

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



東方電氣股份有限公司
DONGFANG ELECTRIC CO., LTD.

(A joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 1072)

2021 THIRD QUARTERLY REPORT

This announcement is made pursuant to Rules 13.09 and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Set out below is the 2021 third quarterly report of Dongfang Electric Corporation Limited (the “**Company**” or “**DEC**”) and its subsidiaries for the nine months ended 30 September 2021 (“**Reporting Period**”). The financial statements contained in the report have been prepared under the China Accounting Standards for Business Enterprise and have not been audited.

This announcement is prepared in both Chinese and English languages. In the event of any inconsistency between the two versions, the Chinese version shall prevail.

By Order of the Board
Dongfang Electric Corporation Limited
Gong Dan
Company secretary

Chengdu, Sichuan, the PRC
29 October 2021

As at the date of this announcement, the directors of the Company are as follows:

Directors: *Yu Peigen, Xu Peng and Zhang Yanjun*

Independent non-executive directors: *Liu Dengqing, Huang Feng and Ma Yongqiang*

IMPORTANT NOTICE:

The board of directors, the supervisory committee and the directors, supervisors and senior management of the Company warrant that the contents of this quarterly report are true, accurate and complete, without any false representation, misleading statement or material omission, and jointly and severally accept legal responsibility.

The legal representative, the chief accountant, and the person-in-charge of accounting organization (head of accounting department) of the Company, have guaranteed the truthfulness, accuracy and completeness of the financial statements information contained in this quarterly report.

The third quarterly report is unaudited.

I. MAJOR FINANCIAL DATA

(I) Key accounting figures and financial indicators

Unit: yuan Currency: RMB

Item	For the reporting period	Increase/decrease for the reporting period over the corresponding period of last year (%)	For the period from the beginning of the year to the end of the Reporting Period	Increase/decrease for the period from the beginning of the year to the end of the Reporting Period over the corresponding period of last year (%)
Total operating income	10,682,175,839.13	14.62	33,419,261,401.05	23.44
Operating income	10,421,851,007.96	14.84	32,635,134,874.82	24.11
Net profit attributable to shareholders of the Company	517,930,258.81	33.48	1,866,182,815.47	39.02
Net profit attributable to shareholders of the Company after deducting non-recurring gain or loss	319,370,967.53	12.95	1,547,061,915.00	22.27
Net cash flow generated from operating activities	N/A	N/A	-6,945,090,619.73	N/A
Basic earnings per share (RMB/share)	0.17	41.67	0.60	39.53
Diluted earnings per share (RMB/share)	0.17	41.67	0.60	39.53
Weighted average return on net assets (%)	1.62	Increased by 0.33 percentage point	5.89	Increased by 1.43 percentage points

	As at the end of the reporting period	As at the end of last year	Increase/decrease as at the end of the Reporting Period as compared with the end of last year (%)
Total assets	102,770,620,120.30	97,795,137,769.16	5.09
Owners' equity attributable to shareholders of the Company	32,229,925,606.54	30,907,668,527.78	4.28

Note: The “reporting period” refers to the three months from 1 June 2021 to 30 September 2021.

(II) Non-recurring gain or loss items and amounts

<i>Unit: yuan Currency: RMB</i>			
Item	Amount for the reporting period	Amount for the period from the beginning of the year to the end of the Reporting Period	Explanation
Gain or loss from disposal of non-current assets (including the written-off portion of the provision for assets impairment)	750,347.82	227,707,824.10	
Government subsidies recorded in the income statement for the period (excluding those that are closely related to the normal operations of the Company and received continuously at a fixed amount or quantity according to certain standards of state policies)	21,045,970.66	76,886,812.16	
Gain or loss from debt restructuring	14,400.00	686,775.21	

Item	Amount for the reporting period	Amount for the period from the beginning of the year to the end of the Reporting Period	Explanation
Gains or losses arising from changes in fair value of held-for-trading financial assets and liabilities (other than effective hedging instruments related to the Company's normal operations), and investment gains on disposal of held-for-trading financial assets and liabilities and available-for-sale financial assets	231,105,209.38	210,022,939.36	
Reversal of impairment provision for receivables subject to individual impairment test	11,721,652.59	83,620,203.46	
Other non-operating income and expenses other than the above items	9,278,508.18	4,279,182.15	
Other gain or loss items falling within the meaning of non-recurring gain or loss	20,934.46	-171,709,517.51	
Less: Effect of income tax	66,056,291.81	91,190,509.3	
Effect of non-controlling interests (after tax)	9,321,440.00	21,182,809.16	
Total	<u>198,559,291.28</u>	<u>319,120,900.47</u>	

Explanation on defining any non-recurring items listed under the Explanatory Announcement No. 1 on Information Disclosure by Companies Offering Securities to the Public – Non-recurring Gains/Losses as recurring items

☐

Applicable

☒

Not applicable

(III) Change in key accounting figures and financial indicator and the reasons thereof

☒ Applicable ☐ Not applicable

Item	Change (%)	Major reasons
Inventories as at the end of the reporting period	31.49	Mainly due to the increase in the volume of production during the period
Total operating income for the period from the beginning of the year to the end of the Reporting Period	23.44	Mainly due to the increases of 84.09% in the wind power segment
Sales expenses for the period from the beginning of the year to the end of the Reporting Period	29.95	Mainly due to the increase in provisions made for warranty costs in proportion to income during the period
General and administrative expenses for the period from the beginning of the year to the end of the Reporting Period	22.25	Mainly due to the increase in provisions for termination benefits resulted by the mixed ownership reform carried out during the period
Research and development costs for the period from the beginning of the year to the end of the Reporting Period	15.20	Mainly due to the increase in the research and development investment in key projects during the period
Finance costs for the period from the beginning of the year to the end of the Reporting Period	N/A	The decrease of RMB36 million in finance costs for the period was mainly due to the decrease in net exchange losses during the period

Item	Change (%)	Major reasons
Gain on fair value changes for the period from the beginning of the year to the end of the Reporting Period	N/A	The increase of RMB240 million in gain on fair value changes for the period as compared with the corresponding period of last year was mainly due to the gain on changes in fair value of equity securities sold during the period
Net cash flows from operating activities for the period from the beginning of the year to the end of the Reporting Period	N/A	The decrease of RMB9,351 million in net cash flows from operating activities for the period as compared with the corresponding period of last year was mainly due to the increase in procurement expenses for production and operation of the Company
Net cash flows from investing activities for the period from the beginning of the year to the end of the Reporting Period	N/A	The increase of RMB4,312 million in net cash flows from investing activities for the period as compared with the corresponding period of last year was mainly due to the year-on-year increase in the investment inflow of the wealth management products of DEC Finance, a subsidiary of the Company during the period
Net cash flows from financing activities for the period from the beginning of the year to the end of the Reporting Period	N/A	The increase of RMB466 million in net cash flows from financing activities during the period as compared with the corresponding period of last year was mainly due to the increase in cash received from borrowings granted to the Company during the period as compared with the corresponding period of last year.

II. INFORMATION ON SHAREHOLDERS

(I) Total number of ordinary shareholders, number of preference shareholders with voting rights restored and shareholdings of the top ten shareholders

Unit: shares

Total number of ordinary shareholders as at the end of the Reporting Period	126,981	Total number of preference shareholders with restored voting rights as at the end of Reporting Period (if any)	0			
Shareholdings of the top ten shareholders						
Name of shareholder	Nature of shareholder	Number of shares held	Shareholding percentage (%)	Number of shares held subject to trading moratorium	Pledged, tagged or frozen Share status	Number
Dongfang Electric Corporation	State-owned legal person	1,727,919,826	55.40	753,903,063	Nil	
Hong Kong Securities Clearing Company Limited	Overseas legal person	305,554,017	9.80	0	Unknown	
Agricultural Bank of China Limited – Dacheng Xinrui Industrial Hybrid Securities Investment Funds (中國農業銀行股份有限公司–大成新銳產業混合型證券投資基金)	Other	23,445,100	0.75	0	Unknown	
Citigroup Inc.	Overseas legal person	16,996,266	0.54	0	Unknown	
Brown Brothers Harriman & Co.	Overseas legal person	15,323,886	0.49	0	Unknown	
Industrial and Commercial Bank of China Limited – Nanfang Zhuoyue Selected 3-month Hybrid Securities Investment Fund (中國工商銀行股份有限公司–南方卓越優選3個月持有期混合型證券投資基金)	Other	11,444,503	0.37	0	Unknown	

Shareholdings of the top ten shareholders (Cont'd)

Name of shareholder	Nature of shareholder	Number of shares held	Shareholding percentage (%)	Number of shares held subject to trading moratorium	Pledged, tagged or frozen Share status	Number
GF Securities Co., Ltd. – Dacheng Ruijing Flexible Allocation Hybrid Securities Investment Fund (廣發證券股份有限公司–大成睿景靈活配置混合型證券投資基金)	Other	10,097,204	0.32	0	Unknown	
Bosera Funds-Agricultural Bank – Bosera China Securities and Financial Assets Management Program (博時基金–農業銀行–博時中證金融資產管理計劃)	Other	8,480,400	0.27	0	Unknown	
E Fund – Agricultural Bank – E Fund China Securities and Financial Assets Management Program (易方達基金–農業銀行–易方達中證金融資產管理計劃)	Other	8,480,400	0.27	0	Unknown	
Dacheng Fund – Agricultural Bank– Dacheng China Securities and Financial Assets Management Program (大成基金–農業銀行–大成中證金融資產管理計劃)	Other	8,480,400	0.27	0	Unknown	
GF Fund – Agricultural Bank – GF China Securities and Financial Assets Management Program (廣發基金–農業銀行–廣發中證金融資產管理計劃)	Other	8,480,400	0.27	0	Unknown	

Shareholdings of the top ten shareholders (Cont'd)

Name of shareholder	Nature of shareholder	Number of shares held	Shareholding percentage (%)	Number of shares held subject to trading moratorium	Pledged, tagged or frozen	
					Share status	Number
Zhong Ou Fund – Agricultural Bank– Zhong Ou China Securities and Financial Assets Management Program (中歐基金–農業銀行–中歐中證金融資產管理計劃)	Other	8,480,400	0.27	0	Unknown	
China Southern Fund –Agricultural Bank– China Southern China Securities and Financial Assets Management Program (南方基金–農業銀行–南方中證金融資產管理計劃)	Other	8,480,400	0.27	0	Unknown	

Particulars of shareholdings of top ten holders of shares not subject to trading moratorium

Name of shareholder	Number of tradable shares held not subject to trading moratorium	Class and number of shares	
		Class of shares	Number
Dongfang Electric Corporation	974,016,763	RMB ordinary shares	974,016,763
Hong Kong Securities Clearing Company Limited	305,554,017	Overseas-listed foreign shares	337,874,169
Agricultural Bank of China Limited – Dacheng Xinrui Industrial Hybrid Securities Investment Funds (中國農業銀行股份有限公司–大成新銳產業混合型證券投資基金)	23,445,100	RMB ordinary shares	23,445,100
Citigroup Inc.	16,996,266	Overseas-listed foreign shares	16,996,266
Brown Brothers Harriman & Co.	15,323,886	Overseas-listed foreign shares	15,323,886
Industrial and Commercial Bank of China Limited – Nanfang Zhuoyue Selected 3-month Hybrid Securities Investment Fund (中國工商銀行股份有限公司–南方卓越優選3個月持有期混合型證券投資基金)	11,444,503	RMB ordinary shares	11,444,503

Particulars of shareholdings of top ten holders of shares not subject to trading moratorium (Cont'd)

Name of shareholder	Number of tradable shares held not subject to trading moratorium	Class and number of shares	
		Class of shares	Number
GF Securities Co., Ltd. – Dacheng Ruijing Flexible Allocation Hybrid Securities Investment Fund (廣發證券股份有限公司–大成睿景靈活配置混合型證券投資基金)	10,097,204	RMB ordinary shares	10,097,204
Bosera Funds-Agricultural Bank –Bosera China Securities and Financial Assets Management Program (博時基金–農業銀行–博時中 證金融資產管理計劃)	8,480,400	RMB ordinary shares	8,480,400
E Fund – Agricultural Bank – E Fund China Securities and Financial Assets Management Program (易方達基金–農業銀行–易方 達中證金融資產管理計劃)	8,480,400	RMB ordinary shares	8,480,400
Dacheng Fund – Agricultural Bank–Dacheng China Securities and Financial Assets Management Program (大成基金–農業銀 行–大成中證金融資產管理計劃)	8,480,400	RMB ordinary shares	8,480,400
GF Fund – Agricultural Bank – GF China Securities and Financial Assets Management Program (廣發基金–農業銀行–廣發中 證金融資產管理計劃)	8,480,400	RMB ordinary shares	8,480,400
Zhong Ou Fund – Agricultural Bank– Zhong Ou China Securities and Financial Assets Management Program (中歐基金–農業銀 行–中歐中證金融資產管理計劃)	8,480,400	RMB ordinary shares	8,480,400
China Southern Fund –Agricultural Bank– China Southern China Securities and Financial Assets Management Program (南方基金– 農業銀行–南方中證金融資產管理計劃)	8,480,400	RMB ordinary shares	8,480,400

Explanation on the connected relationship or
concerted actions among the aforesaid
shareholders

The Company is not aware of any connected relationship or concerted actions
among the top ten shareholders and top ten holders of tradable shares

Description of involvement in securities margin
financing, short selling and refinancing (if
any) by top ten shareholders and top ten
holders of shares not subject to trading
moratorium

III. OTHER REMINDERS

Other important information about the Company's operations during the Reporting Period that should be brought to the attention of investors

☒ Applicable ☐ Not applicable

In the first three quarters of 2021, the Company manufactured power generation equipment with capacity of 26,772.8MW, representing an increase of 49.21% as compared with the corresponding period of last year, including hydro-electric turbine generating units (6,965.5MW), steam turbine generators (17,190MW), wind power generation sets (2,617.3MW), power station boilers (16,295MW) and power station steam turbines (16,795.6MW).

In the first three quarters of 2021, the Company's new orders amounted to RMB46.983 billion, representing an increase of 19.98% as compared with the corresponding period of last year. Among the new orders, 28.6% was attributable to high-efficiency clean energy equipment, 23.9% to renewable energy equipment, 15.6% to engineering and trade, 12.5% to modern manufacturing service business, and 19.4% to emerging growth industry.

IV. QUARTERLY FINANCIAL STATEMENTS

(I) Type of audit opinion

☐ Applicable ☒ Not applicable

(II) Financial statements

Consolidated Balance Sheet

30 September 2021

Prepared by: Dongfang Electric Corporation Limited

Unit: yuan Currency: RMB Audit type: Unaudited

Item	30 September 2021	31 December 2020
Current assets:		
Monetary fund	18,158,676,794.77	26,686,232,240.60
Balances with clearing companies	–	–
Lendings to banks and other financial institutions	1,879,708,000.00	–
Held-for-trading financial assets	1,235,812,722.59	1,292,860,471.15
Derivative financial assets	–	–
Notes receivable	3,498,571,959.01	3,781,237,139.94
Accounts receivable	8,773,662,360.37	7,526,238,208.54
Receivables financing	1,579,995,146.58	1,946,034,819.15
Prepayments	3,554,057,646.34	2,973,122,649.71
Premiums receivable	–	–
Reinsurance accounts receivable	–	–
Deposits receivable from reinsurance treaty	–	–
Other receivables	756,670,277.55	633,416,127.20
Including: Interest receivable	219,874,657.21	236,257,055.12
Dividends receivable	29,522,398.50	54,487,143.57
Financial assets purchased under resale agreements	2,922,386,800.00	2,730,498,000.00
Inventories	20,525,909,996.41	15,609,854,069.57
Contract assets	8,903,050,616.45	6,527,930,416.19
Assets held-for-sale	–	–
Non-current assets due within one year	–	–
Other current assets	911,083,244.97	965,833,690.73
Total current assets	72,699,585,565.04	70,673,257,832.78

Item	30 September 2021	31 December 2020
Non-current assets:		
Loans and advances granted	2,651,878,841.03	1,927,919,340.85
Debt investment	11,602,331,749.42	9,946,621,270.91
Other debt investment	–	–
Long-term receivables	333,183,749.68	273,964,739.39
Long-term equity investments	2,191,448,540.06	1,775,770,115.49
Investment in other equity instruments	52,300,000.00	27,544,649.47
Other non-current financial assets	–	–
Investment properties	146,577,063.19	162,966,524.20
Fixed assets	4,912,006,243.45	5,242,562,925.69
Construction in progress	168,896,599.20	204,474,620.89
Biological assets for production	–	–
Oil and gas assets	–	–
Right-of-use assets	68,932,966.87	164,993,842.35
Intangible assets	1,511,547,286.71	1,599,905,484.86
Development expenses	2,787,387.09	2,051,886.80
Goodwill	–	–
Long-term deferred expenditures	2,316,206.98	2,109,452.20
Deferred tax assets	3,068,556,139.35	2,975,542,663.62
Other non-current assets	3,358,271,782.23	2,815,452,419.66
Total non-current assets	<u>30,071,034,555.26</u>	<u>27,121,879,936.38</u>
Total assets	<u>102,770,620,120.30</u>	<u>97,795,137,769.16</u>

Item	30 September 2021	31 December 2020
Current liabilities:		
Short-term borrowings	335,250,000.00	297,980,000.00
Borrowings from central bank	–	16,043,235.82
Borrowings from banks and other financial institutions	–	–
Held-for-trading financial liabilities	–	–
Derivative financial liabilities	–	–
Notes payable	5,006,823,000.89	4,861,679,751.95
Accounts payable	16,198,398,106.35	13,641,381,835.86
Receipt in advance	–	–
Contract liabilities	28,095,405,178.47	28,922,353,784.79
Disposal of repurchased financial assets	–	–
Deposit taking and deposit in interbank market	5,962,445,097.11	5,726,841,172.92
Customer deposits for trading in securities	–	–
Amounts due to issuers for securities underwriting	–	–
Staff remuneration payable	448,387,305.93	677,337,429.12
Taxes payable	276,469,112.33	288,449,718.75
Other payables	2,127,132,749.48	1,411,657,254.42
Including: Interest payable	6,862,436.69	28,164,115.17
Dividends payable	9,655,294.26	13,224,263.63
Handling charges and commissions payable	–	–
Reinsurance accounts payable	–	–
Liabilities held-for-sale	–	–
Non-current liabilities due within one year	115,852,057.45	139,954,877.02
Other current liabilities	158,628,273.45	121,286,819.72
Total current liabilities	<u>58,724,790,881.46</u>	<u>56,104,965,880.37</u>

Item	30 September 2021	31 December 2020
Non-current liabilities:		
Insurance contract reserves	–	–
Long-term borrowings	1,351,222,311.12	719,350,539.48
Bonds payable	–	–
Including: Preferred shares	–	–
Perpetual capital securities	–	–
Lease liabilities	28,094,776.05	27,531,905.94
Long-term payables	5,687,173.58	5,660,910.03
Long-term staff remuneration payable	1,112,340,800.84	960,970,033.23
Estimated liabilities	6,006,174,483.76	5,896,410,937.40
Deferred income	370,859,840.61	404,283,233.21
Deferred tax liabilities	42,832,756.66	34,364,292.43
Other non-current liabilities	–	–
Total non-current liabilities	<u>8,917,212,142.62</u>	<u>8,048,571,851.72</u>
Total liabilities	<u>67,642,003,024.08</u>	<u>64,153,537,732.09</u>

Item	30 September 2021	31 December 2020
Owners' equity (or shareholders' equity):		
Paid-in capital (or share capital)	3,119,151,130.00	3,119,764,130.00
Other equity instruments	–	–
Including: Preferred shares	–	–
Perpetual capital securities	–	–
Capital reserves	11,581,303,984.17	11,584,176,034.17
Less: Treasury shares	168,649,028.00	172,329,868.00
Other comprehensive income	-73,734,996.75	-67,918,065.04
Special reserves	111,879,353.09	88,508,618.58
Surplus reserves	972,791,178.68	972,805,441.29
General risk reserves	–	–
Retained profit	16,687,183,985.35	15,382,662,236.78
Total owners' equity (or shareholders' equity) attributable to owners of the parent company	32,229,925,606.54	30,907,668,527.78
Non-controlling interests	2,898,691,489.68	2,733,931,509.29
Total owners' equity (or shareholders' equity)	<u>35,128,617,096.22</u>	<u>33,641,600,037.07</u>
Total liabilities and owners' equity (or shareholders' equity)	<u>102,770,620,120.30</u>	<u>97,795,137,769.16</u>
<i>Legal representative:</i> Yu Peigen	<i>Chief accountant:</i> Gong Dan	<i>Head of the accounting department:</i> Zheng Xingyi

Consolidated Income Statement

January to September 2021

Prepared by: Dongfang Electric Corporation Limited

Unit: yuan Currency: RMB Audit type: Unaudited

Item	First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
I. Total operating income	33,419,261,401.05	27,072,662,665.14
Including: Operating income	32,635,134,874.82	26,295,919,094.09
Interest income	782,356,382.00	774,237,201.95
Premium earned	—	—
Fee and commission income	1,770,144.23	2,506,369.10
II. Total operating costs	31,621,558,967.92	25,630,247,022.03
Including: Operating costs	27,058,387,547.07	21,820,486,083.11
Interest expenses	84,634,257.64	70,755,149.82
Fee and commission expenses	1,104,993.20	971,229.15
Surrenders	—	—
Net claims	—	—
Net provision for insurance contract	—	—
Insurance policy holder dividends	—	—
Expenses for reinsurance accepted	—	—
Tax and levies	144,703,947.45	127,592,736.16
Sales expenses	949,693,100.91	730,790,087.40
General and administrative expenses	1,857,102,108.67	1,519,128,838.67
Research and development costs	1,526,231,439.27	1,324,892,735.78
Finance costs	-298,426.29	35,630,161.94
Including: Interest expenses	21,509,802.72	20,838,896.21
Interest income	30,232,041.16	28,589,742.97

Item		First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
Add:	Other gains	76,390,030.16	89,887,775.55
	Investment income (Loss is indicated by “-”)	300,506,179.21	236,312,865.48
	Including: Income from investments in associates and joint ventures	195,262,006.79	128,126,378.63
	Gains on derecognition of financial assets measured at amortised cost	–	–
	Foreign exchange gains (Loss is indicated by “-”)	633,344.10	712,582.77
	Gains from net exposure hedges (Loss is indicated by “-”)	–	–
	Gains from changes in fair values (Loss is indicated by “-”)	177,784,895.06	-62,297,925.30
	Credit impairment loss (Loss is indicated by “-”)	-148,099,848.13	-471,203,241.08
	Impairment loss of assets (Loss is indicated by “-”)	-186,523,563.83	350,077,267.51
	Gains from disposal of assets (Loss is indicated by “-”)	228,576,771.08	7,292,337.30
III.	Operating profit (Loss is indicated by “-”)	2,246,970,240.78	1,593,197,305.34
	Add: Non-operating income	22,903,667.06	24,496,509.70
	Less: Non-operating expenses	18,281,585.49	61,346,362.72
IV.	Total profit (Total loss is indicated by “-”)	2,251,592,322.35	1,556,347,452.32
	Less: Income tax expenses	268,756,239.29	128,879,251.08

Item	First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
V. Net profit (Net loss is indicated by “-”)	1,982,836,083.06	1,427,468,201.24
(I) Classified by continuity of operations		
1. Net profit from continuing operations (Net loss is indicated by “-”)	1,982,836,083.06	1,427,468,201.24
2. Net profit from discontinued operations (Net loss is indicated by “-”)	–	–
(II) Classified by ownership		
1. Net profit attributable to shareholders of the parent company (Net loss is indicated by “-”)	1,866,182,815.47	1,342,402,767.06
2. Profit or loss attributable to non-controlling interests (Net loss is indicated by “-”)	116,653,267.59	85,065,434.18
VI. Other comprehensive income (net of tax)	-5,910,379.97	-21,765,763.90
(I) Other comprehensive income attributable to owners of the parent company (net of tax)	-5,816,931.71	-21,442,919.94
1. Other comprehensive income that will not be reclassified to profit or loss	–	1,158,533.99
(1) Changes arising from the re-measurement of defined benefit plans	–	–
(2) Other comprehensive income that cannot be reclassified to profit or loss under equity method	–	–

Item	First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
(3) Changes in fair value of investment in other equity instruments	–	1,158,533.99
(4) Changes in fair value of the Company's own credit risks	–	–
2. Other comprehensive income that will be reclassified to profit or loss	-5,816,931.71	-22,601,453.93
(1) Other comprehensive income that can be reclassified to profit or loss under equity method	-114,942.39	-41,709.13
(2) Changes in fair value of other debt investment	–	–
(3) The amount of financial assets reclassified into other comprehensive income	–	–
(4) Provisions for credit impairment of other debt investments	–	–
(5) Reserves for cash flows hedges	–	–
(6) Exchange differences from translation of financial statements	-5,701,989.32	-22,559,744.80
(7) Others	–	–
(II) Other comprehensive income attributable to non- controlling interests (net of tax)	-93,448.26	-322,843.96

Item	First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
VII. Total comprehensive income	1,976,925,703.09	1,405,702,437.34
(I) Total comprehensive income attributable to the owners of the parent company	1,860,365,883.76	1,320,959,847.12
(II) Total comprehensive income attributable to non- controlling interests	116,559,819.33	84,742,590.22
VIII. Earnings per share:		
(I) Basic earnings per share (RMB/share)	0.60	0.43
(II) Diluted earnings per share (RMB/share)	0.60	0.43

For the merger of enterprises under common control during the period, there was no net profit recorded by the merged party before the merger and for the previous period.

<i>Legal representative:</i>	<i>Chief accountant:</i>	<i>Head of the accounting department:</i>
Yu Peigen	Gong Dan	Zheng Xingyi

Consolidated Cash Flow Statement

January to September 2021

Prepared by: Dongfang Electric Corporation Limited

Unit: yuan Currency: RMB Audit type: Unaudited

Item	First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
I. Cash flows generated from operating activities:		
Cash received from sale of goods and rendering of services	28,420,231,212.97	25,246,698,894.92
Net increase in customer and interbank deposits	-427,793,811.27	1,727,191,624.56
Net increase in borrowings from central bank	-16,043,235.82	60,614,615.56
Net increase in borrowings from other financial institutions	-1,878,135,036.52	-429,897,366.76
Cash received from premiums under original insurance contract	—	—
Net cash received from reinsurance business	—	—
Net increase in deposits of policy holders and investment	—	—
Cash from interest, fee and commission income	636,026,109.58	633,303,943.19
Net increase in borrowings from banks and other financial institutions	—	—
Net increase in repurchase business capital	—	—
Net cash received from securities trading agency services	—	—
Tax rebates received	445,839,639.43	214,647,034.86
Other cash received from operating activities	1,496,179,984.87	1,330,880,913.63
Sub-total of cash inflows from operating activities	28,676,304,863.24	28,783,439,659.96

Item	First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
Cash paid for purchasing of goods and receiving services	29,184,493,071.32	21,631,747,804.87
Net increase in customer loans and advances	698,063,822.03	-291,976,548.90
Net increase in deposits with central bank and interbank deposits	-309,633,822.23	148,474,656.63
Cash paid for compensation payments under original insurance contract	–	–
Net increase in lendings to banks and other financial institutions	–	–
Cash paid for interest expenses, fees and commissions	1,155,376.22	993,752.72
Cash paid for policy dividends	–	–
Cash paid to and for employees	2,970,448,694.07	2,660,672,246.45
Various taxes paid	1,129,725,629.23	860,941,937.68
Other cash payments relating to operating activities	1,947,142,712.33	1,366,666,080.61
Sub-total of cash outflows from operating activities	35,621,395,482.97	26,377,519,930.06
Net cash flows from operating activities	-6,945,090,619.73	2,405,919,729.90

Item	First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
II. Cash flows generated from investing activities:		
Cash received from disposal of investments	9,879,241,370.57	5,878,274,311.67
Cash received from investment gains	151,172,201.11	163,481,887.52
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	177,477,421.28	4,937,659.88
Net cash received from disposal of subsidiaries and other operating entities	–	–
Other cash received relating to investing activities	–	–
Sub-total of cash inflows from investing activities	10,207,890,992.96	6,046,693,859.07
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	375,998,529.67	341,816,110.10
Cash paid for investment	11,245,255,670.45	11,429,903,437.62
Net increase in pledged loans	–	–
Net cash paid for acquiring subsidiaries and other operating entities	–	–
Other cash paid relating to investing activities	–	–
Sub-total of cash outflows from investing activities	11,621,254,200.12	11,771,719,547.72
Net cash flows generated from investing activities	-1,413,363,207.16	-5,725,025,688.65

Item	First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
III. Cash flows generated from financing activities:		
Cash received from investment activities	88,832,500.00	126,299,537.60
Including: Cash received by subsidiaries from contribution of non- controlling interests	88,832,500.00	126,299,537.60
Cash received from borrowings	701,850,000.00	32,380,000.00
Other cash received from financing-related activities	–	–
Sub-total of cash inflows from financing activities	790,682,500.00	158,679,537.60
Cash for repayment of borrowings	55,539,763.84	41,802,961.08
Cash for dividend payment, profit distribution or interest payment	479,438,497.56	335,078,119.01
Including: Dividend and profit paid by subsidiaries to non-controlling interests	39,332,126.48	27,809,488.48
Other cash paid for financing- related activities	10,491,428.99	2,845,234.48
Sub-total of cash outflows from financing activities	545,469,690.39	379,726,314.57
Net cash flows generated from financing activities	245,212,809.61	-221,046,776.97
IV. Effects of exchange rate fluctuation on cash and cash equivalents	-51,142,638.46	-108,942,424.37

Item	First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
V. Net increase in cash and cash equivalents	-8,164,383,655.74	-3,649,095,160.09
Add: Cash and cash equivalents at the beginning of the period	24,277,749,507.44	28,472,369,654.85
VI. Cash and cash equivalents at the end of the period	16,113,365,851.70	24,823,274,494.76

<i>Legal representative:</i>	<i>Chief accountant:</i>	<i>Head of the accounting department:</i>
Yu Peigen	Gong Dan	Zheng Xingyi

(III) Adjustments to relevant items in the financial statements at the beginning of the year as a result of initial application of the new lease accounting standard from 2021

☐ Applicable ☒ Not applicable

**The board of directors of
Dongfang Electric Corporation Limited
29 October 2021**