid put forward higher requirements for the work safety of existing aging power generation equipment of the Company. The Company will continuously improve the maintenance and management level of equipment by formulating scientific and reasonable maintenance and technical transformation plans, investing corresponding funds and technical forces, implementing primary responsibility for work safety, and ensuring the safe and stable operation of production facilities; simultaneously, the Company will enhance training and emergency response capacity, ensuring the implementation of work safety responsibilities across five key areas: responsibility of work safety, management, investment, training, and emergency response. Doing so aims to prevent any human-induced work safety accidents within the Company's system while maintaining the supporting role of the peak-shaving power supply point.

3. Fuel procurement: The Company's natural gas procurement price mainly depends on changes in the international fuel market and the sales price of the Company's existing suppliers. In 1H25, spot natural gas prices exhibited an overall downward trend, though a sudden spike occurred in June due to the Iran-Israel conflict before gradually retreating. As a result, the Company's natural gas procurement costs decreased year-on-year. The natural gas supply situation remained generally stable during this period, with limited supply disruptions. This stability stemmed from: a new equilibrium in global gas distribution during the post-Russia-Ukraine war era; and newly commissioned power generation units in Guangdong significantly outpacing load growth, thereby alleviating pressure on existing units. However, the implementation of electricity spot market rules and capacity pricing mechanisms continues to demand higher standards for supply stability and flexibility. The Company will further optimize upstream partnerships, enhance gas supply coordination, ensure reliable fuel supply for power generation, and maximize efforts to reduce natural gas procurement costs.

4. Land of Nanshan Power Plant: In May 2025, the Company again accessed the Notice of Shenzhen Municipal Bureau of Planning and Natural Resources on Issuing the Shenzhen Land Consolidation Plan for 2025 on the official website of Shenzhen Municipal Bureau of Planning and Natural Resources. According to the above notice and its attached table, Shenzhen Land Consolidation Plan for 2025 still included the land acquisition and storage of Nanshan Power Plant and related content, with no substantial change from the content of the land consolidation plans disclosed in recent years. The Company will maintain close engagement with relevant government authorities, promptly communicating its positions and requests to safeguard the legitimate rights and interests of the listed company and all shareholders.

XI. Formulation and implementation of market value management system and valuation improvement plan

Whether the Company has formulated a market value management system.

☐Yes ☒No

Whether the Company has disclosed plans for valuation enhancement.

☐Yes ☒No

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

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

☐Yes ☒No

Section IV Corporate Governance, Environment and Society

I. Changes in the Company's directors, supervisors and senior officers

☒Applicable ☐ Not applicable

Name	Position held	Type	Date	Reason
Wu Guowen	Director, Executive Deputy Manager	Leave office	June 11, 2025	Retired

II. Profit distribution and conversion of capital reserves into share capital during the reporting period

☐Applicable ☒Not applicable

The Company has planned not to distribute cash dividends, bonus shares or convert capital reserves into share capital in the half year.

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

☐Applicable ☒Not applicable

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

IV. Environmental information disclosure

Whether the listed company and its principal subsidiaries are included in the Environmental Information Disclosure Compliance List

☒Yes ☐No

Number of enterprises included in the Environmental Information Disclosure Compliance List (unit: enterprises)		1
No.	Name	Search index for statutory environmental information disclosure reports
1	Shenzhen Nanshan Power Co., Ltd. Nanshan Power Plant	Guangdong Provincial Department of Ecology and Environment Green Development Service Platform https://www-app.gdee.cn/gdeepub/front/dal/report/list

The Company shall comply with the disclosure requirements for "power supply industry" as set out in "Self-Regulation and Supervision Guidelines No. 3 for Shenzhen Stock Exchange-Listed Companies - Industry Information Disclosure".

Name of the Company or subsidiary	Types of main pollutants and specific pollutants	Names of main pollutants and specific pollutants	Emission mode	Number of discharge outlets	Distribution of discharge outlets	Emission concentration/intensity	Pollutant emission standards	Total emissions	Total approved emissions	Excessive emission
Shenzhen Nanshan Power Co., Ltd.	Nitrogen oxides	Nitrogen oxides	Concentrated emission of boiler and chimney	3	Inside the Nanshan Power Plant	<15 mg/m ³	"Shenzhen Blue" emission standard <15mg/m ³	23.09 tons	686.25 tons	None

The Company utilizes clean energy natural gas for power generation, which produces no soot or sulfur dioxide (SO₂) emissions; it is classified as a non-key water pollution regulated entity, with general wastewater discharge outlets operating on an intermittent basis, and no quantitative limits are imposed on its water pollutant discharges.

Information on environmental accidents occurring in the listed company

None

V. Social responsibilities

In 1H25, although the Company faced many challenges in production, operation and management, the Company had the courage to assume social responsibilities, actively ensured power supply when the cost and price of power generation were seriously inverted, and conscientiously performed its social responsibilities to the best of its ability. In terms of work safety, the Company has been adhering to the principle of work safety, making every effort to ensure the safety and stability of power production, actively exploring the work safety management model under new business and new formats, optimizing and improving the internal work safety management system and mechanism of the Company, and carrying out work safety, technical supervision, and innovation management in an orderly manner, thus achieving the goal of "five-noes" in work safety. In terms of environmental protection, the Company strictly complied with national and local environmental protection regulations, and always adhered to the concept of clean power generation and circular economic development. All environmental protection work was effectively implemented, with environmental protection emission meeting the requirement and no environmental pollution accidents. In terms of love assistance, the Company thoroughly implemented the strategic decision-making and deployment of the central government for rural revitalization, implemented the task of fixed-point assistance for rural revitalization in towns and villages, and dispatched a town-based assistant to actively play a unique role in consumption assistance.

Section V Important Matters

I. Commitments made by the Company's actual controller, shareholders, related parties, acquirers, the Company and other related parties that have been fulfilled within the reporting period and those that have not been fulfilled within the time limit as of the end of the reporting period

☐Applicable ☒Not applicable

During the reporting period, there were no commitments that were made by the actual controllers, shareholders, related parties, acquirers, and other related parties of the Company to be fulfilled during the reporting period but failed to be fulfilled as of the end of the reporting period.

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

☐Applicable ☒Not applicable

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

III. Illegal external guarantees

☐Applicable ☒Not applicable

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

IV. Appointment and dismissal of accounting firms

Whether the semi-annual report has been audited.

☐Yes ☒No

The Company's semi-annual report has not been audited.

V. Explanation of the Board of Directors and the Board of Supervisors on the "modified report" of the accounting firm during the Reporting Period

☐Applicable ☒Not applicable

VI. Explanation of the Board of Directors on the "modified report" of the previous year

☐Applicable ☒Not applicable

VII. Bankruptcy and restructuring related matters

☐Applicable ☒Not applicable

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

VIII. Litigation

Major litigation and arbitration matters

☐Applicable ☒Not applicable

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

Other litigation events

☒Applicable ☐ Not applicable

Basic	Amount	Whether to	Proceedings	Results and	Execution of	Disclosure	Disclosure
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information of litigation (arbitration)	involved (RMB10,000)	form estimated liabilities	of litigation (arbitration)	influence of litigation (arbitration) trial	litigation (arbitration) judgment	date	index
Other litigation that does not meet the disclosure standards for major litigation	533	No	Under trial	No significant impact	Not applicable	Not applicable	Failure to meet the special disclosure standards
Other litigation that does not meet the disclosure standards for major litigation	87	No	Closed	No significant impact	Executed	Not applicable	Failure to meet the special disclosure standards

IX. Penalties and rectification

☐Applicable ☒Not applicable

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

X. Integrity status of the Company and its controlling shareholders and actual controller

☒Applicable ☐ Not applicable

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

XI. Major related transactions

1. Related transactions related to daily operations

☒Applicable ☐ Not applicable

Related party	Relationship	Type of related transactions	Details of related transactions	Pricing principles of related transactions	Price of related transactions	Amount of related transactions (RMB10,000)	Proportion in the amount of similar transactions	Approved trading quota (RMB10,000)	Whether the approved limit is exceeded	Settlement method of related transactions	Available market price of similar transactions	Disclosure date	Disclosure index
Shenzhen MTC Co., Ltd.	Related legal person	Provision of energy management services to related persons	Energy management services	Fair value	Market price	78.05	4.30%	150.00	No	Monthly settlement	Not applicable	April 23, 2025	Announcement No.: 2025-014
Shenzhen	Related	Receipt	EPC	Fair	Market	215.80	1.40%	215.8	No	Single	Not	April	Announcement

en Clou Electro nics Co., Ltd. and its subsidi ary	legal person	of services from related parties	projects of photovol taic storage and chargin g energy services	value	price			0		settle ment	applica ble	23, 2025	ement No.: 2025-014
Shenzh en Institut e of Buildin g Resear ch Co., Ltd. and its subsidi aries	Related legal person	Receipt of services from related parties	Provisio n of event venues, material s, etc.	Fair value	Market price	0.61	0.01%	1.50	No	Single settle ment	Not applica ble	April 23, 2025	Announc ement No.: 2025-014
Total						294.46		367.3 0					
Details of large-amount sales returns				None									
The actual performance during the reporting period (if any) if the total amount estimated by category of the daily related transactions expected to occur in the current period				The related transactions between the Company and the aforementioned related parties complied with the actual production, operation and business development needs of the Company, and the actual transaction amounts all fell within the approved limits.									
Reasons for large differences between transaction prices and market reference prices (if applicable)				Not applicable									

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

☒Applicable ☐ Not applicable

Related party	Relations hip	Type of related transactions	Details of related transactions	Pricing principles of related transactions	Book value of transferred assets (RMB 10,000)	Assesse d value of transferr ed assets (RMB 10,000) (if any)	Transf er price (RMB 10,000)	Settlemen t method of related transactions	Transacti on profit/los s (RMB 10,000)	Disclos ure date	Disclosure index
Shenzh en Clou Electroni cs Co., Ltd.	Related legal person	Acquired equity	Acquisitio n of 75% equity of Sichuan Ruinan Electric Power	Based on the asset appraisal results, it shall be determin ed after	2,436.2 4 (100% equity)	2,452.9 1 (100% equity)	1,833. 75	Payment of equity transfer considerat ion through the	0.00	May 17, and july 15, 2025	Announcem ent No.: 2025-021, 029

			Construct ion Engineeri ng Co., Ltd.	consultati on by the parties				assumptio n and repayment of Clou Electronic s' outstandin g debt of RMB 18.3375 million owed to Sichuan Ruinan.			
Impact on the Company's operating results and financial status				Be helpful to strengthen the Company's integrated "investment-construction-operation-management-maintenance" service chain, further enhance its integrated energy service capabilities and establish a business model as an integrated energy service provider, without impact on the normal production and operation of the Company.							
For transactions involving earn-out provisions, actual performance achieved during the reporting period				Not applicable							

3. Related transactions involving joint external investment

☒Applicable ☒Not applicable

Joint investor	Affiliated relationship	Name of investee	Primary business of investee	Registered capital of investee	Total assets of investee (RMB'0,000)	Net assets of investee (RMB'0,000)	Net profit of investee (RMB'0,000)
Shenzhen Yuanzhi Energy Storage Private Equity Fund Management Co., Ltd., Shenzhen CAS Incubation Equity Investment Fund Management Co., Ltd., Shenzhen New-Type	Affiliated legal person	Shenzhen Yuanzhi Energy Storage Private Equity Fund Management Co., Ltd. (Limited Partnership),	Engagement in equity investment, investment management, and asset management activities through private funds	40,000			

Energy Storage Industry Equity Investment Fund LP (Limited Partnership), China Science and Technology Development Institute Co., Ltd.							
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4. Related credit and debt accounts

☐Applicable ☒Not applicable

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

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

☐Applicable ☒Not applicable

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

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

☐Applicable ☒Not applicable

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

7. Other major related transactions

☐Applicable ☒Not applicable

The Company had no other major related transactions during the reporting period.

XII. Major contracts and their performance

1. Custody, contracting and lease matters

(1) Custody

☐Applicable ☒Not applicable

The Company had no custody during the reporting period.

(2) Contracting

☐Applicable ☒Not applicable

The Company had no contracting during the reporting period.

(3) Lease

☐Applicable ☒Not applicable

The Company had no lease during the reporting period.

2. Material guarantee

☐Applicable ☒Not applicable

The Company had no material guarantee during the reporting period.

3. Entrusted wealth management

☒Applicable ☐ Not applicable

Overview of entrusted wealth management during the reporting period

Unit: RMB 10,000

Type	Sources of funds for entrusted wealth management	Amount of entrusted wealth management	Outstanding balance	Overdue amount not recovered	Overdue recovery of the amount of impairment accrued
Money market funds	Self-owned funds	16,025.68	4,253.03	0.00	0.00
Total		16,025.68	4,253.03	0.00	0.00

Specific cases of high-risk entrusted wealth management with a large single amount or low security and poor liquidity

☐Applicable ☒Not applicable

The principal of entrusted wealth management is unlikely to be recovered or other cases that may lead to impairment

☐Applicable ☒Not applicable

4. Other major contracts

☐Applicable ☒Not applicable

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

XIII. Explanation of other major matters

☒Applicable ☐ Not applicable

Matters related to the land of Nanshan Power Plant: in May 2025, the Company accessed the Notice of Shenzhen Municipal Bureau of Planning and Natural Resources on Issuing the Shenzhen Land Consolidation Plan for 2025 again from the official website of Shenzhen Municipal Bureau of Planning and Natural Resources. According to the above notice and its annex, Shenzhen Land Consolidation Plan for 2025 still includes the land acquisition and storage of Nanshan Power Plant and related contents, with no substantial change from the content of the land consolidation plans disclosed in recent years. For details, please refer to the relevant announcements disclosed by the Company in the Securities Times and cninfo.com.cn (Announcement No.: 2025-023)

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

XIV. Major matters of the Company's subsidiaries

☒Applicable ☐ Not applicable

Matters related to listing and transfer of units of Shenzhen Nanshan Power Zhongshan Company: On March 6 and June 4, 2025, the Company disclosed the Announcement on the Progress of Relisting and Transfer of Power Generation Unit Assets of the Wholly-Owned Subsidiary Shenzhen Nanshan Power (Zhongshan) Power Co., Ltd. respectively. As of May 30, 2025, Shenzhen Nanshan Power Zhongshan

Company received the full transfer payment, installment interest, and value-added tax from Fujian Hengjing Investment Co., Ltd., totaling RMB 72,253,308.58. The listing and transfer of Shenzhen Nanshan Power Zhongshan Company's power generation units were successfully completed. (For details, please refer to the relevant announcements disclosed by the Company on the Securities Times and cninfo.com.cn, with Announcement No.: 2024-068, 069, 070, 075, 2025-002, 024)

Section VI Changes in Shares and Shareholders

I. Changes in shares

1. Changes in shares

Unit: share

	Before the change		Increase or decrease in the change (+, -)					After the change	
	Quantity	Scale	Issuanc e of new shares	Bonus shares	Provide nt fund convers ion	Other s	Subtot al	Quantity	Scale
I. Shares subject to selling restrictions									
1. State shareholding									
2. State-owned legal person shareholding									
3. Other domestic shareholdings									
Including: domestic legal person shareholding									
Domestic natural person shareholding									
4. Foreign shareholding									
Including: foreign legal person shareholding									
Foreign natural person shareholding									
II. Shares without selling restrictions	602,762,596	100.00 %						602,762,596	100.00%
1. RMB ordinary shares	338,908,150	56.23 %						338,908,150	56.23%
2. Domestic-listed foreign shares	263,854,446	43.77 %						263,854,446	43.77%
3. Overseas-listed foreign shares									

4. Others									
III. Total number of shares	602,762,596	100.00 %						602,762,596	100.00%

Reasons for changes in shares

☐Applicable ☒Not applicable

Approval status of changes in shares

☐Applicable ☒Not applicable

Transfer status of changes in shares

☐Applicable ☒Not applicable

Progress of implementation in share repurchase

☐Applicable ☒Not applicable

Implementation progress of reducing and repurchasing shares through centralized bidding

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

2. Changes in shares with selling restrictions

☐Applicable ☒Not applicable

II. Issuance and listing of securities

☐Applicable ☒Not applicable

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

Unit: share

Total number of ordinary shareholders at the end of the reporting period	43,890			Total number of preferred shareholders whose voting rights were restored at the end of the reporting period (if any) (see Note 8)			0	
Shareholding status of shareholders holding more than 5% of the shares or the top 10 shareholders (excluding shares lent through refinancing)								
Name	Nature of shareholder	Shareholding ratio	Number of shares held at the end of the reporting period	Increases and decreases during the reporting period	Number of shares held with selling restrictions	Number of shares with selling restrictions	Pledge, marking or freezing	
							Share status	Quantity
HONG KONG NAM HOI	Overseas	15.28%	92,123,248	0	0	92,123,248	Not	0

(INTERNATIONAL) LTD	legal person						applicable	
Shenzhen Guangju Industrial Co., Ltd.	State-owned legal person	12.22%	73,666,824	0	0	73,666,824	Not applicable	0
Shenzhen Energy Corporation	State-owned legal person	10.80%	65,106,130	0	0	65,106,130	Not applicable	0
Zeng Ying	Domestic natural person	1.19%	7,159,600	0	0	7,159,600	Not applicable	0
GUOTAI JUNAN SECURITIES (HONG KONG) LIMITED	Overseas legal person	1.05%	6,326,859	-266,020	0	6,326,859	Not applicable	0
China Merchants Securities (Hong Kong) Co., Ltd.	Overseas legal person	0.90%	5,399,654	-38,500	0	5,399,654	Not applicable	0
BOCI SECURITIES LIMITED	Overseas legal person	0.72%	4,310,566	-112,500	0	4,310,566	Not applicable	0
LISHERYNZHANMING	Overseas natural person	0.69%	4,149,400	0	0	4,149,400	Not applicable	0
Haitong International Securities Company Limited-Account Client	Overseas legal person	0.65%	3,908,357	0	0	3,908,357	Not applicable	0
Huang Yilong	Domestic natural person	0.64%	3,866,500	0	0	3,866,500	Not applicable	0
Strategic investors or general legal persons becoming the top 10 shareholders due to allotment of new shares (if any) (see Note 3)		None						
Explanation of the above-mentioned shareholders' relationship or concerted actions		1. Shenzhen Energy Corporation holds 100% equity in HONG KONG NAM HOI (INTERNATIONAL) LTD 2. The Company is unaware of whether the above-mentioned other public shareholders have any relationship or are persons acting in concert.						
Explanation of the circumstances in which the above-mentioned shareholders involve entrusted voting right and abstention from voting right		None						
Special explanation for the existence of repurchase accounts among the top 10 shareholders (if any) (see Note 11)		None						
The shareholding situation of the top 10 shareholders with unrestricted tradable shares (excluding shares lent out								

through refinancing and senior executive/locked shares)			
Name	Number of shares without selling restrictions held at the end of the reporting period	Type of shares	
		Type of shares	Quantity
HONG KONG NAM HOI (INTERNATIONAL) LTD	92,123,248	Domestic listed foreign shares	92,123,248
Shenzhen Guangju Industrial Co., Ltd.	73,666,824	RMB ordinary shares	73,666,824
Shenzhen Energy Corporation	65,106,130	RMB ordinary shares	65,106,130
Zeng Ying	7,159,600	Domestic listed foreign shares	7,159,600
GUOTAI JUNAN SECURITIES (HONG KONG) LIMITED	6,326,859	Domestic listed foreign shares	6,326,859
China Merchants Securities (Hong Kong) Co., Ltd.	5,399,654	Domestic listed foreign shares	5,399,654
BOCI SECURITIES LIMITED	4,310,566	Domestic listed foreign shares	4,310,566
LISHERYNZHANMING	4,149,400	Domestic listed foreign shares	4,149,400
Haitong International Securities Company Limited-Account Client	3,908,357	Domestic listed foreign shares	3,908,357
Huang Yilong	3,866,500	RMB ordinary shares	3,866,500
Explanation of relationship or concerted action among the top 10 shareholders without selling restrictions, and between the top 10 shareholders without selling restrictions and the top 10 shareholders	1. Shenzhen Energy Corporation holds 100% equity in HONG KONG NAM HOI (INTERNATIONAL) LTD 2. The Company is unaware of whether the above-mentioned other public shareholders have any relationship or are persons acting in concert.		
Description of the top 10 ordinary shareholders' participation in margin trading and securities lending business (if any) (see Note 4)	None		

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

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

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

☐Yes ☒No

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

IV. Changes in shareholding of directors, supervisors and senior officers

☐Applicable ☒Not applicable

There were no changes in the shareholdings of the Company's directors, supervisors and senior officers during the reporting period. For details, please refer to the 2024 Annual Report.

V. Changes in the controlling shareholder or the actual controller

Changes in controlling shareholders during the reporting period

☐Applicable ☒Not applicable

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

Changes in actual controller during the reporting period

☐Applicable ☒Not applicable

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

VI. Preferred shares

☐Applicable ☒Not applicable

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

Section VII Bonds

☐Applicable ☒Not applicable

Section VIII Financial Report

I. Auditor's report

Whether the semi-annual report has been audited.

☐Yes ☒No

The Company's semi-annual report has not been audited.

II. Financial statements

The unit in the notes to the financial statements is: RMB

1. Consolidated balance sheet

Prepared by: Shenzhen Nanshan Power Co., Ltd.

Unit: RMB

Item	June 30, 2025	December 31, 2024
Current assets:		
Monetary funds	109,252,968.84	478,979,221.66
Balances with clearing companies		
Loans to banks and other financial institutions		
Financial assets held for trading	192,530,263.51	
Derivative financial assets		
Notes receivable		
Accounts receivable	85,710,068.42	67,817,025.91
Receivables financing		
Advances to suppliers	13,070,771.21	19,062,352.04
Premiums receivable		
Reinsurance accounts receivable		
Receivable reinsurance contract reserve		
Other receivables	118,436,883.64	131,831,575.62
Including: interest receivable		
Dividends receivable		
Financial assets purchased under resale agreements		
Inventories	78,387,775.32	80,234,374.79
Contract assets	7,899,241.04	95,580.68
Assets held for sale	24,582,784.59	24,582,784.59
Non-current assets due within one year		
Other current assets	304,301,620.27	285,528,539.22
Total current assets	934,172,376.84	1,088,131,454.51
Non-current assets:		
Issuance of loans and advances		
Debt investments		

Other debt investments		
Long-term receivables		
Long-term equity investments	92,754,252.48	90,587,521.44
Other investments in equity instruments	350,768,378.71	354,798,054.57
Other non-current financial assets		
Investment properties	1,414,731.46	1,498,009.84
Fixed assets	560,840,115.56	451,203,790.97
Construction in progress	2,838,171.11	6,983,713.85
Productive biological assets		
Oil and gas assets		
Right-of-use assets	31,379,793.70	6,160,020.43
Intangible assets	1,263,932.79	1,349,731.81
Development expenses		
Goodwill		
Long-term deferred expenses	4,948,144.52	5,802,861.77
Deferred tax assets	625,000.00	625,000.00
Other non-current assets	1,666,877.82	5,596,476.40
Total non-current assets	1,048,499,398.15	924,605,181.08
Total assets	1,982,671,774.99	2,012,736,635.59
Current liabilities:		
Short-term borrowings	93,067,166.65	268,615,009.19
Loans from the Central Bank		
Loans from banks and other financial institutions		
Financial liabilities held for trading		
Derivative financial liabilities		
Notes payable		
Accounts payable	84,198,576.86	14,022,157.61
Advances from customers		
Contract liabilities		50,000.00
Financial assets sold under repurchase agreements		
Customer bank deposits and due to banks and other financial institutions		
Receivings from vicariously traded securities		
Receivings from vicariously sold securities		
Employee compensation payable	5,126,452.70	16,052,879.47
Taxes payable	10,575,047.07	14,348,908.04
Other payables	7,909,244.89	15,685,234.29
Including: interest payable		

Dividends payable		
Handling charges and commissions		
Reinsurance accounts payable		
Liabilities held for sale		
Non-current liabilities maturing within one year	6,001,170.31	4,466,835.32
Other current liabilities	107,922,581.00	107,922,984.82
Total current liabilities	314,800,239.48	441,164,008.74
Non-current liabilities:		
Reserves for insurance contract		
Long-term borrowings	97,154,742.83	
Bonds payable		
Including: preferred shares		
Perpetual bonds		
Lease liabilities	25,452,499.49	2,125,910.18
Long-term payables		
Long-term employee compensations payable		
Estimated liabilities		
Deferred income	58,349,935.87	61,522,875.97
Deferred tax liabilities		
Other non-current liabilities		
Total non-current liabilities	180,957,178.19	63,648,786.15
Total liabilities	495,757,417.67	504,812,794.89
Owners' equity:		
Share capital	602,762,596.00	602,762,596.00
Other equity instruments		
Including: preferred shares		
Perpetual bonds		
Capital reserve	362,770,922.10	362,770,922.10
Less: treasury shares		
Other comprehensive income	3,049,378.71	1,683,054.57
Special reserve	1,307,873.10	
Surplus reserve	332,908,397.60	332,908,397.60
General risk reserves		
Undistributed profits	164,868,987.43	185,255,604.81
Total equity attributable to the owners of the parent company	1,467,668,154.94	1,485,380,575.08
Minority interests	19,246,202.38	22,543,265.62
Total owners' equity	1,486,914,357.32	1,507,923,840.70
Total Liabilities and owners' equity	1,982,671,774.99	2,012,736,635.59

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

2. Parent Company's Balance Sheet

Unit: RMB

Item	June 30, 2025	December 31, 2024
Current assets:		
Monetary funds	72,569,994.89	408,963,344.55
Financial assets held for trading	192,530,263.51	
Derivative financial assets		
Notes receivable		
Accounts receivable	50,494,695.04	26,641,173.11
Receivables financing		
Advances to suppliers	15,044,587.99	17,256,415.27
Other receivables	585,795,695.01	614,157,681.93
Including: interest receivable		
Dividends receivable		
Inventories	76,658,458.92	76,391,256.94
Contract assets		
Assets held for sale		
Non-current assets due within one year		
Other current assets	240,327,629.62	236,196,142.37
Total current assets	1,233,421,324.98	1,379,606,014.17
Non-current assets:		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investments	569,491,848.78	568,752,639.83
Other investments in equity instruments	110,615,000.00	110,615,000.00
Other non-current financial assets		
Investment properties		
Fixed assets	344,826,778.18	351,782,033.61
Construction in progress	1,465,356.80	1,654,419.67
Productive biological assets		
Oil and gas assets		
Right-of-use assets	3,985,895.53	6,160,020.43
Intangible assets	1,166,331.98	1,234,568.04
Development expenses		
Goodwill		
Long-term deferred expenses	4,948,144.52	5,802,861.77
Deferred tax assets		

Other non-current assets	1,666,877.82	857,135.84
Total non-current assets	1,038,166,233.61	1,046,858,679.19
Total assets	2,271,587,558.59	2,426,464,693.36
Current liabilities:		
Short-term borrowings	93,067,166.65	106,590,219.19
Financial liabilities held for trading		
Derivative financial liabilities		
Notes payable		132,000,000.00
Accounts payable	4,860,844.50	7,836,364.14
Advances from customers		
Contract liabilities		
Employee compensation payable	2,760,836.16	10,343,784.13
Taxes payable	8,516,639.96	4,194,761.79
Other payables	268,297,468.55	249,849,964.57
Including: interest payable		
Dividends payable		
Liabilities held for sale		
Non-current liabilities maturing within one year	4,640,491.01	4,466,835.32
Other current liabilities		
Total current liabilities	382,143,446.83	515,281,929.14
Non-current liabilities:		
Long-term borrowings		
Bonds payable		
Including: preferred shares		
Perpetual bonds		
Lease liabilities		2,125,910.18
Long-term payables		
Long-term employee compensations payable		
Estimated liabilities		
Deferred income	57,595,898.93	60,705,055.43
Deferred tax liabilities		
Other non-current liabilities		
Total non-current liabilities	57,595,898.93	62,830,965.61
Total liabilities	439,739,345.76	578,112,894.75
Owners' equity:		
Share capital	602,762,596.00	602,762,596.00
Other equity instruments		
Including: preferred shares		
Perpetual bonds		
Capital reserve	289,963,039.70	289,963,039.70

Less: treasury shares		
Other comprehensive income		
Special reserve	1,307,873.10	
Surplus reserve	332,908,397.60	332,908,397.60
Undistributed profits	604,906,306.43	622,717,765.31
Total owners' equity	1,831,848,212.83	1,848,351,798.61
Total Liabilities and owners' equity	2,271,587,558.59	2,426,464,693.36

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

3. Consolidated Income Statement

Unit: RMB

Item	1H25	1H24
I. Total operating revenue	166,389,954.25	187,904,264.71
Including: operating revenue	166,389,954.25	187,904,264.71
Interest income		
Premiums earned		
Handling charges and commission income		
II. Total operating costs	209,522,013.90	241,153,276.40
Including: operating costs	162,096,776.61	180,350,403.95
Interest expenses		
Expenses from handling charges and commissions		
Surrender value		
Net amount of compensation payout		
Net amount withdrawn for insurance contract reserves		
Policy dividends		
Reinsurance costs		
Taxes and surcharges	2,225,967.73	1,688,396.29
Selling and distribution expenses	1,048,176.93	1,609,144.89
G&A expenses	34,186,284.20	36,646,293.91
R&D expenses	8,552,435.26	15,116,862.75
Financial expenses	1,412,373.17	5,742,174.61
Including: interest expenses	3,740,764.90	7,949,322.98
Interest income	-2,386,769.54	-2,338,321.70
Plus: other income	3,313,058.58	3,612,526.69
Investment income (losses expressed with "-")	13,771,642.72	9,007,609.64
Including: investment income from associates and joint ventures	2,976,431.04	2,428,488.38
Gains from derecognition of financial assets measured at amortized costs		

Exchange gains (losses expressed with "-")		
Net exposure hedging gains (losses expressed with "-")		
Gains from fair value changes (losses expressed with "-")		
Losses from credit impairment (losses expressed with "-")		
Asset impairment loss (losses expressed with "-")		
Gains from disposal of assets (losses expressed with "-")	1,156,732.52	
III. Operating profit (losses expressed with "-")	-24,890,625.83	-40,628,875.36
Plus: non-operating revenue		75,461.40
Less: non-operating expenses	92,279.19	108,730.90
IV. Total profit (total losses expressed with "-")	-24,982,905.02	-40,662,144.86
Less: income tax expenses	53,667.86	
V. Net profit (losses expressed with "-")	-25,036,572.88	-40,662,144.86
(I) Classification by business continuity		
1. Net profit from continued operations (net losses expressed with "-")	-25,036,572.88	-40,662,144.86
2. Net profit from discontinued operations (net losses expressed with "-")		
(II) Classification by ownership		
1. Net profit attributable to shareholders of the parent company	-21,739,509.64	-37,851,109.90
2. Minority interest income	-3,297,063.24	-2,811,034.96
VI. Net of tax of other comprehensive income	2,719,216.40	
Net after-tax amount of other comprehensive income attributable to owners of parent company	2,719,216.40	
(I) Other comprehensive income that cannot be reclassified into profit or loss	2,719,216.40	
1. Remeasure changes in benefit plans		
2. Other comprehensive income that cannot be converted into profit or loss under the equity method		
3. Fair value changes of other investments in equity instruments	2,719,216.40	
4. Fair value changes of the enterprise's own credit risk		

5. Others		
(II) Other comprehensive income that will be reclassified to profit or loss		
1. Other comprehensive income that can be converted into profit or loss under the equity method		
2. Fair value changes of other debt investments		
3. Amounts reclassified from financial assets into other comprehensive income		
4. Credit loss provisions for other debt investments		
5. Cash flow hedging reserve		
6. Differences arising from foreign currency financial statements		
7. Others		
Net of tax of other comprehensive income attributable to minority shareholders		
VII. Total comprehensive income	-22,317,356.48	-40,662,144.86
Total comprehensive income attributable to owners of the parent company	-19,020,293.24	-37,851,109.90
Total comprehensive income attributable to minority shareholders	-3,297,063.24	-2,811,034.96
VIII. Earnings per share		
(I) Basic earnings per share	-0.0361	-0.0628
(II) Diluted earnings per share	-0.0361	-0.0628

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

4. Parent company's income statement

Unit: RMB

Item	1H25	1H24
I. Operating revenue	145,467,624.06	140,040,524.58
Less: operating costs	147,248,786.41	118,685,219.63
Taxes and surcharges	1,148,347.31	1,101,670.24
Selling and distribution expenses	196,802.11	537,063.19
G&A expenses	24,209,669.19	26,326,867.76
R&D expenses	6,740,933.81	9,249,152.47
Financial expenses	-5,324,191.89	-3,091,965.12
Including: interest expenses	3,275,257.75	7,829,242.34
Interest income	-8,601,235.68	-11,090,119.70
Plus: other income	3,184,551.84	2,333,552.74
Investment income (losses expressed	7,829,332.02	8,979,547.61

with "-")		
Including: investment income from associates and joint ventures	2,634,120.34	2,400,426.35
Income from derecognition of financial assets measured at amortized costs (losses expressed with "-")		
Net exposure hedging gains (losses expressed with "-")		
Gains from fair value changes (losses expressed with "-")		
Losses from credit impairment (losses expressed with "-")		
Asset impairment loss (losses expressed with "-")		
Gains from disposal of assets (losses expressed with "-")		
II. Operating profit (losses expressed with "-")	-17,738,839.02	-1,454,383.24
Plus: non-operating revenue		75,461.40
Less: non-operating expenses	66,432.06	108,730.90
III. Total profit (total losses expressed with "-")	-17,805,271.08	-1,487,652.74
Less: income tax expenses	6,187.80	
IV. Net profit (net losses expressed with "-")	-17,811,458.88	-1,487,652.74
(I) Net profit from continued operations (net losses expressed with "-")	-17,811,458.88	-1,487,652.74
(II) Net profit from discontinued operations (net losses expressed with "-")		
V. Net of tax of other comprehensive income		
(I) Other comprehensive income that cannot be reclassified into profit or loss		
1. Remeasure changes in benefit plans		
2. Other comprehensive income that cannot be converted into profit or loss under the equity method		
3. Fair value changes of other investments in equity instruments		
4. Fair value changes of the enterprise's own credit risk		
5. Others		
(II) Other comprehensive income that will be reclassified to profit or loss		
1. Other comprehensive income that		

can be converted into profit or loss under the equity method		
2. Fair value changes of other debt investments		
3. Amounts reclassified from financial assets into other comprehensive income		
4. Credit loss provisions for other debt investments		
5. Cash flow hedging reserve		
6. Differences arising from foreign currency financial statements		
7. Others		
VI. Total comprehensive income	-17,811,458.88	-1,487,652.74
VII. Earnings per share		
(I) Basic earnings per share	-0.0295	-0.0025
(II) Diluted earnings per share	-0.0295	-0.0025

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

5. Consolidated statement of cash flows

Unit: RMB

Item	1H25	1H24
I. Cash flows from operating activities:		
Cash received from selling goods and providing services	154,990,186.28	204,720,091.12
Net increase in customer bank deposits and due to banks and other financial institutions		
Net increase in borrowings from the Central Bank		
Net increase in borrowings from banks and other financial institutions		
Cash received from premiums from the original insurance contract		
Net cash received from reinsurance business		
Net increase in policyholders' savings and investment funds		
Cash received from interest, handling charges and commissions		
Net increase in borrowings from banks and other financial institutions		
Net increase in funds from repurchase business		
Net cash received from vicariously traded securities		

Tax refunds received		
Other cash related to operating activities received	10,469,572.28	17,132,583.98
Sub-total of cash inflows from operating activities	165,459,758.56	221,852,675.10
Cash paid for purchase of goods and acceptance of services	145,978,477.97	149,321,071.54
Net increase in loans and advances to customers		
Net increase in deposits with the Central Bank and interbank funds		
Cash paid for indemnity payment of original insurance contract		
Net increase in lending funds		
Cash paid for interest, handling charges and commissions		
Cash paid for policy dividends		
Cash paid to and on behalf of employees	60,121,803.88	90,936,937.95
Taxes and fees paid	12,132,329.68	13,324,028.30
Other cash related to operating activities paid	9,480,912.54	21,267,128.74
Sub-total of cash outflows from operating activities	227,713,524.07	274,849,166.53
Net cash flows from operating activities	-62,253,765.51	-52,996,491.43
II. Cash flows from investing activities:		
Cash received from recovery of investments	8,698,892.26	134,000,000.00
Cash received from investment income	8,148,076.97	3,998,821.38
Net cash recovered from disposal of fixed assets, intangible assets and other long-term assets	62,511,559.15	71,336,059.00
Net cash received from disposal of subsidiaries and other business units		
Other cash received relating to investing activities	15,015,192.12	
Sub-total of cash inflows from investing activities	94,373,720.50	209,334,880.38
Cash paid for the acquisition and construction of fixed assets, intangible assets and other long-term assets	120,888,761.27	7,770,808.18
Cash paid for investments	1,950,000.00	50,000,000.00
Net increase in pledge loans		
Net cash paid for acquisition of subsidiaries and other business units		
Payments of other cash related to	193,645,193.91	181,000,000.00

investing activities		
Sub-total of cash outflows from investing activities	316,483,955.18	238,770,808.18
Net cash flows from investing activities	-222,110,234.68	-29,435,927.80
III. Cash flows from financing activities:		
Cash received from absorption of investments		
Including: cash received by subsidiaries from absorption of minority shareholders' investments		
Cash received from acquisition of borrowings	97,154,742.83	312,026,209.56
Other cash received related to financing activities		
Sub-total of cash inflows from financing activities	97,154,742.83	312,026,209.56
Cash paid to repay debt	175,558,036.22	218,385,088.06
Cash paid for distribution of dividends, profits or interest payments	1,989,966.09	6,770,219.03
Including: dividends and profits paid by subsidiaries to minority shareholders		
Payments of other cash related to financing activities	2,142,680.00	5,484,440.00
Sub-total of cash outflows from financing activities	179,690,682.31	230,639,747.09
Net cash flows from financing activities	-82,535,939.48	81,386,462.47
IV. Impact of fluctuation in exchange rate on cash and cash equivalents	-26,313.15	37,605.11
V. Cash and net increase in cash equivalents	-366,926,252.82	-1,008,351.65
Plus: beginning cash and balance of cash equivalents	471,067,121.66	310,734,919.56
VI. Ending balance of cash and cash equivalents	104,140,868.84	309,726,567.91

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

6. Parent company's statement of cash flows

Unit: RMB

Item	1H25	1H24
I. Cash flows from operating activities:		
Cash received from selling goods and providing services	138,385,701.82	174,377,280.01
Tax refunds received		

Other cash related to operating activities received	22,208,624.58	153,330,653.50
Sub-total of cash inflows from operating activities	160,594,326.40	327,707,933.51
Cash paid for purchase of goods and acceptance of services	144,922,149.77	88,477,771.52
Cash paid to and on behalf of employees	37,070,418.47	40,489,337.93
Taxes and fees paid	1,560,645.13	9,522,902.24
Other cash related to operating activities paid	6,775,403.82	50,400,653.94
Sub-total of cash outflows from operating activities	190,328,617.19	188,890,665.63
Net cash flows from operating activities	-29,734,290.79	138,817,267.88
II. Cash flows from investing activities:		
Cash received from recovery of investments		504,336,059.00
Cash received from investment income	2,548,076.97	3,998,821.38
Net cash recovered from disposal of fixed assets, intangible assets and other long-term assets		
Net cash received from disposal of subsidiaries and other business units		
Other cash received relating to investing activities	70,000,000.00	
Sub-total of cash inflows from investing activities	72,548,076.97	508,334,880.38
Cash paid for the acquisition and construction of fixed assets, intangible assets and other long-term assets	2,050,686.91	893,442.13
Cash paid for investments		50,000,000.00
Net cash paid for acquisition of subsidiaries and other business units		
Payments of other cash related to investing activities	224,447,253.82	457,630,000.00
Sub-total of cash outflows from investing activities	226,497,940.73	508,523,442.13
Net cash flows from investing activities	-153,949,863.76	-188,561.75
III. Cash flows from financing activities:		
Cash received from absorption of investments		
Cash received from acquisition of borrowings		57,413,251.22
Other cash received related to financing activities	16,000,000.00	

Sub-total of cash inflows from financing activities	16,000,000.00	57,413,251.22
Cash paid to repay debt	145,558,036.22	218,385,088.06
Cash paid for distribution of dividends, profits or interest payments	1,296,369.80	6,295,552.36
Payments of other cash related to financing activities	21,854,159.41	15,984,323.34
Sub-total of cash outflows from financing activities	168,708,565.43	240,664,963.76
Net cash flows from financing activities	-152,708,565.43	-183,251,712.54
IV. Impact of fluctuation in exchange rate on cash and cash equivalents	-629.68	118.18
V. Cash and net increase in cash equivalents	-336,393,349.66	-44,622,888.23
Plus: beginning cash and balance of cash equivalents	408,963,344.55	282,755,408.67
VI. Ending balance of cash and cash equivalents	72,569,994.89	238,132,520.44

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

7. Consolidated statements of changes in owners' equity

Amount in the current period

Unit: RMB

Item	1H25														
	Owners' equity attributable to the parent company													Minority interests	Total owners' equity
	Share capital	Other equity instruments			Capital reserve	Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk reserves	Undistributed profits	Others	Subtotal		
		Preferred shares	Perpetual bonds	Others											
I. Closing balance of the previous year	602,762,596.00				362,770,922.10		1,683,054.57		332,908,397.60		185,255,604.81		1,485,380,575.08	22,543,265.62	1,507,923,840.70
Plus: changes in accounting policies															
Correction of prior period errors															
Others															
II. Beginning balance of the current year	602,762,596.00				362,770,922.10		1,683,054.57		332,908,397.60		185,255,604.81		1,485,380,575.08	22,543,265.62	1,507,923,840.70
III. Changes in the current period (decreases expressed with "-")							1,366,324.14	1,307,873.10			-20,386,617.38		-17,712,420.14	-3,297,063.24	-21,009,483.38
(I) Total comprehensive income							2,719,216.40				-21,739,509.64		-19,020,293.24	-3,297,063.24	-22,317,356.48
(II) Owner's investment and reductions in capital															
1. Ordinary shares invested by owners															

2. Capital invested by other equity instruments holders															
3. Share-based payments included in owners' equity															
4. Others															
(III) Profit distribution															
1. Withdrawal of surplus reserve															
2. Withdrawal of general risk reserve															
3. Distributions to owners (or shareholders)															
4. Others															
(IV) Internal transfer of owners' equity							-1,352,892.26				1,352,892.26				
1. Capital reserve converted into capital (or share capital)															
2. Surplus reserve converted into capital (or share capital)															
3. Surplus reserve to cover losses															
4. Changes in benefit plans															

transferred to retained earnings															
5. Other comprehensive income transferred to retained earnings							-1,352,892.26				1,352,892.26				
6. Others															
(V) Special reserve								1,307,873.10					1,307,873.10		1,307,873.10
1. Withdrawal in the current period								3,056,749.98					3,056,749.98		3,056,749.98
2. Usage in the current period								1,748,876.88					1,748,876.88		1,748,876.88
(VI) Others															
IV. Ending balance in the current period	602,762,596.00					362,770,922.10		3,049,378.71	1,307,873.10	332,908,397.60		164,868,987.43		1,467,668,154.94	19,246,202.38 1,486,914,357.32

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

Amount in the previous period

Unit: RMB

Item	1H24														
	Owners' equity attributable to the parent company													Minority interests	Total owners' equity
	Share capital	Other equity instruments			Capital reserve	Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk reserves	Undistributed profits	Others	Subtotal		
	Preferred shares	Perpetual bonds	Others												
I. Closing balance of the previous year	602,762,596.00				362,770,922.10		-2,500,000.00		332,908,397.60		163,346,776.24		1,459,288,691.94	- 68,475,330.29	1,390,813,361.65
Plus: changes in accounting policies															

Correction of prior period errors															
Others															
II. Beginning balance of the current year	602,762,596.00				362,770,922.10		-2,500,000.00		332,908,397.60		163,346,776.24		1,459,288,691.94	-68,475,330.29	1,390,813,361.65
III. Changes in the current period ("-" for decrease)							1,486,848.46				-37,851,109.90		-36,364,261.44	-2,811,034.96	-39,175,296.40
(I) Total comprehensive income											-37,851,109.90		-37,851,109.90	-2,811,034.96	-40,662,144.86
(II) Owner's investment and reductions in capital															
1. Ordinary shares invested by owners															
2. Capital invested by other equity instruments holders															
3. Share-based payments included in owners' equity															
4. Others															
(III) Profit distribution															
1. Withdrawal of surplus reserve															
2. Withdrawal of general risk reserve															

3. Distributions to owners (or shareholders)															
4. Others															
(IV) Internal transfer of owners' equity															
1. Capital reserve converted into capital (or share capital)															
2. Surplus reserve converted into capital (or share capital)															
3. Surplus reserve to cover losses															
4. Changes in benefit plans transferred to retained earnings															
5. Other comprehensive income transferred to retained earnings															
6. Others															
(V) Special reserve								1,486,848.46					1,486,848.46		1,486,848.46
1. Withdrawal in the current period								2,811,200.91					2,811,200.91		2,811,200.91
2. Usage in the current period								1,324,352.45					1,324,352.45		1,324,352.45
(VI) Others															

IV. Ending balance in the current period	602,762,596.00				362,770,922.10		-2,500,000.00	1,486,848.46	332,908,397.60		125,495,666.34		1,422,924,430.50	-	71,286,365.25	1,351,638,065.25
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Legal representative: Kong Guoliang Chief Accountant: Chen Yuhui Chief Financial Officer: Zhang Xiaoyin Head of the Finance Department: Lin Xiaojia

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

Amount in the current period

Unit: RMB

Item	1H25											
	Share capital	Other equity instruments			Capital reserve	Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profits	Others	Total owners' equity
		Preferred shares	Perpetual bonds	Others								
I. Closing balance of the previous year	602,762,596.00				289,963,039.70				332,908,397.60	622,717,765.31		1,848,351,798.61
Plus: changes in accounting policies												
Correction of prior period errors												
Others												
II. Beginning balance of the current year	602,762,596.00				289,963,039.70				332,908,397.60	622,717,765.31		1,848,351,798.61
III. Changes in the current period (decreases expressed with "-")								1,307,873.10		-17,811,458.88		-16,503,585.78
(I) Total comprehensive income										-17,811,458.88		-17,811,458.88
(II) Owner's investment and reductions in capital												
1. Ordinary shares invested by owners												
2. Capital invested by other equity instruments holders												
3. Share-based payments included in owners' equity												
4. Others												

(III) Profit distribution												
1. Withdrawal of surplus reserve												
2. Distributions to owners (or shareholders)												
3. Others												
(IV) Internal transfer of owners' equity												
1. Capital reserve converted into capital (or share capital)												
2. Surplus reserve converted into capital (or share capital)												
3. Surplus reserve to cover losses												
4. Changes in benefit plans transferred to retained earnings												
5. Other comprehensive income transferred to retained earnings												
6. Others												
(V) Special reserve								1,307,873.10				1,307,873.10
1. Withdrawal in the current period								3,056,749.98				3,056,749.98
2. Usage in the current period								1,748,876.88				1,748,876.88
(VI) Others												
IV. Ending balance in the current period	602,762,596.00				289,963,039.70			1,307,873.10	332,908,397.60	604,906,306.43		1,831,848,212.83

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

Amount in the previous period

Unit: RMB

Item	1H24											
	Share capital	Other equity instruments			Capital reserve	Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profits	Others	Total owners' equity
		Preferred shares	Perpetual bonds	Others								
I. Closing balance of the previous year	602,762,596.00				289,963,039.70				332,908,397.60	618,813,953.67		1,844,447,986.97
Plus: changes in accounting policies												
Correction of prior period errors												
Others												
II. Beginning balance of the current year	602,762,596.00				289,963,039.70				332,908,397.60	618,813,953.67		1,844,447,986.97
III. Changes in the current period ("-" for decrease)								1,486,848.46		-1,487,652.74		-804.28
(I) Total comprehensive income										-1,487,652.74		-1,487,652.74
(II) Owner's investment and reductions in capital												
1. Ordinary shares invested by owners												
2. Capital invested by other equity instruments holders												
3. Share-based payments included in owners' equity												
4. Others												
(III) Profit distribution												
1. Withdrawal of surplus reserve												
2. Distributions to owners (or shareholders)												
3. Others												
(IV) Internal transfer of owners' equity												
1. Capital reserve converted into capital (or share capital)												

2. Surplus reserve converted into capital (or share capital)												
3. Surplus reserve to cover losses												
4. Changes in benefit plans transferred to retained earnings												
5. Other comprehensive income transferred to retained earnings												
6. Others												
(V) Special reserve								1,486,848.46				1,486,848.46
1. Withdrawal in the current period								2,794,219.78				2,794,219.78
2. Usage in the current period								1,307,371.32				1,307,371.32
(VI) Others												
IV. Ending balance in the current period	602,762,596.00				289,963,039.70			1,486,848.46	332,908,397.60	617,326,300.93		1,844,447,182.69

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

Shenzhen Nanshan Power Co., Ltd.

Notes to the 2025 Semi-Annual Financial Statements

(Unless otherwise specified, the monetary unit is RMB)

I. Basic information of the Company

(I) Company profile

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

As approved by the Shenzhen Securities Administration Office under documents SZBF [1993] No. 179 and [1994] No. 233, the Company issued 40 million RMB ordinary shares and 37 million domestically listed foreign shares to domestic and overseas investors respectively on January 3, 1994. On July 1, 1994 and November 28, 1994, the RMB ordinary shares (A shares) and domestically listed foreign shares (B shares) issued by the Company were listed and traded on Shenzhen Stock Exchange.

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

The financial statements were approved for disclosure by the Board of Directors of the Company on August 20, 2025.

(II) Scope of consolidated financial statements

As of June 30, 2025, the subsidiaries within the scope of the Company's consolidated financial statements are as follows:

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

Note: During the reporting period, Zhuhai Hengqin Zhuozhi Investment Partnership (Limited Partnership) has been liquidated and deregistered and is no longer included in the scope of the consolidated financial statements.

II. Basis for the preparation of financial statements

Based on the continuing operation and according to the actual transactions and events, the Company prepares the financial statements in accordance with "the Accounting Standards for Business

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

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

III. Important accounting policies and accounting estimates

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

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

The financial statements comply with the requirements of Accounting Standards for Business Enterprises promulgated by the Ministry of Finance, and truly and completely reflect the Company's consolidated and parent company's financial status as of June 30, 2025, as well as the consolidated and parent company's operating results and cash flows for the year ended June 30, 2025.

(II) Accounting period

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

(III) Operating cycle

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

(IV) Recording currency

The Company uses RMB as the recording currency.

(V) Materiality criteria determination method and selection basis

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

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

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

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

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

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

(VII) Method of preparation for consolidated financial statements

1. Consolidation scope

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

2. Consolidation procedure

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

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

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

(1) Increases in subsidiaries or businesses

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

the current period to the end of the reporting period in the consolidated income statement; Include cash flows from the beginning of the period to the end of the reporting period of subsidiaries or business combinations in the consolidated statement of cash flows, and adjust the relevant line items in the comparative statements to deem the consolidated reporting entity to have been in existence since the time point at which the ultimate controller began to control.

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

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

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

(2) Disposal of subsidiaries or businesses

① General treatment method

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

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

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

② Disposal of subsidiaries in stages

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

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

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

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

(3) Purchase of minority interests in subsidiaries

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

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

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

(VIII) Joint venture arrangements classification and accounting treatments

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

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

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

- (1) recognizing assets held separately by the Company and recognizing jointly held assets based on

the Company's share;

(2) recognizing liabilities borne separately by the Company and recognizing liabilities borne jointly based on the Company's share;

(3) recognizing revenue from the sale of the Company's share of joint operations outputs;

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

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

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

(IX) Determination criteria for cash and cash equivalents

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

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

1. Foreign currency transactions

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

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

2. Translation of foreign currency financial statements

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

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

(XI) Financial instruments

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

1. Classification of financial instruments

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

Financial assets with a business model whose objective is to collect the contractual cash flows and whose contract cash flows consist solely of payments of principal and interest based on the principal amount outstanding are classified as financial assets measured at amortized costs; Financial assets

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

For investments in non-trading equity instruments, the Company determines upon initial recognition whether to designate them as financial assets (equity instruments) measured at fair value with changes included in other comprehensive income. At the time of initial recognition, in order to eliminate or significantly reduce accounting mismatches, financial assets can be designated as financial assets measured at fair value through the current profit or loss. According to the above conditions, the financial assets designated by the Company mainly include: (specifically describe the designated situation)

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

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

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

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

2. Recognition basis and measurement method for financial instruments

(1) Financial assets measured at amortized costs

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

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

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

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

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

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

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

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

On derecognition, accumulated gains or losses previously included in other comprehensive income are transferred out of other comprehensive income and included in retained earnings.

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

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

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

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

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

(6) Financial liabilities measured at amortized costs

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

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

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

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

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

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

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

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

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

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

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

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

1) The book value of transferred financial assets on the derecognition date.

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

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

1) The book value of derecognized part on the derecognition date.

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

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

4. Conditions for derecognition of financial liabilities

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

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

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

If the Company repurchases part of financial liabilities, it allocates the overall book value of the financial liabilities based on the relative fair values of the continued recognition part and derecognized part on

the repurchase date. The difference between the book value allocated to the derecognized part and the consideration paid (including non-cash assets transferred out or new financial liabilities assumed) is recognized in current profit or loss.

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

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

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

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

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

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

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

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

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

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

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

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

Name of portfolios	Basis for determining the portfolio
Portfolio I	Portfolio of bank acceptance bills
Portfolio II	Receivables from power production and sales
Portfolio III	Integrated energy service receivables
Portfolio IV	Consolidated accounts receivable from related parties, other receivables and contract asset portfolios
Portfolio V	Margin, security deposit and petty cash portfolio
Portfolio VI	Export tax rebate, VAT refunded upon collection and other tax portfolios
Portfolio VII	Other receivables and temporary payments other than the above portfolios

(XII) Inventories

1. Classification of inventories

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

2. Valuation method for dispatched inventories

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

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

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

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

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

4. Inventory system

The perpetual inventory system is adopted.

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

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

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

(XIII) Contract assets**1. Recognition methods and standards of contract assets**

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

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

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

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

(1) According to the practice of selling such assets or disposal groups in similar transactions, they can be sold immediately under the current conditions;

(2) The sale is highly likely to occur, that is, the Company has made a resolution on a sale plan and obtained a firm purchase commitment, and the sale is expected to be completed within one year. Where the relevant regulations require the approval of the relevant authority or regulatory department of the Company before the sale, the approval has been obtained.

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

(1) The component represents an independent major business or a separate major business area;

(2) The component is a part of an associated plan to dispose of an independent major business or a separate major business area;

(3) The component is a subsidiary acquired for resale.

3. Presentation method

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

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

profit or loss shall be presented as the profit or loss from discontinued operations.

(XV) Long-term equity investments

1. Judgment criteria for common control and significant influence

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

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

2. Determination of initial investment cost

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

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

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

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

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

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

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

For long-term equity investments obtained through debt restructuring, its book value is determined by the fair value of the abandoned creditor's right and the other taxes directly attributable to the assets,

and the difference between the fair value of the abandoned creditor's right and the book value is included into the current profit or loss.

3. Subsequent measurements and recognition of profit or loss

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

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

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

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

The Company should recognize the investment income and other comprehensive income respectively in accordance with its share of net profit or loss and other comprehensive income realized by the investees that it should enjoy or share, and adjust the book value of long-term equity investments; The book value of long-term equity investments will be reduced accordingly in the light of the profits or cash dividends that the investee declares to distribute; For other changes in the owners' equity of investees other than net profit or loss, other comprehensive income and profit distribution, the book value of long-term equity investments is adjusted and included in owners' equity.

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

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

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

(3) Disposal of long-term equity investments

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

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

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

If the Company loses right of control over investees due to the disposal of part of equity investments or increase in capital of the subsidiary by other investors, resulting in a decrease in the Company's shareholding ratio, when preparing individual financial statements, if the remaining equity can exercise common control or significant influence over investees, it shall be accounted by under equity method, which shall be deemed to be adjusted under the equity method since the time of acquisition. If the remaining equity cannot common control or exert significant influence on investees, it shall be accounted for in accordance with the relevant provisions of recognition and measurement standards of financial instruments, and the difference between its fair value and book value on the date of loss of control shall be included in the current profit or loss.

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

(XVI) Investment properties

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

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

(XVII) Fixed assets

1. Recognition conditions of fixed assets

Fixed assets refer to the tangible assets of the Company held for the purpose of producing

commodities, rendering services, renting or business management with service life exceeding one accounting year. Fixed assets are recognized when the following conditions are met at the same time:

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

2. Depreciation method

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

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

Category	Depreciation method	Depreciation life (years)	Residual rate (%)	Annual depreciation rate (%)
Buildings and constructions	Straight-line method	20 years	0-10	4.5-5
House decoration	Straight-line method	10 years	0-5	9.5-10
Machinery equipment - gas turbine generator units	Workload method	-	0-10	-
Machinery equipment (except for gas turbine generator unit)	Straight-line method	15-20 years	0-5	4.75-6.67
Means of transport	Straight-line method	5 years	0-5	19-20
Electronic equipment	Straight-line method	5 years	0-5	19-20
Other equipment	Straight-line method	5 years	0-5	19-20

3. Subsequent expenditures

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

(XVIII) Construction in progress

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

The initial book values of the fixed assets are stated at necessary expenditures incurred before construction in progress reaches the working conditions for its intended use. For construction in progress that has reached working conditions for its intended use but for which the completion of settlement has not been handled, it shall be transferred into fixed assets at the estimated value according to the project budget, construction price, actual cost, etc. from the date when it reaches the working conditions for its intended use. And the fixed assets shall be depreciated in accordance with

the Company's policy on depreciation of fixed assets. Adjustment shall be made to the originally and provisionally estimated value based on the actual cost after the completion of settlement is handled, but depreciation provided will not be adjusted.

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

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

(XIX) Borrowing costs

1. Recognition principles for capitalization of borrowing costs

The borrowing costs include borrowing interest, amortization of discounts or premiums, auxiliary expenses, and exchange differences arising from foreign currency borrowings, etc.

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

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

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

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

2. Period of capitalization of borrowing costs

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

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

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

costs of this part of the assets ceases.

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

3. Capitalization suspension period

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

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

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

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

(XX) Right-of-use assets

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

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

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

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

(XXI) Intangible assets

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

1. Valuation method of intangible assets

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

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

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

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

(2) Subsequent measurement

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

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

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

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

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

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

4. Specific criteria for dividing research and development stages

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

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

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

Development stage expenditures meet specific criteria for capitalization

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

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

(XXII) Asset impairment

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

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

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

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

subsequent accounting periods.

(XXIII) Long-term deferred expenses

1. Amortization method

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

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

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

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

2. Amortization period

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

(XXIV) Contract liabilities

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

(XXV) Employee compensation

1. Accounting treatments of short-term compensation

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

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

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

2. Accounting treatments for post-employment benefits

Defined contribution plans

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

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

3. Accounting treatments for dismissal benefits

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

(XXVI) Lease liabilities

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

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

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

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

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

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

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

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

(XXVII) Estimated liabilities

1. Recognition criteria for estimated liabilities

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

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

2. Measurement methods for various types of estimated liabilities

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

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

Best estimate is treated separately as follows:

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

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

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

(XXVIII) Revenue

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

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

1. General principles

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

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

2. Sales with a quality guarantee clause

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

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

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

4. Principles

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

(1) Revenue from power production and sales

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

(2) Revenue from integrated energy services

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

1) Sales of supporting equipment

For sales of equipment, revenue shall be recognized when the customer obtains the right of control the equipment. In general, the recognition time point shall be the time when the customer signs after receiving the completed or delivered products. Based on the terms of the Contract, the required

attachments for revenue recognition include but are not limited to the sales contract, commodity shipping order, customer receipt sheet, equipment acceptance sheet or customs declaration form, etc.

2) Labor and services provided

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

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

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

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

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

(XXIX) Contract costs

1. Cost of contract acquisition

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

2. Contract performance cost

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

3. Impairment of contract costs

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

asset impairment loss.

If the factors of impairment in the previous period subsequently changed, causing the aforementioned difference to be higher than the book value of the asset, provision for asset impairment that has been made previously shall be reversed and the higher part shall be included in the current profit or loss, but the book value of the asset after the reversal shall not exceed the book value of the asset on the date of reversal assuming no provision for impairment is made.

(XXX) Government subsidies

1. Type

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

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

2. Recognition time point

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

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

3. Accounting treatment

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

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

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

(1) if the central finance allocates interest subsidies to the lending bank, and the lending bank provides loans to the Company at a policy-based preferential interest rate, the Company will use the actual loan

amount received as the entry value of the loan and calculate related borrowing costs based on the loan principal and the policy-based preferential interest rate.

(2) if the central finance directly allocates interest subsidies to the Company, the Company will use the corresponding interest subsidies to offset related borrowing costs.

(XXXI) Deferred tax assets and deferred tax liabilities

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

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

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

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

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

(XXXII) Lease

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

1. The Company acts as a lessee

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

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

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

2. The Company acts as a lessor

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

(1) Operating leases

When the Company rents out its own buildings, machinery equipment and means of transport, the

rental revenue from operating leases is recognized in accordance with the straight-line method during lease term. Variable rents, which are determined by the Company at a certain percentage of sales, are included in rental revenue when actually incurred.

(2) Financing lease

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

(XXXIII) Special reserve

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

(XXXIV) Changes in significant accounting policies and accounting estimates

During the reporting period, there was no change in significant accounting policies and accounting estimates.

IV. Taxes

(I) Main tax type and rates

Tax type	Tax basis	Tax rate
Value-added tax	The output tax is calculated based on revenue from the sale of goods and taxable services calculated according to the tax law. After deducting the input tax allowed to be deducted in the current period, difference shall be the value-added tax payable.	13%, 9%, 6%, 5%, 3%
Urban maintenance and construction tax	Based on the actual value-added tax and consumption tax paid	7%
Education surcharge	Based on the actual value-added tax and consumption tax paid	3%
Local education surcharge	Based on the actual value-added tax and consumption tax paid	2%
Corporate income tax	Based on taxable income	Except for the following enterprises that enjoy tax preferential treatment, tax shall be paid at 25% of the taxable income
Property tax	After deducting 10% to 30% of the original value based on the original cost	1.2%
Urban land use tax	For the actual occupied land area of industrial land in Nanshan District, Shenzhen, tax shall be paid at RMB 2-8/square meter; Calculated and paid at RMB 1/m ² for the actual land area occupied by industrial land in Zhongshan	
Foreign taxes	Foreign taxes shall be calculated according to the tax	

Tax type	Tax basis	Tax rate
	regulations of each overseas country and region	

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

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

(II) Tax preferential treatment

1. Corporate income tax

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

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

2. Value-added tax

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

V. Notes to consolidated financial statements items**(I) Monetary funds**

Item	Ending balance	Balance at the end of last year
Cash on hand	31,006.55	30,264.98
Bank deposits	103,300,161.95	471,032,644.67
Other monetary funds	5,921,800.34	7,916,312.01
Total	109,252,968.84	478,979,221.66
Including: total amount deposited abroad	6,157,200.51	6,190,580.08

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

Item	Ending balance	Balance at the end of last year
L/G deposit	5,112,100.00	7,912,100.00
Total	5,112,100.00	7,912,100.00

In addition, as at June 30, 2025, the Company had no monetary funds subject to the restriction to use due to mortgage, pledge or freezing and with potential recovery risks.

(II) Financial assets held for trading

Item	Ending balance	Balance at the end of last year
Financial assets measured at fair value with changes included in the current profit or loss	192,530,263.51	
Including: investments in debt instruments		
Investments in equity instruments		
Derivative financial assets		
Others (note)	192,530,263.51	
Financial assets designated as measured at fair value and whose changes are recorded in profit or loss for the period		
Including: investments in debt instruments		
Others		
Total	192,530,263.51	

Note: Other financial assets held for trading of the Company are structured deposits deposited in commercial banks and money market funds.

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

Aging	Ending balance	Balance at the end of last year
Within 1 year	58,233,550.91	44,124,575.22
1 to 2 years	14,974,782.37	21,094,465.13
2 to 3 years	20,431,110.21	14,485,054.31
Over 3 years	7,606,653.56	3,648,959.88
Total	101,246,097.05	83,353,054.54

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

Category	Ending balance				
	Book balance		Provision for bad debts		Book value
	Amount	Ratio (%)	Amount	Provision ratio (%)	
Provision for bad debts on an individual basis	44,625,319.01	44.08	15,128,128.63	33.90	29,497,190.38
Provision for bad debts on a credit risk portfolio basis	56,620,778.04	55.92	407,900.00	0.72	56,212,878.04
Total	101,246,097.05	100.00	15,536,028.63	15.34	85,710,068.42

Continued

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

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

Name	Ending balance			
	Book balance	Provision for bad debts	Provision ratio (%)	Reasons for provision
China Machinery Engineering Corporation	41,097,665.45	11,600,475.07	28.23	Not expected to be recovered
Shenzhen Petrochemical Oil Products Bonded Trading Co., Ltd.	3,474,613.06	3,474,613.06	100.00	Legacy matters from the distant past
Total	44,572,278.51	15,075,088.13	33.82	

Provision for bad debts made by portfolio:

Items accrued on a portfolio basis:

Name	Ending balance		
	Accounts receivable	Provision for bad debts	Provision ratio (%)
Portfolio II: receivables from power production and sales	50,494,695.04		0.00
Portfolio III: receivables from integrated energy service	6,126,083.00	407,900.00	6.66
Total	56,620,778.04	407,900.00	0.72

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

Category	Balance at the end	Amount of changes for the current period	Ending balance
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	of last year	Accrual	Reverse or recovery	Charge-off or write-off	
Provision for bad debts on an individual basis	15,128,128.63				15,128,128.63
Provision for bad debts on a credit risk portfolio basis	407,900.00				407,900.00
Total	15,536,028.63				15,536,028.63

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

There were no accounts receivable from actual write-off for the current period.

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

Entity name	Ending balance of accounts receivable	Ending balance of contract assets	Ending balance of accounts receivable and contract assets	Proportion to the total ending balance of accounts receivable and contract assets (%)	Ending balance of provision for bad debts of accounts receivable and provision for contract asset impairment
Shenzhen Power Supply Bureau Co., Ltd.	50,494,695.04		50,494,695.04	46.26	
China Machinery Engineering Corporation	41,097,665.45		41,097,665.45	37.65	11,600,475.07
China Southern Power Grid Electric Power Technology Co., Ltd.		4,444,339.62	4,444,339.62	4.07	
Power China Hubei Engineering Co., Ltd.	4,079,000.00	88,000.00	4,167,000.00	3.82	407,900.00
Shenzhen Petrochemical Oil Products Bonded Trading Co., Ltd.	3,474,613.06		3,474,613.06	3.18	3,474,613.06
Total	99,145,973.55	4,532,339.62	103,678,313.17	94.98	15,482,988.13

(IV) Advances to suppliers

1. Advances to suppliers are listed based on aging

Aging	Ending balance		Balance at the end of last year	
	Book balance	Ratio (%)	Book balance	Ratio (%)
Within 1 year	13,010,587.98	99.54	18,960,631.08	99.47
1 to 2 years	48,500.00	0.37	90,037.73	0.47
2 to 3 years				
Over 3 years	11,683.23	0.09	11,683.23	0.06
Total	13,070,771.21	100.00	19,062,352.04	100.00

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

2. Top five advances to suppliers in ending balances by suppliers

Supplier	Ending balance	Proportion in total ending balance of advances to suppliers (%)
Shenzhen Gas Group Co., Ltd.	11,709,906.09	89.59
Sichuan Ruinan Electric Power Construction Engineering Co., Ltd.	631,200.00	4.83
Shanghai Minglan Gas Turbine Industry Technology Co., Ltd.	248,400.00	1.90
Shenzhen Branch of China Telecom Corporation Limited	119,010.58	0.91
DiDi Global Inc.	102,039.44	0.78
Total	12,810,556.11	98.01

(V) Other receivables

Item	Ending balance	Balance at the end of last year
Interest receivable		
Dividends receivable		
Other receivables	118,436,883.64	131,831,575.62
Including: land acquisition and storage compensation receivable (Note)	112,298,115.00	112,298,115.00
Total	118,436,883.64	131,831,575.62

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

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

On November 4, 2024, in order to ensure the construction land demand of the 300 MW/600 MWh independent energy storage power station (Phase I) project in Cuiheng New District, Zhongshan City, and ensure the smooth progress of the land acquisition and storage of Shenzhen Nanshan Power Zhongshan Company, Shenzhen Nanshan Power Zhongshan Company and Cuiheng New District Management Committee signed a Supplementary Agreement, which divided the original 434.86 mu plot into two parts, namely Plot A and Plot B, of which Plot A was about 190.87 mu, and the compensation price was RMB 224,711,593; Plot B was about 244 mu, and the compensation price was RMB 359,741,936.

On November 29, 2024, Shenzhen Nanshan Power Zhongshan Company has signed the Land Transfer Confirmation Letter with Cuiheng New District Management Committee for Plot A to complete the transfer confirmation; At the same time, in accordance with the agreement, Shenzhen Nanshan Power Zhongshan Company submitted an application to the Zhongshan Municipal Bureau of Natural

Resources for land recovery of all the plot of 434.86 mu, and obtained the Decision on Administrative Handling on December 5, 2024, completing the cancellation of registration of the project land. According to the Accounting Standards for Business Enterprises and the CSRC's Guidelines for the Application of Regulatory Rules - Accounting No. 3, Plot A has met the conditions for derecognition. As of the end of 2024, the compensation price of Plot A has been collected in total of RMB 112,413,478. According to the agreement, the remaining payment of RMB 112,298,115 will be made by December 31, 2026 at the latest.

1. Other receivables

(1) Other receivables disclosed by aging

Aging	Ending balance	Balance at the end of last year
Within 1 year	117,982,134.52	116,706,098.92
1 to 2 years	290,000.00	322,956.77
2 to 3 years		
Over 3 years	31,555,408.01	46,193,178.82
Total	149,827,542.53	163,222,234.51

(2) Disclosure by category

Category	Ending balance				
	Book balance		Provision for bad debts		Book value
	Amount	Ratio (%)	Amount	Provision ratio (%)	
Provision for bad debts on an individual basis	31,390,658.89	20.95	31,390,658.89	100.00	
Provision for bad debts on a credit risk portfolio basis	118,436,883.64	79.05			118,436,883.64
Total	149,827,542.53	100.00	31,390,658.89	20.95	118,436,883.64

Continued

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

Provision for bad debts made on an individual basis:

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

Provision for bad debts made by portfolio:

Name	Ending balance		
	Other receivables	Provision for bad debts	Provision ratio (%)
Portfolio V: guarantee, deposit and petty cash portfolio	5,074,963.16		
Portfolio VII: other receivables and temporary payments	113,361,920.48		
Total	118,436,883.64		

(3) Provision provision for bad debts

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

Provision for bad debts	The first stage	The second stage	The third phase	Total
	Expected credit losses over the next 12 months	Expected credit loss for the entire duration (without credit impairment)	Expected credit loss for the entire duration (with credit impairment)	
Ending balance			31,390,658.89	31,390,658.89

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

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

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

(6) Classification of other receivables by nature of payment

Nature of payment	Ending book balance	Book balance at the end of last year
Current accounts with external units	132,946,830.51	146,283,298.87
Receivable from employees	12,246,318.76	12,264,858.97
Guarantee and deposit	4,634,393.26	4,674,076.67
Total	149,827,542.53	163,222,234.51

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

Entity name	Nature of payment	Ending balance	Aging	Proportion to the total ending balance of other receivables (%)	Ending balance of provision for bad debts
Zhongshan Xiwan Construction Investment Co., Ltd.	Current accounts with external units	112,298,115.00	Within 1 year	74.95	
Huiyang Kangtai Industrial Company	Current accounts with external units	14,311,626.70	Over 5 years	9.55	14,311,626.70
Receivables from employee benefit fund dividends and taxes	Receivable from employees	9,969,037.63	Over 5 years	6.65	9,969,037.63
Shandong Jinan Power Equipment Factory Co., Ltd.	Current accounts with external units	3,560,000.00	Over 5 years	2.38	3,560,000.00
Zhongshan Nanlang Town Property Management Co., Ltd.	Guarantee and deposit	1,832,916.00	Within 1 year	1.22	
Total		141,971,695.33		94.75	27,840,664.33

(VI) Inventories

1. Inventories classification

Item	Ending balance			Balance at the end of last year		
	Book balance	Provision for inventory depreciation	Book value	Book balance	Provision for inventory depreciation	Book value
Spare parts	125,990,508.83	49,448,586.09	76,541,922.74	133,818,765.80	55,519,200.72	78,299,565.08
Auxiliary materials and low-value consumables, etc.	336,744.23		336,744.23	417,181.86	79,264.71	337,917.15
Contract performance cost	1,461,911.76		1,461,911.76	1,549,695.97		1,549,695.97
Others	47,196.59		47,196.59	47,196.59		47,196.59
Total	127,836,361.41	49,448,586.09	78,387,775.32	135,832,840.22	55,598,465.43	80,234,374.79

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

Item	Balance at the end of last year	Increased amount in the current period		Decreased amount in the current period		Ending balance
		Accrual	Others	Reverse or charge-off	Others	
Spare parts	55,519,200.72			6,070,614.63		49,448,586.09
Auxiliary materials and low-value consumables, etc.	79,264.71			79,264.71		0.00
Total	55,598,465.43			6,149,879.34		49,448,586.09

(VII) Contract assets**1. Contract assets**

Item	Ending balance			Balance at the end of last year		
	Book balance	Provision for bad debts	Book value	Book balance	Provision for bad debts	Book value
Progress payment	7,798,238.86		7,798,238.86			
Quality guarantee	101,002.18		101,002.18	95,580.68		95,580.68
Total	7,899,241.04		7,899,241.04	95,580.68		95,580.68

2. Classified disclosure of contract assets by the method of provision for bad debts

Class	Ending balance	
	Book balance	Provision for bad debts

	Amount	Proportion (%)	Amount	Proportion of provision (%)	Book value
Provision for bad debts on a individual basis					
Provision for bad debts on a credit risk portfolio	7,899,241.04	100			7,899,241.04
Total	7,899,241.04	100			7,899,241.04

Continued

Class	Balance at the end of last year				
	Book balance		Provision for bad debts		
	Amount	Proportion (%)	Amount	Proportion of provision (%)	Book value
Provision for bad debts on a individual basis					
Provision for bad debts on a credit risk portfolio	95,580.68	100			95,580.68
Total	95,580.68	100			95,580.68

(VIII) Assets held for sale

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

assets					
Total	24,582,784.59		24,582,784.59		

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

According to the Relocation Compensation Agreement, the Agreement on the Recovery of State-Owned Land Use Rights and the supplementary agreement signed by Shenzhen Nanshan Power Zhongshan Company and Cuiheng New District Management Committee, Zhongshan City, the land acquisition and storage for Plot B will be completed and handed over to the Management Committee before June 30, 2025. If the Company fails to complete the handover of Plot B before the expiration of the agreed handover period, the Parties may extend the handover period, and the extension period shall not exceed 3 months. Based on the irrevocable legal binding nature of the agreements, the smooth progress of the land acquisition and storage process for Plot A, the orderly preparations for the acquisition and storage of Plot B, the certainty of completing the handover within one year, and the compliance status where pre-reserve asset usage does not affect the transaction with clearly defined rights and obligations, the Company has classified Plot B and its above-ground structures as the "assets held for sale" in accordance with applicable accounting standards, reflecting their actual status and anticipated disposal arrangements.

(IX) Other current assets

Item	Ending balance	Balance at the end of last year
Large-amount negotiable certificate of deposit and accrued interest	234,840,831.48	232,165,987.85
Land acquisition and storage, production and business suspension, employee compensation and relocation expenses, etc. (Note)	47,558,423.57	37,899,306.75
Amount of input value-added tax to be deducted	21,894,549.50	8,614,307.70
Prepaid income tax		6,583,089.98
Others	7,815.72	265,846.94
Total	304,301,620.27	285,528,539.22

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

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

(X) Long-term equity investments

Investees	Beginning balance	Beginning balance of provision for impairment	Increase and decrease in the current period			
			Additional investment	Reduced investment	Investment profit or loss recognized under the equity method	Adjustments to the other comprehensive income
I. Associates						
Jiangsu Liaoyuan Environmental Protection Technology Co., Ltd. (hereinafter referred to as "Liaoyuan Environmental Protection")	90,587,521.44				2,976,431.04	
Total	90,587,521.44				2,976,431.04	

Continued:

Investees	Increase and decrease in the current period				Ending balance	Ending balance of provision for impairment
	Other changes in equity	Declaration of cash dividend or profits	Provision for impairment	Others		
I. Associates						
Jiangsu Liaoyuan Environmental Protection Technology Co., Ltd. (hereinafter referred to as "Liaoyuan Environmental Protection")		809,700.00			92,754,252.48	
Total		809,700.00			92,754,252.48	

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

Item	Ending balance			Balance at the end of last year		
	Original book value	Fair value changes	Ending balance	Original book value	Fair value changes	Ending balance
Sunpower Technology (Jiangsu) Co., Ltd.	140,000,000.00	22,782,620.92	162,782,620.92	140,000,000.00	22,782,620.92	162,782,620.92
Shenzhen Yuanzhi Ruixin New Generation Information Technology Private Equity Investments Fund Partnership (Limited Partnership)	92,654,000.00	-17,233,242.21	75,420,757.79	100,000,000.00	-18,599,566.35	81,400,433.65
Jiangxi Nuclear Power Co., Ltd.	60,615,000.00		60,615,000.00	60,615,000.00		60,615,000.00
Shenzhen New Energy Storage Industry Equity Fund Partnership (Limited Partnership)	50,000,000.00		50,000,000.00	50,000,000.00		50,000,000.00
Shenzhen Yuanzhi Zhongkai Energy Storage Technology Innovation Private Fund Partnership	1,950,000.00		1,950,000.00			

(Limited Partnership)						
Shenzhen Petrochemical Oil Products Bonded Trading Co., Ltd.	2,500,000.00	-2,500,000.00		2,500,000.00	-2,500,000.00	
Total	347,719,000.00	3,049,378.71	350,768,378.71	353,115,000.00	1,683,054.57	354,798,054.57

2. Investment in non-trading equity instruments

Item	Dividend income recognized in the current period	Accumulated gains	Accumulated losses	The amount of other comprehensive income transferred to retained earnings	Reasons for measuring at fair value and whose changes are recognized in other comprehensive income	Reasons for transferring other comprehensive income to retained earnings
Sunpower Technology (Jiangsu) Co., Ltd.	5,600,000.00	22,782,620.92			Plan to hold for the long term	
Shenzhen Yuanzhi Ruixin New Generation Information Technology Private Equity Investments Fund Partnership (Limited Partnership)			17,233,242.21	1,352,892.26	Plan to hold for the long term	As a result of the disposal of certain investments, the cumulative fair value changes previously recognized in other comprehensive income are transferred to retained earnings
Jiangxi Nuclear Power Co., Ltd.					Plan to hold for the long term	
Shenzhen New Energy Storage Industry Equity Fund Partnership (Limited Partnership)					Plan to hold for the long term	
Shenzhen Yuanzhi Zhongkai Energy Storage Technology Innovation Private Fund Partnership (Limited Partnership)					Plan to hold for the long term	
Shenzhen Petrochemical Oil Products Bonded Trading Co., Ltd.			2,500,000.00		Plan to hold for the long term	
Total	5,600,000.00	22,782,620.92	19,733,242.21	1,352,892.26		

(XII) Investment properties

Item	Houses and buildings	Total
1. Original book value		
(1) Balance at the end of last year	9,708,014.96	9,708,014.96
(2) Increased amount in the current period		
- Outsourcing		
(3) Reduced amount in the current period		

Item	Houses and buildings	Total
—Disposal		
(4) Ending balance	9,708,014.96	9,708,014.96
2. Accumulated depreciation and accumulated amortization		
(1) Balance at the end of last year	8,210,005.12	8,210,005.12
(2) Increased amount in the current period	83,278.38	83,278.38
- Provision or amortization	83,278.38	83,278.38
(3) Reduced amount in the current period		
—Disposal		
(4) Ending balance	8,293,283.50	8,293,283.50
3. Provision for impairment		
(1) Balance at the end of last year		
(2) Increased amount in the current period		
-Provision		
(3) Reduced amount in the current period		
—Disposal		
(4) Ending balance		
4. Book value		
(1) Ending book value	1,414,731.46	1,414,731.46
(2) Book value at the end of last year	1,498,009.84	1,498,009.84

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

Item	Ending balance	Balance at the end of last year
Fixed assets (Note 1)	559,338,913.36	377,498,094.30
Disposal of fixed assets (Note 2)	1,501,202.20	73,705,696.67
Total	560,840,115.56	451,203,790.97

Note 1: The increase in the ending balance of fixed assets is primarily due to the Zhongshan Independent Energy Storage Station Project (Phase I) of Shenzhen Nanshan Power Xiwan Company, a subsidiary of the Company, reaching its intended usable condition in May 2025, and preliminary fixed-asset recognition during the current period, leading to an increase of RMB 192 million in the original value of fixed assets at the consolidated financial statement level.

Note 2: The decrease in the ending balance of fixed assets held for disposal is primarily due to the public listing and transfer of power generation units and related assets by the Company's subsidiary, Shenzhen Nanshan Power Zhongshan Company, which was completed in March 2025. The transaction amount was RMB 63.7269 million (excluding tax), and the full transfer payment and VAT were collected by May 30, 2025.

2. Fixed assets

Item	Houses, buildings and decoration	Machinery equipment	Means of transport	Electronic equipment and other equipment	Total
1. Original book value					
(1) Balance at the end of last year	294,719,041.34	1,670,156,222.33	5,208,602.47	40,933,308.11	2,011,017,174.25
(2) Increased amount in the current period	20,578,856.84	172,562,906.64		84,152.38	193,225,915.86
-Purchase				84,152.38	84,152.38
- Transfer-in from projects under construction	20,578,856.84	172,562,906.64			193,141,763.48
(3) Reduced amount in the current period				53,291.10	53,291.10
-Disposal or scrapping				53,291.10	53,291.10
(4) Ending balance	315,297,898.18	1,842,719,128.97	5,208,602.47	40,964,169.39	2,204,189,799.01
2. Accumulated depreciation					
(1) Balance at the end of last year	207,817,321.47	1,267,888,430.12	4,707,082.87	34,155,145.08	1,514,567,979.54
(2) Increased amount in the current period	2,400,605.90	8,015,800.11	259,479.52	701,164.03	11,377,049.56
-Provision	2,400,605.90	8,015,800.11	259,479.52	701,164.03	11,377,049.56
(3) Reduced amount in the current period				38,991.54	38,991.54
-Disposal or scrapping				38,991.54	38,991.54
(4) Ending balance	210,217,927.37	1,275,904,230.23	4,966,562.39	34,817,317.57	1,525,906,037.56
3. Provision for impairment					
(1) Balance at the end of last year	17,852,047.84	100,972,179.24	53,176.48	73,696.85	118,951,100.41
(2) Increased amount in the current period					
-Provision					
(3) Reduced amount in the current period				6,252.32	6,252.32
-Disposal or scrapping				6,252.32	6,252.32
(4) Ending balance	17,852,047.84	100,972,179.24	53,176.48	67,444.53	118,944,848.09
4. Book value					

Item	Houses, buildings and decoration	Machinery equipment	Means of transport	Electronic equipment and other equipment	Total
(1) Ending book value	87,227,922.97	465,842,719.50	188,863.60	6,079,407.29	559,338,913.36
(2) Book value at the end of last year	69,049,672.03	301,295,612.97	448,343.12	6,704,466.18	377,498,094.30

3. Fixed assets without the certificate of title

Item	Book value	Reasons for failure to acquire the certificate of title
Oil depot complex	443,246.19	Formalities not completed
Chemical water treatment workshop	232,960.00	Formalities not completed
Cooling tower	673,259.25	Formalities not completed
Cafeteria of complex building	180,248.49	Formalities not completed
Mail room at the main entrance	47,264.13	Formalities not completed
Total	1,576,978.06	

4. Disposal of fixed assets

Item	Ending balance	Balance at the end of last year
Buildings and constructions		
Machinery equipment	1,485,098.75	72,098,979.01
Means of transport	16,103.45	50,000.00
Electronic equipment and other equipment		189,564.16
Others		1,367,153.50
Total	1,501,202.20	73,705,696.67

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

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

Item	Ending balance	Balance at the end of last year
Construction in progress	2,838,171.11	6,983,713.85
Total	2,838,171.11	6,983,713.85

2. Construction in progress

Item	Ending balance			Balance at the end of last year		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Oil-to-gas project of Nanshan Power Plant	9,441,286.39	9,441,286.39		9,441,286.39	9,441,286.39	
Technical Renovation Project of Nanshan Power Plant	3,172,069.27	1,605,000.00	1,567,069.27	4,238,664.96	1,605,000.00	2,633,664.96
Informationization Construction Project	973,932.03		973,932.03	90,754.71		90,754.71
Zhongshan Independent Energy Storage Project				4,259,294.18		4,259,294.18

Item	Ending balance			Balance at the end of last year		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Others	297,169.81		297,169.81			
Total	13,884,457.50	11,046,286.39	2,838,171.11	18,030,000.24	11,046,286.39	6,983,713.85

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

Project name	Beginning balance	Increased amount in the current period	Fixed assets transferred for the current period	Other decreases in the current period	Ending balance
Zhongshan Independent Energy Storage Project	4,259,294.18	187,756,352.45	192,015,646.63		0.00

Note: The Zhongshan Independent Energy Storage Project (Phase I) of Shenzhen Nanshan Power Xiwan Company, a subsidiary of the Company, reaches its intended usable condition in May 2025, and during the current period, RMB 192 million was preliminarily transferred from construction in progress to fixed assets at the consolidated financial statement level.

Continued:

Project name	Budget amount (RMB 10,000)	Proportion of project investment in budget (%)	Project progress (%)	Accumulated amount of interest capitalization	Including: amount of interest capitalization in the current period	Interest capitalization rate in the current period (%)	Sources of funds
Zhongshan Independent Energy Storage Project	30,715.24	78.42	100.00	25.74	25.74	65.38	Self-financed

(XV) Right-of-use assets

1. Right-of-use assets

Item	Buildings	Total
I. Original book value		
1. Beginning balance	8,696,499.48	8,696,499.48
2. Increased amount in the current period	28,096,305.81	28,096,305.81
3. Decreased amount in the current period		
4. Ending balance	36,792,805.29	36,792,805.29
II. Accumulated depreciation		
1. Beginning balance	2,536,479.05	2,536,479.05
2. Increased amount in the current period	2,876,532.54	2,876,532.54
(1) Provision	2,876,532.54	2,876,532.54
3. Decreased amount in the current period		

Item	Buildings	Total
4. Ending balance	5,413,011.59	5,413,011.59
III. Provision for impairment		
IV. Book value		
1. Ending book value	31,379,793.70	31,379,793.70
2. Beginning book value	6,160,020.43	6,160,020.43

Note: (1) The increase in right-of-use assets in the current period is mainly due to the construction of the Zhongshan Independent Energy Storage Project of Shenzhen Nanshan Power Xiwan Company, which involved new land and building leases recognized as right-of-use assets during the current period.

(2) The beginning balance of right-of-use assets refers to the Company's operating leases of 16F/17F, Hantang Building Property for office use.

(XVI) Intangible assets

Item	Land use right	Patent	Software	Total
1. Original book value				
(1) Balance at the end of last year	30,800,611.14	138,625.07	5,187,330.02	36,126,566.23
(2) Increased amount in the current period			103,066.04	103,066.04
-Purchase			103,066.04	103,066.04
(3) Reduced amount in the current period				
—Disposal				
(4) Ending balance	30,800,611.14	138,625.07	5,290,396.06	36,229,632.27
2. Accumulated amortization				
(1) Balance at the end of last year	30,755,027.16	66,512.54	3,955,294.72	34,776,834.42
(2) Increased amount in the current period	3,295.56	8,673.72	176,895.78	188,865.06
-Provision	3,295.56	8,673.72	176,895.78	188,865.06
(3) Reduced amount in the current period				
—Disposal				
(4) Ending balance	30,758,322.72	75,186.26	4,132,190.50	34,965,699.48
3. Provision for impairment				
(1) Balance at the end of last year				
(2) Increased amount in the current period				
-Provision				
(3) Reduced amount in the current period				
—Disposal				
(4) Ending balance				
4. Book value				
(1) Ending book value	42,288.42	63,438.81	1,158,205.56	1,263,932.79
(2) Book value at the end of last year	45,583.98	72,112.53	1,232,035.30	1,349,731.81

(XVII) Long-term deferred expenses

Item	Balance at the end of last year	Increased amount in the current period	Amortization amount in the current period	Other reductions	Ending balance
Major repair expenses	5,510,756.56		717,578.82		4,793,177.74
Renovation costs	292,105.21		137,138.43		154,966.78
Total	5,802,861.77		854,717.25		4,948,144.52

(XVIII) Deferred tax assets and deferred tax liabilities**Deferred tax assets not offset**

Item	Ending balance		Balance at the end of last year	
	Deductible temporary differences	Deferred tax assets	Deductible temporary differences	Deferred tax assets
Fair value changes of other investments in equity instruments	2,500,000.00	625,000.00	2,500,000.00	625,000.00
Total	2,500,000.00	625,000.00	2,500,000.00	625,000.00

(XIX) Other non-current assets

Item	Ending balance			Balance at the end of last year		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Advance payment for Zhongshan independent energy storage project				4,739,340.56		4,739,340.56
Relevant expenses for functional substitution of Nanshan Power Plant	857,135.84		857,135.84	857,135.84		857,135.84
Major overhaul expenditures for power generation units of Nanshan Power Plant (Note)	809,741.98		809,741.98			
Total	1,666,877.82		1,666,877.82	5,596,476.40		5,596,476.40

Note: Mainly due to major overhaul expenditures for power generation units of Nanshan Power Plant during the reporting period. As the overhaul project remains uncompleted and does not yet meet capitalization conditions, such expenditures have been classified under other non-current assets. Such expenditures will be transferred to long-term deferred expenses once the capitalization conditions are satisfied.

(XX) Assets with restricted ownership or use rights

Item	Ending balance				Balance at the end of last year			
	Book balance	Book value	Restricted type	restrictions	Book balance	Book value	Restricted type	restrictions
Monetary funds	5,112,000.00	5,112,000.00	Guarantee	Freeze	7,912,100.00	7,912,100.00	Guarantee	Freeze
Total	5,112,000.00	5,112,000.00			7,912,100.00	7,912,100.00		

(XXI) Short-term borrowings

Item	Ending balance	Balance at the end of last year
Credit loan	93,000,000.00	106,558,036.22
Pledged loan (note)		162,000,000.00
Accrued interest on short-term borrowings	67,166.65	56,972.97
Total	93,067,166.65	268,615,009.19

Note: The Company pledged its own patent for invention to China Merchants Bank Co., Ltd. Shenzhen Branch for a loan of RMB 30 million, pledged a letter of credit to Shanghai Pudong Development Bank Co., Ltd. Shenzhen Branch for a loan of RMB 87 million, and pledged a letter of credit to Industrial Bank Co., Ltd. Shenzhen Branch for a loan of RMB 45 million. All of such loans were repaid in the current period.

(XXII) Accounts payable**1. Accounts payable**

Item	Ending balance	Balance at the end of last year
Payments for goods, labor services and services	83,011,661.61	13,560,180.89
Electricity bill	1,186,915.25	461,976.72
Total	84,198,576.86	14,022,157.61

Note: The increase in the ending balance is primarily due to the Zhongshan Independent Energy Storage Station Project (Phase I) of Shenzhen Nanshan Power Xiwan Company, a subsidiary of the Company, reaching its intended usable condition in May 2025, and preliminary fixed-asset recognition during the current period, leading to a corresponding increase in accounts payable.

2. Top five accounts payable

Entity name	Book balance	Proportion to the accounts payable balance (%)
China Southern Power Grid Electric Power Technology Co., Ltd.	56,159,690.83	66.70
CRCC Harbour & Channel Engineering Bureau Group Co., Ltd.	16,434,954.68	19.52
Guangzhou Zike Environmental Protection Technology Co., Ltd.	1,872,500.00	2.22
Guangdong Nanhai Power Design Institute Engineering Co., Ltd.	1,377,358.49	1.64
Shenzhen Power Supply Bureau Co., Ltd.	1,186,915.25	1.41
Total	77,031,419.25	91.49

(XXIII) Contract liabilities

Item	Ending balance	Balance at the end of last year
Advance payment for integrated energy service		50,000.00
Total		50,000.00

(XXIV) Employee compensation payable**1. Employee compensation payable**

Item	Balance at the end of last year	Increased amount in the current period	Decreased amount in the current period	Ending balance
Short-term compensation	16,052,879.47	46,979,297.32	57,905,724.09	5,126,452.70
Post-employment benefits-defined contribution plans		6,270,590.22	6,270,590.22	
Dismissal benefits		339,420.00	339,420.00	
Total	16,052,879.47	53,589,307.54	64,515,734.31	5,126,452.70

2. Short-term compensation

Item	Balance at the end of last year	Increased amount in the current period	Decreased amount in the current period	Ending balance
(1) Salaries, bonuses, allowances and subsidies	15,180,182.34	37,210,051.58	47,506,674.65	4,883,559.27
(2) Employee welfare fees	731,700.11	1,871,409.14	2,465,356.75	137,752.50
(3) Social insurance premiums		2,317,964.98	2,317,964.98	
Including: medical insurance premiums		1,848,868.45	1,848,868.45	
Work injury insurance premium		285,312.55	285,312.55	
Maternity insurance premium		183,783.98	183,783.98	
(4) Housing provident fund		4,582,608.72	4,582,608.72	
(5) Trade union funds and employee education expenses	140,997.02	997,262.90	1,033,118.99	105,140.93
Total	16,052,879.47	46,979,297.32	57,905,724.09	5,126,452.70

3. Defined contribution plans list

Item	Balance at the end of last year	Increased amount in the current period	Decreased amount in the current period	Ending balance
Basic endowment insurance		5,964,083.78	5,964,083.78	
Unemployment insurance premiums		306,506.44	306,506.44	
Enterprise annuity payment				
Total		6,270,590.22	6,270,590.22	

(XXV) Taxes payable

Tax items	Ending balance	Balance at the end of last year
Corporate income tax		9,140,402.85

Tax items	Ending balance	Balance at the end of last year
Value-added tax	8,626,884.42	4,261,775.21
Property tax	1,056,802.56	
Land use tax	392,509.86	
Personal income tax	338,014.85	712,556.99
Stamp duty	30,744.93	172,648.01
Urban maintenance and construction tax	75,886.08	32,043.68
Education surcharge	32,522.62	13,687.09
Local education surcharge	21,681.75	9,201.24
Others		6,592.97
Total	10,575,047.07	14,348,908.04

(XXVI) Other payables

Item	Ending balance	Balance at the end of last year
Interest payable		
Dividends payable		
Other payables	7,909,244.89	15,685,234.29
Total	7,909,244.89	15,685,234.29

1. Other payables**(1) Presented according to nature of payment**

Item	Ending balance	Balance at the end of last year
Labor and service fees (note)	6,379,616.98	14,687,088.11
Guarantee	969,984.00	750,651.39
Others	559,643.91	247,494.79
Total	7,909,244.89	15,685,234.29

Note: The main reason for the increase in the balance of the current period is that, its subsidiary, Shenzhen Nanshan Power Zhongshan Company, paid the costs of dismantling and disposing the oil tank and oil pipeline in plot A in the current period according to the agreement signed with Zhongshan Xiwan Construction Investment Co., Ltd. for land acquisition and storage matters.

(2) Top five other payables

Entity name	Book balance	Proportion to the other accounts payable balance (%)
Zhongshan Xiwan Construction Investment Co., Ltd.	4,415,015.60	55.82
CNOOC Guangdong Natural Gas Co., Ltd.	971,444.00	12.28
Lixinzhonglian CPAS (Special General Partnership)	465,000.00	5.88
Shenzhen Shennong Kitchen Co., Ltd	300,000.00	3.79
Shenzhen Jinzhixin Investment Co., Ltd.	250,000.00	3.16
Total	6,401,459.60	80.93

(XXVII) Non-current liabilities maturing within one year

Item	Ending balance	Balance at the end of last year
Lease liabilities due within one year	5,939,709.57	4,466,835.32
Long-term borrowings due within one year	61,460.74	
Total	6,001,170.31	4,466,835.32

(XXVIII) Other current liabilities

Item	Ending balance	Balance at the end of last year
Progress payment for land acquisition and storage compensation (Note)	107,922,581.00	107,922,581.00
Interests of other partners in the partnership		403.82
Total	107,922,581.00	107,922,984.82

Note: For the compensation of Plot B received by the Company's subsidiary, Shenzhen Nanshan Power Zhongshan Company, due to land acquisition and storage matters, please refer to the Note V (V) "Other receivables" to the financial statements for details of the relevant land acquisition and storage matters.

The total compensation price of Plot B was RMB 359,741,936. As of the end of the reporting period, the progress payment of Plot B compensation of RMB 107,922,581 was received. As the transfer of Plot B has not yet been completed, the compensation already received has been included in other current liabilities.

(XXIX) Long-term borrowings

Item	Ending balance	Balance at the end of last year
Fixed asset mortgage loans	97,154,742.83	
Total	97,154,742.83	

(XXX) Lease liabilities**1. Lease liabilities details**

Item	Ending balance	Beginning balance
Lease liabilities	25,452,499.49	2,125,910.18
Total	25,452,499.49	2,125,910.18

Note: The increase in the balance of the current period is mainly due to the construction of the Zhongshan Independent Energy Storage Project by the Company's subsidiary, Shenzhen Nanshan Power Xiwan Company, which resulted in the recognition of lease liabilities for new land and above-ground building lease contracts.

2. Lease liabilities maturity analysis

Item	Ending balance	Beginning balance
Over 1 year	25,452,499.49	2,125,910.18
Total	25,452,499.49	2,125,910.18

(XXXI) Estimated liabilities

There was no balance at the end of the current period or the previous year or amount incurred in the current period.

(XXXII) Deferred income**1. Classification of deferred income**

Item	Balance at the end of last year	Increased amount in the current period	Decreased amount in the current period	Ending balance	Causes
Government subsidies	61,522,875.97		3,172,940.10	58,349,935.87	See Table 2 for details
Total	61,522,875.97		3,172,940.10	58,349,935.87	

2. Deferred income related to government subsidies

Liabilities	Balance at the end of last year	New subsidy amount in the current period	Amount recognized in profit or loss in the current period	Other changes	Ending balance	Asset related/income related
Shenzhen air quality improvement subsidy	39,866,533.41		2,365,909.08		37,500,624.33	Asset related
Government subsidies for low-nitrogen equipment renovation	17,917,839.78		229,384.08		17,688,455.70	Asset related
Motor energy efficiency improvement subsidy scheme	228,960.00		17,280.00		211,680.00	Asset related
Funds for technological transformation and investment projects in 2021-2022	846,722.24		35,333.34		811,388.90	Asset related
Industrial development special grants	750,000.00		187,500.00		562,500.00	Asset related
Supporting funds for industrial energy conservation and comprehensive utilization projects in the Green Development and Industrial "Carbon Peak" Support Program	1,095,000.00		273,750.00		821,250.00	Asset related
Circular economy support fund for sludge drying project	817,820.54		63,783.60		754,036.94	Asset related
Total	61,522,875.97		3,172,940.10		58,349,935.87	

(XXXIII) Other non-current liabilities

There was no balance at the end of the current period or the previous year or amount incurred in the current period.

(XXXIV) Share capital

Item	Balance at the end of last year	Increase (+) and decrease (-) in the current period					Ending balance
		Issuance of new shares	Bonus shares	Provident fund conversion	Others	Subtotal	
Total shares	602,762,596.00						602,762,596.00

(XXXV) Capital reserve

Item	Balance at the end of last year	Increased amount in the current period	Decreased amount in the current period	Ending balance
Capital premium (equity premium)	233,035,439.62			233,035,439.62
Other capital reserve	129,735,482.48			129,735,482.48
Total	362,770,922.10			362,770,922.10

(XXXVI) Other comprehensive income

Item	Balance at the end of last year	Amount in the current period						Ending balance
		Amount before income tax for the current period	Less: recognized in other comprehensive income in the previous period and transferred to current profit or loss	Less: recognized in other comprehensive income in the previous period and transferred to retained earnings in the current period	Less: income tax expenses	Attributable to parent company after tax	Attributable to minority shareholders after tax	
1. Other comprehensive income that cannot be reclassified into profit or loss	1,683,054.57	2,719,216.40		1,352,892.26		1,366,324.14		3,049,378.71
Including: remeasure changes in benefit plans								
Other comprehensive income that cannot be transferred to profit or loss under the equity method								
Fair value changes of other investments in equity instruments	1,683,054.57	2,719,216.40		1,352,892.26		1,366,324.14		3,049,378.71
Total other comprehensive income	1,683,054.57	2,719,216.40		1,352,892.26		1,366,324.14		3,049,378.71

(XXXVII) Special reserve

Item	Balance at the end of last year	Increased amount in the current period	Decreased amount in the current period	Ending balance
Safety production costs		3,056,749.98	1,748,876.88	1,307,873.10
Total		3,056,749.98	1,748,876.88	1,307,873.10

Note: the Company's power production business shall be withdrawn in accordance with the Administrative Measures for the Withdrawal and Use of Enterprise Work Safety Expenses (CZ [2022] No. 136) (issued on December 12, 2022) and the work safety expenses shall be included in the current profit or loss, and transferred to the special reserves at the same time.

(XXXVIII) Surplus reserve

Item	Balance at the end of last year	Increased amount in the current period	Decreased amount in the current period	Ending balance
Statutory surplus reserve	310,158,957.87			310,158,957.87
Discretionary surplus reserve	22,749,439.73			22,749,439.73
Total	332,908,397.60			332,908,397.60

(XXXIX) Undistributed profits

Item	Ending balance	Balance at the end of last year
Undistributed profits at the end of last year before adjustments	185,255,604.81	163,346,776.24
Adjustments to the total amount of the undistributed profits at the beginning of the year (increase +, decrease -)		
Undistributed profits at the beginning of the year after adjustments	185,255,604.81	163,346,776.24
Plus: net profit attributable to owners of parent company for the current period	-21,739,509.64	21,908,828.57
Plus: amount of other comprehensive income transferred to retained earnings (Note)	1,352,892.26	
Less: withdrawal of statutory surplus reserve		
Dividends payable on ordinary shares		
Ending undistributed profits	164,868,987.43	185,255,604.81

Note: During the current period, an amount of RMB 1,352,892.26 was transferred from other comprehensive income to retained earnings. This primarily resulted from the divestment of certain investments that had been designated as financial assets measured at fair value through other comprehensive incomes. In accordance with the Accounting Standards for Business Enterprises No.22 - Recognition and Measurement of Financial Instruments, the cumulative fair value changes previously recorded in other comprehensive income were required to be transferred to retained earnings. This transaction did not impact the current profit or loss.

(XL) Operating revenue and operating costs**1. Operating revenue and operating costs**

Item	Amount in the current period		Amount in the previous period	
	Revenue	Cost	Revenue	Cost

Item	Amount in the current period		Amount in the previous period	
	Revenue	Cost	Revenue	Cost
Main business	162,292,199.47	159,841,635.44	187,206,813.92	180,267,125.57
Other business	4,097,754.78	2,255,141.17	697,450.79	83,278.38
Total	166,389,954.25	162,096,776.61	187,904,264.71	180,350,403.95

2. Break down by product or service type

Item	Amount in the current period		Amount in the previous period	
	Revenue	Cost	Revenue	Cost
Power production and sale	145,150,536.76	147,223,840.47	182,701,860.97	181,148,653.86
Integrated energy service	27,098,360.08	21,157,322.09	18,756,095.68	11,858,462.90
Others	4,333,656.63	2,353,720.95	697,450.79	83,278.38
Consolidation offset	-10,192,599.22	-8,638,106.90	-14,251,142.73	-12,739,991.19
Total	166,389,954.25	162,096,776.61	187,904,264.71	180,350,403.95

3. By region

Item	Amount in the current period		Amount in the previous period	
	Revenue	Cost	Revenue	Cost
Domestic	166,389,954.25	162,096,776.61	187,904,264.71	180,350,403.95
Total	166,389,954.25	162,096,776.61	187,904,264.71	180,350,403.95

4. Revenue arising from contracts

Item	Amount in the current period	Amount in the previous period
Classification by contract performance obligations		
Including: revenue recognized at a certain time point	149,248,291.54	183,399,311.76
Revenue recognized within a certain period of time	17,141,662.71	4,504,952.95
Total	166,389,954.25	187,904,264.71

(XLI) Taxes and surcharges

Item	Amount in the current period	Amount in the previous period
Property tax	1,056,802.56	878,745.93
Land use tax	392,509.86	305,752.50
Urban maintenance and construction tax	339,762.60	218,338.44
Stamp duty	185,091.20	121,268.67
Education surcharge	145,567.18	93,573.61
Local education surcharge	97,044.77	62,382.40
Environmental protection tax	8,829.56	7,974.74
Vehicle and vessel tax	360.00	360.00
Total	2,225,967.73	1,688,396.29

(XLII) Selling and distribution expenses

Item	Amount in the current period	Amount in the previous period
Employee compensation	871,824.28	1,231,401.93
Agency fee	64,150.94	277,424.53
Travel expenses	63,490.48	32,776.13

Item	Amount in the current period	Amount in the previous period
Entertainment expenses	34,674.90	55,369.70
Office expenses	1,603.77	
Others	12,432.56	12,172.60
Total	1,048,176.93	1,609,144.89

(XLIII) G&A expenses

Item	Amount in the current period	Amount in the previous period
Employee compensation	23,431,922.15	22,381,477.28
Depreciation cost	3,078,250.26	3,506,184.76
Agency fee	1,155,172.36	786,977.48
Entertainment expenses	534,218.98	562,297.27
Water, electricity and property management fees	726,714.45	796,556.57
Repair costs	212,903.23	105,850.09
Communication and information fees	373,785.16	377,172.45
Travel expenses	194,065.01	327,219.49
Vehicle usage fee	453,043.27	390,789.84
Office expenses	156,835.02	139,670.26
Fees of the Board of Directors	5,792.50	197,914.04
Greening and cleaning fees	361,632.93	326,085.76
Rental fees	2,458,091.14	2,636,120.57
Stock related fee	21,366.15	81,111.77
Amortization of intangible assets	178,015.80	166,886.35
Others	844,475.79	3,863,979.93
Total	34,186,284.20	36,646,293.91

(XLIV) R&D expenses

Item	Amount in the current period	Amount in the previous period
Employee compensation	8,153,835.98	12,068,981.04
Depreciation cost	394,879.28	3,040,458.21
Others	3,720.00	7,423.50
Total	8,552,435.26	15,116,862.75

(XLV) Financial expenses

Item	Amount in the current period	Amount in the previous period
Interest expenses	3,740,764.90	7,949,322.98
Less: interest income	2,386,769.54	2,338,321.70
Exchange losses	25,370.15	-37,606.16
Bank handling charges and others	33,007.66	168,779.49
Total	1,412,373.17	5,742,174.61

(XLVI) Other benefits

Item	Amount in the current period	Amount in the previous period
Amortization of government subsidies in the current period	3,172,940.10	3,578,045.23
Personal tax handling charges refund	110,868.48	34,481.46
Others	29,250.00	
Total	3,313,058.58	3,612,526.69

See Note VI (II) to the financial statements for the amount of government subsidies included in other income in the current period.

(XLVII) Investment income

Item	Amount in the current period	Amount in the previous period
Investment income from disposal of long-term equity investments		
Investment income from financial assets held for trading during the holding period	5,195,211.68	6,510,401.50
Income from long-term equity investments accounted for equity method under the equity method	2,976,431.04	2,428,488.38
Dividend income received from investments in equity instruments during the holding period	5,600,000.00	68,719.76
Total	13,771,642.72	9,007,609.64

(XLVIII) Gains from disposal of assets

Item	Amount in the current period	Amount in the previous period	Amount included in non-recurring profit or loss in the current period
Profits and losses on disposal of non-current assets	1,156,732.52		1,156,732.52
Total	1,156,732.52		1,156,732.52

(XLIX) Non-operating revenue

Item	Amount in the current period	Amount in the previous period	Amount included in non-recurring profit or loss in the current period
Subsidies for house demolition and resettlement		75,461.40	
Total		75,461.40	

(L) Non-operating expenses

Item	Amount in the current period	Amount in the previous period	Amount included in non-recurring profit or loss in the current period
Losses from damage or scrapping of non-current assets		108,730.90	
Others	92,279.19		92,279.19

Item	Amount in the current period	Amount in the previous period	Amount included in non-recurring profit or loss in the current period
Total	92,279.19	108,730.90	92,279.19

(LI) Income tax expenses**1. Income tax expenses**

Item	Amount in the current period	Amount in the previous period
Current income tax expenses	53,667.86	
Deferred income tax expenses		
Total	53,667.86	

2. Adjustment process of accounting profit and income tax expenses

Item	Amount in the current period
Total profit	-24,982,905.02
Income tax expenses calculated at the legal [or applicable] tax rate	-3,747,435.75
Impact of subsidiaries subject to different tax rates	842,804.93
Impact of non-taxable income	-446,464.66
Impact of non-deductible costs, expenses and losses	70,783.31
Impact of deductible losses from the use of unrecognized deferred income tax assets in the previous period	-2,757,255.29
Impact of deductible temporary differences or deductible losses of deferred income tax assets unrecognized in the current period	6,091,235.31
Income tax expenses	53,667.86

(LII) Earnings per share**1. Basic earnings per share**

Basic earnings per share is calculated by dividing the consolidated net profit attributable to ordinary

shareholders of the parent company by the weighted average of outstanding ordinary shares of the Company:

Item	Amount in the current period	Amount in the previous period
Consolidated net profit attributable to ordinary shareholders of the parent company	-21,739,509.64	-37,851,109.90
Weighted average of outstanding ordinary shares of the Company	602,762,596.00	602,762,596.00
Basic earnings per share	-0.0361	-0.0628

2. Diluted earnings per share

Diluted earnings per share are calculated by dividing the consolidated net profit (diluted) attributable to ordinary shareholders of the parent company by the weighted average (diluted) of the Company's outstanding ordinary shares:

Item	Amount in the current period	Amount in the previous period
Consolidated net profit attributable to ordinary shareholders of the parent company (diluted)	-21,739,509.64	-37,851,109.90
Weighted average of outstanding ordinary shares of the Company (diluted)	602,762,596.00	602,762,596.00
Diluted earnings per share	-0.0361	-0.0628

(LIII) Statement of cash flows items

1. Cash received from other operating activities

Item	Amount in the current period	Amount in the previous period
Current accounts received, etc.	9,681,785.94	14,602,512.23
Interest income	676,917.86	2,288,271.75
Income from government subsidies	110,868.48	241,800.00
Total	10,469,572.28	17,132,583.98

2. Cash paid for other operating activities

Item	Amount in the current period	Amount in the previous period
Expenses from payment period	7,982,293.72	20,583,772.82
Current accounts paid, etc.	1,498,618.82	683,355.92
Total	9,480,912.54	21,267,128.74

3. Cash received from other investing activities

Item	Amount in the current period	Amount in the previous period
Received principal and interest on loans from non-related parties	15,015,192.12	
Total	15,015,192.12	

4. Cash paid for other investing activities

Item	Amount in the current period	Amount in the previous period
Cash of structured deposits and certificates of deposit, etc.	192,463,428.68	181,000,000.00
Cash paid for the liquidation and cancellation of subsidiaries	1,181,765.23	
Total	193,645,193.91	181,000,000.00

5. Cash paid for other financing activities

Item	Amount in the current period	Amount in the previous period
Note deposit		2,800,000.00
Payment for principal and interest of lease liabilities	2,142,680.00	2,684,440.00
Total	2,142,680.00	5,484,440.00

(LIV) Supplementary information of Statement of Cash Flows

1. Supplementary information of Statement of Cash Flows

Supplementary information	Amount in the current period	Amount in the previous period
1. Adjusting net profit to cash flows from operating activities		
Net profit	-25,036,572.88	-40,662,144.86
Plus: losses from credit impairment		
Provision for asset impairment		
Depreciation and amortization of investment properties	83,278.38	83,278.38
Depreciation of fixed assets	11,377,049.56	10,501,363.95
Depreciation of right-of-use assets	2,876,532.54	2,629,300.57
Amortization of intangible assets	188,865.06	172,074.85
Amortization of long-term deferred expenses	854,717.25	755,453.82
Amortization of deferred income	-3,172,940.10	-3,173,447.45
Losses from disposal of fixed assets, intangible assets and other long-term assets (income expressed with "-")	-1,156,732.52	
Losses on write-off of fixed assets (income expressed with "-")		108,730.90
Losses from changes in fair value ("- for gains)		
Financial expenses (income expressed with "-")	1,412,373.17	5,742,174.61
Investment losses (income expressed with "-")	-13,771,642.72	-9,007,609.64
Decrease in deferred tax assets (increases expressed with "-")		
Increase in deferred tax liabilities (decreases expressed with "-")		
Decrease in inventories (increases expressed with "-")	1,846,599.47	2,430,717.81
Decrease in operating receivables (increases expressed with "-")	318,259.02	-36,060,439.41
Increase in operating payables (decreases expressed with "-")	-38,073,551.74	13,484,055.04
Others		
Net cash flows from operating activities	-62,253,765.51	-52,996,491.43
2. Significant investments and financing activities that do not involve cash receipts and payments		
Conversion of debt into capital		

Supplementary information	Amount in the current period	Amount in the previous period
Convertible corporate bonds due within one year		
3. Net changes in cash and cash equivalents		
Ending balance of cash	104,140,868.84	309,726,567.91
Less: beginning balance of cash	471,067,121.66	310,734,919.56
Plus: ending balance of cash equivalents		
Less: beginning balance of cash equivalents		
Net increase in cash equivalents	-366,926,252.82	-1,008,351.65

2. Composition of cash and cash equivalents

Item	Ending balance	Balance at the end of last year
I. Cash	104,140,868.84	471,067,121.66
Including: cash on hand	31,006.55	30,264.98
Bank deposits readily available for payment	103,300,161.95	471,032,644.67
Other monetary funds readily available for payment	809,700.34	4,212.01
Deposits with the central bank available for payment		
Interbank deposits		
Interbank lending		
II. Cash equivalents		
Including: bond investments due within three months		
III. Balance of ending cash and cash equivalents	104,140,868.84	471,067,121.66
Including: restricted cash and cash equivalents used by the parent company or subsidiaries within the group		

3. Monetary funds that are not classified as cash and cash equivalents

Item	Amount in the current period	Amount in the previous period	Reasons for not being classified as cash and cash equivalents
L/G deposit	5,112,100.00	2,800,000.00	Frozen, restricted
Total	5,112,100.00	2,800,000.00	

(LV) Assets with restricted ownership or right of use

Item	Ending book value	Reason for restriction
Monetary funds	5,112,100.00	L/G deposit

(LVI) Foreign currency monetary items

Item	Ending foreign currency balance	Conversion exchange rate	Ending converted RMB balance
Monetary funds			
Including: USD	842,535.61	7.15860	6,031,375.30
EUR	1,017.71	8.40240	8,551.21
HKD	135,107.99	0.91195	123,211.72

Item	Ending foreign currency balance	Conversion exchange rate	Ending converted RMB balance
SGD	2,613.03	5.61790	14,679.74
		Total	6,177,817.97

(LVII) Lease**1. The Company serves as the Lessee**

Item	Amount in the current period	Amount in the previous period
Interest expenses on lease liabilities	470,748.87	52,282.29
Total cash outflow related to lease	2,142,680.00	2,556,609.50
Variable lease payments not included in the measurement of lease liabilities		
Lease expenses for short-term lease or low-value assets simplified		

2. The Company serves as the Lessor

Operating leases when serving as the Lessor

Item	Lease income	Including: revenue related to variable lease payments not included in lease receipts
House lease	756,951.25	
Total	756,951.25	

VI. R&D expenditures

Item	Amount incurred in the current period	Amount incurred in previous period
Employee compensation	8,153,835.98	12,068,981.04
Depreciation cost	394,879.28	3,040,458.21
Royalties	3,720.00	2,235.00
Others		5,188.50
Total	8,552,435.26	15,116,862.75
Including: expensed R&D expenditures	8,552,435.26	15,116,862.75
Total	8,552,435.26	15,116,862.75

VII. Equity in other entities**(I) Equity in subsidiaries****1. Composition of enterprise group**

Name of subsidiary	Main place of business	Shareholding ratio (%)		Acquisition method
		Direct	Indirect	
Shenzhen Nanshan Power (Zhongshan) Power Co., Ltd.	Zhongshan	80.00		Establishment
Shenzhen Nanshan Power Gas Turbine Engineering Technology (Shenzhen) Co., Ltd.	Shenzhen	100.00		Establishment
Shenzhen Nanshan Power Environmental Protection (Shenzhen) Co., Ltd.	Shenzhen	100.00		Establishment
Shenzhen Xiefu Energy Co., Ltd.	Shenzhen	50.00		Establishment

Name of subsidiary	Main place of business	Shareholding ratio (%)		Acquisition method
		Direct	Indirect	
Shenzhen New Power Industrial Co., Ltd.	Shenzhen	100.00		Establishment
Shennan Energy (Singapore) Co., Ltd.	Singapore	100.00		Establishment
Hong Kong Syndisome Co., Ltd.	Hongkong		100.00	Establishment
Shenzhen Nanshan Power Xiwan Energy (Zhongshan) Co., Ltd.	Zhongshan		51.00	Establishment

2. Important non-wholly owned subsidiaries

Name of subsidiary	Shareholding ratio of minority shareholders (%)	Profits and losses attributable to minority shareholders in the current period	Dividends declared to be distributed to minority shareholders the current period	Ending balance of minority interests
Shenzhen Nanshan Power (Zhongshan) Power Co., Ltd.	20	-2,962,989.39		-47,064,206.22

3. Main financial information of important non-wholly owned subsidiaries

Name of subsidiary	Shenzhen Nanshan Power (Zhongshan) Power Co., Ltd.					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Ending balance	222,389,435.80	220,745,501.03	443,134,936.83	747,277,973.27	122,607,242.32	869,885,215.59
Amount at the end of last year	231,477,900.81	84,593,178.85	316,071,079.66	732,191,175.33		732,191,175.33

Continued

Name of subsidiary	Amount in the current period				Amount in the previous period			
	Operating revenue	Net profit	Total comprehensive income	Cash flows from operating activities	Operating revenue	Net profit	Total comprehensive income	Cash flows from operating activities
Shenzhen Nanshan Power (Zhongshan) Power Co., Ltd.	4,471,436.76	-10,630,183.09	-10,630,183.09	-1,672,568.49	11,033,515.24	-9,380,307.68	-9,380,307.68	-34,505,641.13

(II) Equity in joint venture arrangements or associates

1. Significant joint ventures or associates

Name of joint ventures or associates	Main place of	Place of registration	Nature of business	Shareholding ratio (%)	Accounting treatments	Whether the
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	business				Direct	Indirect	for investments in joint ventures or associates	Company's activities are strategic
Liaoyuan Environmental Protection (note)	Yixing, Jiangsu	Yixing, Jiangsu	Environmental protection	9.935			Equity method	No

Note: the Company invested RMB 72,873,680.00 in Liaoyuan Environmental Protection, accounting for 9.935% of the equity of Liaoyuan Environmental Protection, and is the second largest shareholder of Liaoyuan Environmental Protection. The Board of Directors of Liaoyuan Environmental Protection has five directors. On March 12, 2022, the Company appointed one director, constituting a significant impact on Liaoyuan Environmental Protection.

2. Main financial information of significant joint ventures or associates

Item	Ending balance/Amount in the current period	Balance at the end of the previous year/Amount in the previous period
	Liaoyuan Environmental Protection	Liaoyuan Environmental Protection
Current assets	659,651,786.88	651,606,972.89
Non-current assets	397,004,616.00	404,737,609.91
Total assets	1,056,656,402.88	1,056,344,582.80
Current liabilities	180,992,468.68	204,238,716.00
Non-current liabilities	26,764,459.76	26,261,285.84
Total liabilities	207,756,928.44	230,500,001.84
Minority interests	248,854,377.06	250,986,390.18
Equity attributable to shareholders of the parent company	600,045,097.38	574,858,190.78
Net asset share calculated based on shareholding ratio	59,614,480.42	57,112,161.25
Adjustments	33,139,772.06	33,475,360.19
-Others	33,139,772.06	33,475,360.19
Book value of equity investments in associates	92,754,252.48	90,587,521.44
Fair value of equity investments in associates with publicly quoted prices		
Operating revenue	352,934,583.44	301,045,259.67
Financial expenses	-642,424.81	-1,779,388.61
Income tax expenses	7,068,598.26	9,028,363.51
Net profit	40,418,608.35	35,650,818.44
Net profit attributable to shareholders of the parent company	32,538,101.18	24,711,259.75
Net profit from discontinued operations		

Item	Ending balance/Amount in the current period	Balance at the end of the previous year/Amount in the previous period
	Liaoyuan Environmental Protection	Liaoyuan Environmental Protection
Other comprehensive income		
Total comprehensive income	32,538,101.18	24,711,259.75
Dividends received from associates in the current period	809,700.00	809,700.00

VIII. Government subsidies

(I) Liability items involving government subsidies

Liabilities	Balance at the end of last year	New subsidies in the current period Amount	Amount included in non-operating revenue in the current period	Amount included in other income for the current period
Deferred income	61,522,875.97			3,172,940.10

(Continued)

Liabilities	Amount of cost offset in the current period	Other changes	Ending balance	Asset-related/ income-related
Deferred income			58,349,935.87	Asset related

(II) Government subsidies included in the current profit or loss

Subsidy project	Amount incurred in the current period	Amount incurred in the previous period
Other benefits	3,172,940.10	3,578,045.23
	3,172,940.10	3,578,045.23

IX. Risks related to financial instruments

The Company's main financial instruments include equity investments, long-term and short-term borrowings, accounts receivable, accounts payable, other receivables, etc. For details of various financial instruments, please refer to the relevant items in the Note V. The risks related to these financial instruments, and the risk management policies adopted by the Company to mitigate these risks are described below. The management of the Company manages and monitors these risk exposures to ensure that the above risks are controlled within a limited range.

The Company uses sensitivity analysis techniques to analyze the impact that reasonable and probable changes in risk variables may have on current profit or loss or shareholders' equity. As any risk variable seldom changes in isolation, and the correlation between the variables will have a significant effect on the final affected amount of the change of a risk variable, the following contents are carried out under the assumption that the change of each variable is independently:

(I) Credit risk

Credit risk refers to the risk that one party to financial instruments fails to perform its obligations, causing the other party to suffer financial losses. The Company is mainly exposed to customer credit risk caused by credit sales. Before entering into a new contract, the Company assesses the credit risk of the new customers, including external credit ratings and, in some cases, bank references (when this information is available). The Company sets a credit limit for each customer, which is the maximum

amount for which no additional approval is required.

The Company ensures that the Company's overall credit risk is within a controllable range through quarterly monitoring of credit ratings of existing customers and monthly review of aging analysis of accounts receivable. When monitoring the credit risk of customers, customers are grouped according to their credit characteristics. Customers rated as "high risk" are placed on the restricted customer list and may only be given for credit sales by the Company in the future with additional approval, otherwise they must be required to pay the corresponding amount in advance.

(II) Market risk

Market risk of financial instruments refers to the risk that the fair value or future cash flows of financial instruments fluctuates due to changes in market prices, including exchange rate risk, interest rate risk and other price risks.

(1) Interest rate risk

Interest rate risk refers to the risk that the fair value or future cash flows of financial instruments fluctuates due to changes in market interest rates. The Company's risk of changes in cash flows of financial instruments due to changes in interest rates is mainly related to variable-rate bank borrowings.

The sensitivity analysis of interest rate risk is based on the following assumptions:

Changes in market interest rates affect interest income or expenses of variable-rate financial instruments; For fixed-rate financial instruments measured fair value, changes in market interest rates only affect their interest income or expenses; for derivative financial instruments designated as hedging instruments, changes in market interest rates affect their fair value, and all interest rate hedging is expected to be highly effective; changes in the fair value of derivative financial instruments and other financial assets and liabilities which are calculated by using the discounted cash flow method at the market interest rate on the balance sheet date.

As of June 30, 2025, the Company's bank loan interest calculated at floating rates totaled RMB 1,205,566.68.

(2) Exchange rate risk

Exchange rate risk refers to the risk that the fair value or future cash flows of financial instruments fluctuates due to fluctuations in foreign exchange rates. The Company tries its best to match foreign currency revenues with foreign currency expenditures to reduce exchange rate risk. In addition, the Company may also enter into forward foreign exchange contracts or currency swap contracts to avoid exchange rate risk. During the current period and the previous period, the Company did not sign any forward foreign exchange contract or currency swap contract.

The exchange rate risk exposed to the Company mainly comes from financial assets and financial liabilities denominated in foreign currencies, and the amounts of foreign-currency financial assets and foreign-currency financial liabilities converted into RMB are listed as follows:

Item	Ending balance			Balance at the end of last year		
	USD	Other foreign currencies	Total	USD	Other foreign currencies	Total
Monetary funds	6,031,375.30	146,442.67	6,177,817.97	6,051,803.55	158,516.38	6,210,319.93
Total	6,031,375.30	146,442.67	6,177,817.97	6,051,803.55	158,516.38	6,210,319.93

As of June 30, 2025, with all other variables remaining unchanged, if RMB appreciates or depreciates by 5% against foreign currencies, the Company's net profit will increase or decrease by RMB 308,890.90. The Management believes that 5% reasonably reflects the reasonable range of possible

changes in RMB against foreign currencies in the following year.

(III) Liquidity risk

Liquidity risk refers to the risk of a shortage of funds when an enterprise fulfills its obligations that is settled by the delivery of cash or other financial assets. It is the Company's policy to ensure that it has sufficient cash to repay its debts as and when they fall due. Liquidity risk is centrally controlled by the Company's Finance Department. The Finance Department ensures that the Company has sufficient funds to repay its debt under all reasonable forecasts by monitoring cash balances, readily realizable securities, and rolling forecasts of cash flows over the next 12 months.

X. Disclosure of fair value

The input value used for measuring fair value is divided into three levels:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access on the measurement date.

Level 2 inputs are directly or indirectly observable inputs of relevant assets or liabilities other than Level 1 inputs.

Level 3 inputs are unobservable inputs of related assets or liabilities.

The level to which the results of fair value measurement belong is determined by the lowest level of inputs that are significant to fair value measurement as a whole.

1. Fair values of assets and liabilities measured at fair value as at June 30, 2025

Item	Fair value as at June 30, 2025			
	Measured at the fair value of level 1	Measured at the fair value of level 2	Measured at the fair value of level 3	Total
Continuous measurement at fair value				
Financial assets held for trading			192,530,263.51	192,530,263.51
Other investments in equity instruments			350,768,378.71	350,768,378.71
Including: non-trading equity instrument investments			350,768,378.71	350,768,378.71
Total assets with continuous measurement at fair value			543,298,642.22	543,298,642.22

2. Valuation techniques and qualitative and quantitative information of important parameters used for items measured at the fair value of Level 2 on a continuing and non-continuous basis

At the end of the period, the structured deposits are taken as the fair value according to the type of financial products and the forecast of future cash flows.

3. Basis for determining the market price of items measured at the fair value of Level 3 on a continuing and non-continuous basis

For non-trading equity instruments investments, the Company uses valuation techniques to determine their fair value. The valuation models used mainly are discounted cash flow model and market comparable company model, etc. The input values of valuation techniques mainly include risk-free interest rate, benchmark interest rate, exchange rate, credit spread, liquidity premium, illiquidity discount, etc.

XI. Related parties and related transactions

(I) Information on the parent company of the Company

The Company does not have a parent company as none of its shareholders hold more than 50% of the

Company's shares and cannot form a control relationship with the Company by other means.

(II) Information on the Company's subsidiaries

For details of the Company's subsidiaries, please refer to the Note "VII. (I) Equity in subsidiaries".

(III) Information on the Company's joint ventures and associates

For details of the Company's significant joint ventures or associates, please refer to the Note "VII. (II) Equity in joint venture arrangements or associates".

(IV) Information on other related parties

Name of other related parties	Relationship between other related parties and the Company
Shenzhen Energy Corporation (hereinafter referred to as "Energy Corporation")	Legal person holding more than 5% of the Company's shares
Shenzhen Guangju Industrial Co., Ltd.	Legal person holding more than 5% of the Company's shares
HONG KONG NAM HOI (INTERNATIONAL) LTD	Legal person holding more than 5% of the Company's shares
Shenzhen Capital Holdings Co., Ltd.	Legal person that indirectly holds more than 5% of the Company's shares through Energy Corporation
Artron Art (Group) Co., Ltd.	Zhang Ming, the supervisor of the Company, serves as a director of the Company
Shenzhen MTC Co., Ltd.	Holding enterprise of the Company's largest shareholder
Shenzhen Institute of Building Research Co., Ltd.	Holding enterprise of the Company's largest shareholder
Directors, supervisors and senior officers of the Company	Key managers

(V) Related transactions

1. Related transactions of purchase and sale of goods and rendering and acceptance of services

Purchase of goods/acceptance of services

Related party	Details of related transactions	Amount in the current period	Amount in the previous period
Artron Art (Group) Co., Ltd. and its subsidiaries	Purchase of goods		9,418.50
Shenzhen Institute of Building Research Co., Ltd. and its subsidiaries	Accepting labor services	6,080.00	
Shenzhen Clou Electronics Co., Ltd. and its subsidiary	Energy management services	2,158,000.00	

Sales of goods/rendering of services

Related party	Details of related transactions	Amount in the current period	Amount in the previous period
Shenzhen MTC Co., Ltd.	Energy management services	780,548.34	309,121.92

2. Related party guarantees

The Company has no related-party guarantees.

(VI) Receivables and payables of related parties**1. Receivables**

Project name	Related party	Ending book balance	Book balance at the end of last year
Advances to suppliers	Shenzhen Clou Electronics Co., Ltd. and its subsidiary	631,200.00	
Contract assets	Shenzhen MTC Co., Ltd.	275,175.24	
Contract assets	Shenzhen Clou Electronics Co., Ltd. and its subsidiary	7,580.68	7,580.68
Contract assets	China Science and Technology Development Co., Ltd.	1,764.00	
Accounts receivable	Shenzhen MTC Co., Ltd.		457,584.58
	Total	915,719.92	465,165.26

XII. Commitments and contingencies**(I) Important commitments****1. Information on guarantees issued as of June 30, 2025**

The Company applied to Shanghai Pudong Development Bank Co., Ltd. Shenzhen Branch for issuing a payment guarantee within the credit line, with an amount of RMB 30 million and due on July 16, 2025.

The Company's subsidiary, Shenzhen Nanshan Power Environmental Protection Company, applied to China Merchants Bank Co., Ltd. Shenzhen Branch for issuing a performance guarantee within the credit line, with an amount of RMB 3.7 million and due on March 31, 2026.

The Company's subsidiary, Shenzhen Nanshan Power Engineering Company, applied to Agricultural Bank of China Limited Shenzhen OCT Sub-branch for issuing a performance guarantee within the credit line, with an amount of RMB 1.4121 million and due on June 30, 2027.

2. Other commitments

As of June 30, 2025, except for the above matters, the Company had no other important commitments required to be disclosed.

(II) Contingencies

As of June 30, 2025, the Company had no contingencies required to be disclosed.

XIII. Events after the balance sheet date

As of the date of the Report, the Company had no other subsequent events required to be disclosed.

XIV. Other important events**(I) Information on segments****1. Determination basis and accounting policies of reporting segments**

For management purposes, the Company and subsidiaries are divided into business units based on products and services. The Company has three reporting segments as follows:

- (1) Power Production and Sale Division;
- (2) Integrated Energy Service Segment;

(3) Other segments

The Company's management periodically evaluates the operating results of its operating segments to decide on the allocation of resources to them and to evaluate their performance.

Segment reporting information is disclosed in accordance with the accounting policies and measurement criteria used by the segments in reporting to the Management, which are consistent with the basis of accounting and measurement used in the preparation of the financial statements.

2. Financial information of reporting segments

Item	Power Production and Sale Division	Integrated Energy Service Segment	Other Segments	Inter-segment offsetting	Total
Operating revenue	145,467,624.06	25,937,260.08	5,124,076.84	10,139,006.73	166,389,954.25
Operating costs	147,248,786.41	18,798,396.20	4,580,554.37	8,530,960.36	162,096,776.61
Total assets	2,125,603,806.31	90,730,346.51	696,064,638.82	929,727,016.66	1,982,671,774.99
Total liabilities	418,077,620.93	40,318,279.28	872,933,922.00	835,572,404.54	495,757,417.67

XV. Notes to the main items of the parent company's financial statements**(I) Accounts receivable****1. Disclosure of accounts receivable on an aging basis**

Aging	Ending balance	Balance at the end of last year
Within 1 year	50,494,695.04	26,641,173.11
Subtotal	50,494,695.04	26,641,173.11
Less: provision for bad debts		
Total	50,494,695.04	26,641,173.11

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

Category	Ending balance				
	Book balance		Provision for bad debts		Book value
	Amount	Ratio (%)	Amount	Provision ratio (%)	
Provision for bad debts on an individual basis					
Provision for bad debts on a credit risk portfolio basis	50,494,695.04	100.00			50,494,695.04
Total	50,494,695.04	100.00			50,494,695.04

Category	Balance at the end of last year				
	Book balance		Provision for bad debts		Book value
	Amount	Ratio (%)	Amount	Provision ratio (%)	
Provision for bad debts on an individual basis					

Category	Balance at the end of last year				
	Book balance		Provision for bad debts		Book value
	Amount	Ratio (%)	Amount	Provision ratio (%)	
Provision for bad debts on a credit risk portfolio basis	26,641,173.11	100.00			26,641,173.11
Total	26,641,173.11	100.00			26,641,173.11

Provision for bad debts made by portfolio:

Items accrued on a portfolio basis:

Name	Ending balance		
	Accounts receivable	Provision for bad debts	Provision ratio (%)
Portfolio II: receivables from power production and sales	50,494,695.04		
Total	50,494,695.04		

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

Entity name	Ending balance of accounts receivable	Ending balance of contract assets	Ending balance of accounts receivable and contract assets	Proportion to the total ending balance of accounts receivable and contract assets (%)	Ending balance of provision for bad debts of accounts receivable and provision for contract asset impairment
Shenzhen Power Supply Bureau Co., Ltd.	50,494,695.04		50,494,695.04	100.00	
Total	50,494,695.04		50,494,695.04	100.00	

(II) Other receivables

Item	Ending balance	Balance at the end of last year
Interest receivable		
Dividends receivable		
Other receivables	585,795,695.01	614,157,681.93
Total	585,795,695.01	614,157,681.93

1. Other receivables

(1) Disclosure based on aging

Aging	Ending balance	Balance at the end of last year
Within 1 year	36,661,595.92	100,172,359.91
1 to 2 years	548,994,349.97	512,439,711.54
2 to 3 years		
Over 3 years	26,164,764.61	27,570,625.97
Total	611,820,710.50	640,182,697.42

(2) Disclosure by category

Category	Ending balance				
	Book balance		Provision for bad debts		Book value
	Amount	Ratio (%)	Amount	Provision ratio (%)	
Provision for bad debts on an individual basis	26,025,015.49	4.25	26,025,015.49	100.00	
Provision for bad debts on a credit risk portfolio basis	585,795,695.01	95.75			585,795,695.01
Total	611,820,710.50	100.00	26,025,015.49	4.25	585,795,695.01

Continued

Category	Balance at the end of last year				
	Book balance		Provision for bad debts		Book value
	Amount	Ratio (%)	Amount	Provision ratio (%)	
Provision for bad debts on an individual basis	26,025,015.49	4.07	26,025,015.49	100.00	
Provision for bad debts on a credit risk portfolio basis	614,157,681.93	95.93			614,157,681.93
Total	640,182,697.42	100.00	26,025,015.49	4.07	614,157,681.93

(3) Provision for bad debts on an individual basis

Name	Ending balance			
	Book balance	Provision for bad debts	Provision ratio (%)	Reasons for provision
Huiyang Kangtai Industrial Company	14,311,626.70	14,311,626.70	100.00	Historical leftover items, which date back to long time ago and are expected to be irrecoverable
Receivables from employee benefit fund dividends and taxes	9,969,037.63	9,969,037.63	100.00	
Receivables from purchase of employee dormitories	1,736,004.16	1,736,004.16	100.00	
Others	8,347.00	8,347.00	100.00	
Total	26,025,015.49	26,025,015.49	100.00	

(4) Provision for bad debts on a portfolio basis

Name	Ending balance		
	Other receivables	Provision for bad debts	Provision ratio (%)
Portfolio IV: current accounts of related parties within the consolidation	583,462,935.93		
Portfolio V: guarantee, deposit and petty cash portfolio	1,504,702.55		

Name	Ending balance		
	Other receivables	Provision for bad debts	Provision ratio (%)
Portfolio VII: other receivables and temporary payments	828,056.53		
Total	585,795,695.01		

(5) Provision for bad debts

Provision for bad debts	The first stage	The second stage	The third phase	Total
	Expected credit losses over the next 12 months	Expected credit loss for the entire duration (without credit impairment)	Expected credit loss for the entire duration (with credit impairment)	
Balance at the end of last year			26,025,015.49	26,025,015.49
Balance at the end of the previous year in the current period				
--Transfer to the second stage				
--Transfer to the third stage				
--Reverse to the second stage				
--Reverse to the first stage				
Provision for the current period				
Reverse for the current period				
Charge-off for the current period				
Write-off for the current period				
Other changes				
Ending balance			26,025,015.49	26,025,015.49

(6) Classification by nature of payment

Nature of payment	Ending book balance	Book balance at the end of last year
Transactions among related parties within the combination	583,462,935.93	611,645,846.09
Other receivables and temporary payments	15,018,805.87	15,170,475.09
Receivable from employees	11,834,266.15	11,837,807.57
Margin, security deposit and petty cash portfolio	1,504,702.55	1,528,568.67
Total	611,820,710.50	640,182,697.42

(7) Centralized fund management

Amounts included in other receivables due to centralized fund management	579,073,864.05
Situation description	The Company centralizedly manages the funds, and the principal and interest of the subsidiary receivable is RMB 579,073,864.05, and the principal and interest of the subsidiary payable is RMB 131,770,646.21.

(III) Long-term equity investments

Item	Ending balance			Balance at the end of last year		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Investments in subsidiaries	921,739,841.56	445,002,245.26	476,737,596.30	923,167,363.65	445,002,245.26	478,165,118.39
Investments in associates and joint ventures	92,754,252.48		92,754,252.48	90,587,521.44		90,587,521.44
Total	1,014,494,094.04	445,002,245.26	569,491,848.78	1,013,754,885.09	445,002,245.26	568,752,639.83

1. Investments in subsidiaries

Investees	Balance at the end of last year	Increased amount in the current period	Decreased amount in the current period	Ending balance	Provision for impairment in the current period	Ending balance of provision for impairment
Shenzhen Xiefu Energy Co., Ltd.	26,650,000.00			26,650,000.00		
Shennan Energy (Singapore) Co., Ltd.	6,703,800.00			6,703,800.00		
Shenzhen New Power Industrial Co., Ltd.	382,993,975.75			382,993,975.75		13,709,556.49
Shenzhen Nanshan Power (Zhongshan) Power Co., Ltd.	410,740,001.00			410,740,001.00		410,740,000.00
Shenzhen Nanshan Power Gas Turbine Engineering Technology (Shenzhen) Co., Ltd.	24,460,360.00			24,460,360.00		
Shenzhen Nanshan Power Environmental Protection (Shenzhen) Co., Ltd.	70,191,704.81			70,191,704.81		20,552,688.77
Zhuhai Hengqin Zhuozhi Investment Partnership (Limited Partnership)	1,427,522.09		1,427,522.09			
Total	923,167,363.65		1,427,522.09	921,739,841.56		445,002,245.26

2. Investments in associates and joint ventures

Investees	Beginning	Beginning	Increase and decrease in the current period
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	balance	balance of provision for impairment	Additional investment	Reduced investment	Investment profit or loss recognized under the equity method	Adjustments to the other comprehensive income
Associates	90,587,521.44				2,976,431.04	
Total	90,587,521.44				2,976,431.04	

Continued:

Investees	Increase and decrease in the current period				Ending balance	Ending balance of provision for impairment
	Other changes in equity	Declaration of cash dividend or profits	Provision for impairment	Others		
Associates		809,700.00			92,754,252.48	
Total		809,700.00			92,754,252.48	

(IV) Operating revenue and operating costs**1. Operating revenue and operating costs**

Item	Amount in the current period		Amount in the previous period	
	Revenue	Cost	Revenue	Cost
Main business	145,150,536.76	147,170,247.98	83,356,643.60	117,329,074.78
Other business	317,087.30	78,538.43	56,683,880.98	1,356,144.85
Total	145,467,624.06	147,248,786.41	140,040,524.58	118,685,219.63

2. Break down by product or service type

Item	Amount in the current period		Amount in the previous period	
	Revenue	Cost	Revenue	Cost
Power production and sale	145,150,536.76	147,170,247.98	139,947,599.59	117,329,074.78
Others	317,087.30	78,538.43	92,924.99	1,356,144.85
Total	145,467,624.06	147,248,786.41	140,040,524.58	118,685,219.63

3. By region

Item	Amount in the current period		Amount in the previous period	
	Revenue	Cost	Revenue	Cost
Domestic	145,467,624.06	147,248,786.41	140,040,524.58	118,685,219.63
Total	145,467,624.06	147,248,786.41	140,040,524.58	118,685,219.63

4. Revenue arising from contracts

Item	Amount in the current period	Amount in the previous period
Classification by contract performance obligations		
Including: revenue recognized at a certain time point	145,467,624.06	140,040,524.58
Revenue recognized within a certain period of time		
Total	145,467,624.06	140,040,524.58

(V) Investment income

Item	Amount in the current period	Amount in the previous period
Income from long-term equity investments accounted for equity method under the equity method	2,976,431.04	2,400,426.35
Investment income from financial assets held for trading during the holding period	5,195,211.68	6,510,401.50
Dividend income received from investments in equity instruments during the holding period		68,719.76
Dividends from long-term equity investments		
Investment income from liquidation and cancellation of subsidiaries (Note)	-342,310.70	
Total	7,829,332.02	8,979,547.61

Note: Mainly due to investment income from the liquidation and deregistration of the Company's subsidiary, Zhuhai Hengqin Zhuozhi Investment Partnership (Limited Partnership), during the current period, as part of the Company's efforts to streamline management layers and optimize its external investment structure.

XVI. Change in the scope of consolidation**(I) Changes in consolidation scope due to other reasons**

During the reporting period, the main reason for the change in the company's consolidation scope was the liquidation and deregistration of the subsidiary, Zhuhai Hengqin Zhuozhi Investment Partnership (Limited Partnership), on June 30, 2025.

Company name	Methods of acquiring and disposing subsidiary during the reporting period	Impact on overall production operations and performance
Zhuhai Hengqin Zhuozhi Investment Partnership (Limited Partnership)	Liquidation and cancellation on June 30, 2025	Be helpful to streamline management hierarchies and optimize the Company's external investment structure, with no material impact on financial performance.

XVII. Supplementary information**(I) Statement of non-recurring profit or loss in the current period**

Item	Amount	Remark
Profits and losses on disposal of non-current assets	1,156,732.52	
Tax returns, deduction and exemption approved beyond the authority or without official approval documents		
Government subsidies included in the current profit or loss (except for government subsidies closely related to the enterprise business, obtained by quota or quantity at unified state standards)	64,723.14	
Fund occupation fees charged to non-financial enterprises included in the current profit or loss		
The investment cost in subsidiaries, associates and joint ventures acquired by an enterprise is less than the gains from the fair value of the identifiable net assets of the investees that shall be enjoyed when acquiring the investment		
Profits and losses on exchange of non-monetary assets		

Item	Amount	Remark
Profit or loss from entrusting others to invest or manage assets		
Various provision for asset impairment made due to force majeure factors, such as natural disasters		
Profits and losses of debt restructuring		
Enterprise reorganizing expenses, such as employee accommodation costs and integration expenses, etc.		
Profit or loss in excess of the fair value arising from transactions with obviously unfair transaction price		
Current net profit and loss of subsidiaries from the beginning of the period to the combination date arising from business combination under the common control		
Profit or loss arising from contingencies unrelated to the Company's normal business operations		
Profit or loss from changes in fair value arising from holdings of financial assets held for trading, derivative financial assets, financial liabilities held for trading and derivative financial liabilities, and investment income from disposal of financial assets held for trading, derivative financial assets, financial liabilities held for trading, derivative financial liabilities and other debt investments, except for effective hedging operations related to the normal business of the Company	5,195,211.68	
Reversal of provision for impairment of receivables individually tested for impairment		
Profit or loss from external entrusted loans		
Profits and losses from fair value changes of investment properties that are subsequently measured by using the fair value model		
Impact of one-off adjustment to the current profit or loss in accordance with laws and regulations on taxation and accounting on the current profit or loss		
Revenue from custody fees obtained from entrusted operations		
Other non-operating revenue and expenses other than the above	-92,279.19	
Other profit and loss items that meet the definition of non-recurring gains and losses		
Subtotal	6,324,388.15	
Less: income tax impact		
Changes in the amount of minority interests (after tax)	-263,119.56	
Total	6,587,507.71	

(II) Return on equity and earnings per share

Profit during the reporting period	Weighted average rate of return on net assets (%)	Earnings per share (RMB)	
		basic earnings per share	Diluted earnings per share
Net profit attributable to ordinary shareholders of the Company	-1.47%	-0.0361	-0.0361
Net profit attributable to ordinary shareholders of the Company after deducting non-recurring gains and	-1.92%	-0.0470	-0.0470

Profit during the reporting period	Weighted average rate of return on net assets (%)	Earnings per share (RMB)	
		basic earnings per share	Diluted earnings per share
losses			

Section IX Other Data

I. Other major public security issues

Whether the listed company and its subsidiaries have any other major public security issues

☐Yes ☐No ☒Not applicable

Whether administrative penalties were imposed during the reporting period

☐Yes ☐No ☒Not applicable

II. Registration form for reception of visitors intended for research, communication, interviews and other activities during the reporting period

☒Applicable ☐ Not applicable

Reception date	Reception location	Means of reception	Visitor type	Visitor	Main content discussed and information provided	Basic information index of the survey
May 15, 2025	Value online platform	Online communication on the network platform	Institutions, individuals	13	Inquire about the Company's performance, industry prospects, future development plans, transformation measures, and the update of the Company's investment matters, etc.	The Company offers prompt response in writing.
January - June 2025	Headquarters office area of the Company	Field research	Individuals	5	Participate in General Meetings, receive visits from individual investors, etc.	The Company welcomes visitors in accordance with laws and regulations
January - June 2025	irm.cninfo network	Written Inquiry	Individuals	17	Inquire about the Company's future development direction, the updates of the Company's investment matters and land-related matters, etc.	The Company offers prompt response in writing.
January - June 2025	Telephone communication	Telephone communication	Individuals	28	Inquire about the Company's performance,	The Company responded in accordance with the law

					market performance, land-related matters, and the update of the Company's investment matters, etc.	
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III. Fund transactions between the listed company and its controlling shareholder and other related parties

☒Applicable ☐ Not applicable

Unit: RMB 10,000

Name of the counterparty	Nature of the transaction	Beginning balance	Amount incurred in the reporting period	Amount repaid in the reporting period	Ending balance	Interest income	Interest expenses
Shenzhen Nanshan Power (Zhongshan) Power Co., Ltd.	Non-operating transactions	60,828.72	1,255.96	7,139.59	54,945.09	703.28	
Shenzhen Nanshan Power Gas Turbine Engineering Technology (Shenzhen) Co., Ltd.	Non-operating transactions	-	3,418.74	381.79	3,036.95	2.85	
Shenzhen Nanshan Power Xiwan Energy (Zhongshan) Co., Ltd.	Non-operating transactions	10.60	15.88	21.71	4.77		
Total	--	60,839.32	4,690.58	7,543.09	57,986.81	706.13	
Relevant decision-making procedures	Not Applicable						
Measures for ensuring the security of funds	Not Applicable						