



中广核  CGN

中國廣核電力股份有限公司  
CGN Power Co., Ltd.\*

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

Stock Code: 1816

\* For identification purpose only

# Accomplishments through reliability

2023 Interim Report

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CGN Power Co., Ltd. (“**CGN Power**”, the “**Company**”, “our **Company**” or “**we**”) was established on March 25, 2014, listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”) on December 10, 2014, and listed on the Shenzhen Stock Exchange (“**SZSE**”) on August 26, 2019. CGN Power is the sole platform for nuclear power generation of China General Nuclear Power Corporation (“**CGNPC**”). The Company is committed to providing nuclear power and energy supply that are safe and effective, stable and reliable, clean and low-carbon, as well as related nuclear power professional services.

”

In this report, we will present the unaudited consolidated interim results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended June 30, 2023 (the “**Period**”, the “**Reporting Period**” or the “**first half of 2023**”) together with the comparative figures for the corresponding period in 2022, and summarize the progress in implementing our development strategy (“**2023 Interim Report**” or “**this report**”).

Unless otherwise defined in this report, the terms used in this report shall have the same meanings as those defined in the 2022 Annual Report of the Company. The term “subsidiary(ies)” in this report has the same meaning ascribed to it under the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the “**Listing Rules**”). This report has been prepared in Chinese and English respectively. In case of discrepancy, the Chinese version shall prevail.



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# Summary of Interim Results

In the first half of 2023, China's economy presented promising recovery as a whole, with steady growth in energy production and rapid growth in energy consumption, striking an overall tight balance between national electricity supply and demand. The nuclear power generating units in operation managed by us maintained safe and stable operation, and the construction of the nuclear power generating units under construction progressed orderly. The on-grid power generation increased over the corresponding period of 2022, mainly due to Hongyanhe Unit 6 and Fangchenggang Unit 3 were put into commercial operation in June 2022 and March 2023, respectively.

## Operation results

### Revenue

RMB

**39,275.82** MILLION

increased by



**7.25** %

over the corresponding period of 2022



### Net Profit Attributable to Shareholders of the Parent Company

RMB

**6,958.92** MILLION

increased by



**17.91** %

over the corresponding period of 2022 (Restated)



### Net Profit Attributable to Shareholders of the Parent Company

(excluding the effect of non-recurring gains or losses)

RMB

**6,952.49** MILLION

increased by



**21.50** %

over the corresponding period of 2022 (Restated)



### Earnings before Interest, Tax, Depreciation and Amortization (EBITDA)

RMB

**21,622.14** MILLION

increased by



**12.90** %

over the corresponding period of 2022 (Restated)



## ON-GRID POWER GENERATION



**105,918.06** GWH

 representing an increase of **14.09** % as compared with the corresponding period of 2022

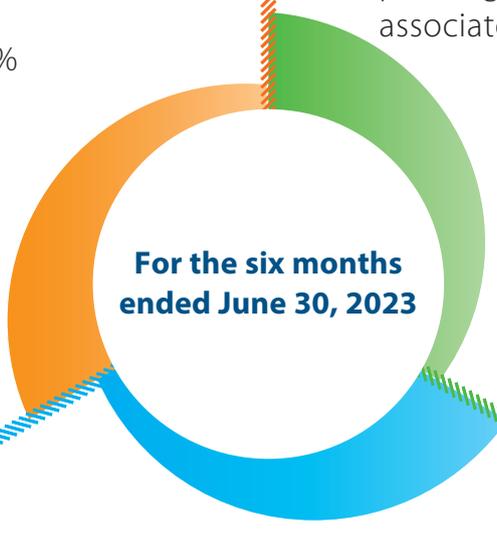
of which **77.58** % were controlled and **22.42** % were non-controlled;

## EMISSION REDUCTION CONTRIBUTION



Equivalent reduction of standard coal consumption of approximately **8,727.65** ten thousand tons CO<sub>2</sub> emission for on-grid power generation (including our associates);

**For the six months ended June 30, 2023**



**27** GENERATING UNITS IN OPERATION and **6** GENERATING UNITS UNDER CONSTRUCTION \* with an installed capacity amounting to **37,776** MW, accounting for **45.87** % in mainland China;

\* Including generating units managed by the Company as entrusted by the controlling shareholder.

# Financial Highlights

## Highlights of consolidated income statement

	For the six months ended June 30,	
	2023	2022 (Restated)*
Operating revenue	39,275,824,322.89	36,622,093,484.82
Operating costs	22,502,483,912.86	21,948,110,852.25
Total profit	13,070,582,058.02	10,602,531,676.46
Net profit	10,909,720,903.58	8,849,747,955.83
Net profit attributable to shareholders of the parent company	6,958,915,466.46	5,901,975,375.42
Non-controlling interests	3,950,805,437.12	2,947,772,580.41

## Highlights of consolidated balance sheet

	At June 30, 2023	At December 31, 2022 (Restated)*
	Total current assets	72,938,886,327.80
Total non-current assets	340,199,991,417.14	338,510,989,910.52
Total assets	413,138,877,744.94	409,015,900,005.61
Total current liabilities	78,105,406,842.45	76,132,435,027.77
Total non-current liabilities	172,539,824,507.24	174,950,530,761.90
Total liabilities	250,645,231,349.69	251,082,965,789.67
Total equity attributable to shareholders of the parent company	109,868,475,447.83	107,026,285,813.99
Non-controlling interests	52,625,170,947.42	50,906,648,401.95
Total shareholders' equity	162,493,646,395.25	157,932,934,215.94
Total liabilities and shareholders' equity	413,138,877,744.94	409,015,900,005.61

\*: In 2023, the Group has implemented the relevant requirements and guidelines of the Accounting Standards for Business Enterprises promulgated by the Ministry of Finance in recent years, which mainly includes: requirement of the "accounting treatment that the exemption of initial recognition shall not apply to the deferred income tax relating to assets and liabilities arising from a single transaction" in Interpretation No. 16 of the Accounting Standards for Business Enterprises (Cai Kuai [2022] No. 31) (《企業會計準則解釋第 16 號》(財會[2022]31 號)) ("Interpretation No. 16"). For details, please refer to Note (III) 31 to the financial statements.

# Shareholder Value

The Board, the management and employees of the Company are responsible for increasing the value for our shareholders. As such, the Company will continue to maintain stable operational development with steady growth, and we will take an active and transparent approach with integrity for maintaining a close communication with our shareholders and safeguard the shareholders' trust and confidence in the Company with rewards to them.

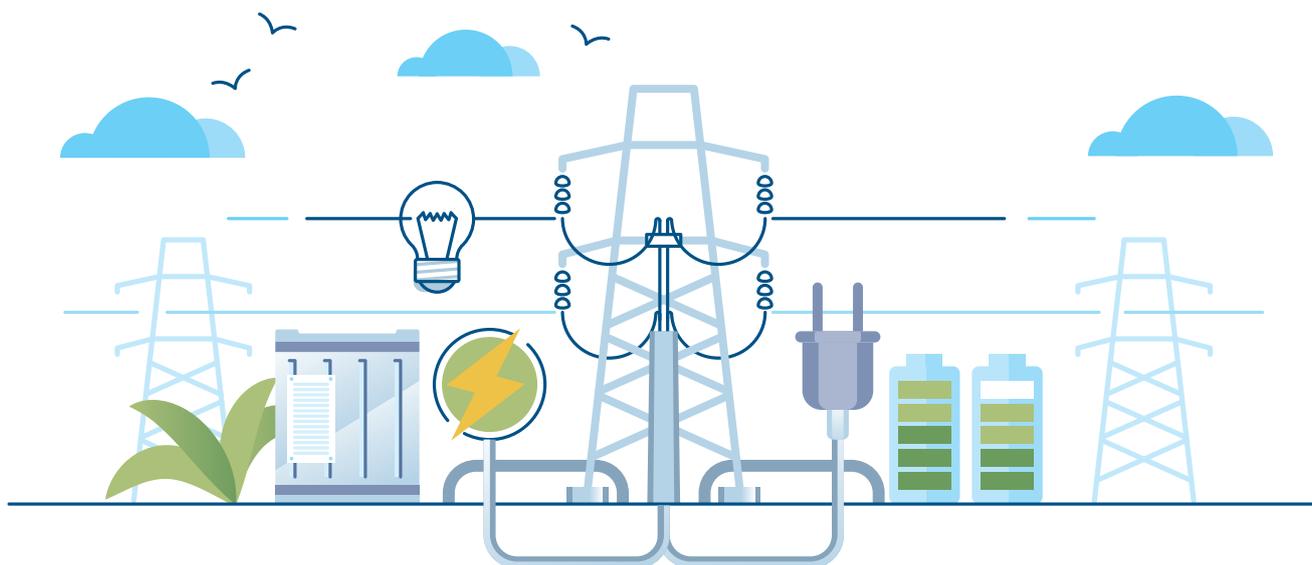
As at June 30, 2023, CGN Power had 216,458 registered shareholders (including 213,221 holders of A shares and 3,237 holders of H shares), but the actual number of investors would be much higher if taking into account individuals and institutions holding equity interests in the Company indirectly through intermediaries such as nominees, investment funds and the Hong Kong Central Clearing and Settlement System (CCASS), the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.

## Dividend Distribution

When considering the dividend distribution ratio in the future, we will take into consideration the business performance of the Company for the year, the future development strategies of the Company and other factors, provided that it shall not be lower than 30% of the net profit attributable to shareholders of the Company for the year. The Board and management of the Company have full confidence in the development prospects of nuclear power and the Company's stable operation, and has formulated the Dividend Distribution Plan for the Coming Five Years (2021-2025) 《未來五年(2021年—2025年)股東分紅回報規劃》, which was approved by shareholders at the 2020 AGM convened on May 26, 2021. On the premise of no major changes in the business, operating results and financial position of the Group, subject to the approval at the general meeting in the relevant year, the Company will maintain a reasonable **increase** in the dividend distribution ratio from 2021 to 2025 based on the dividend ratio in 2020 (42.25%).

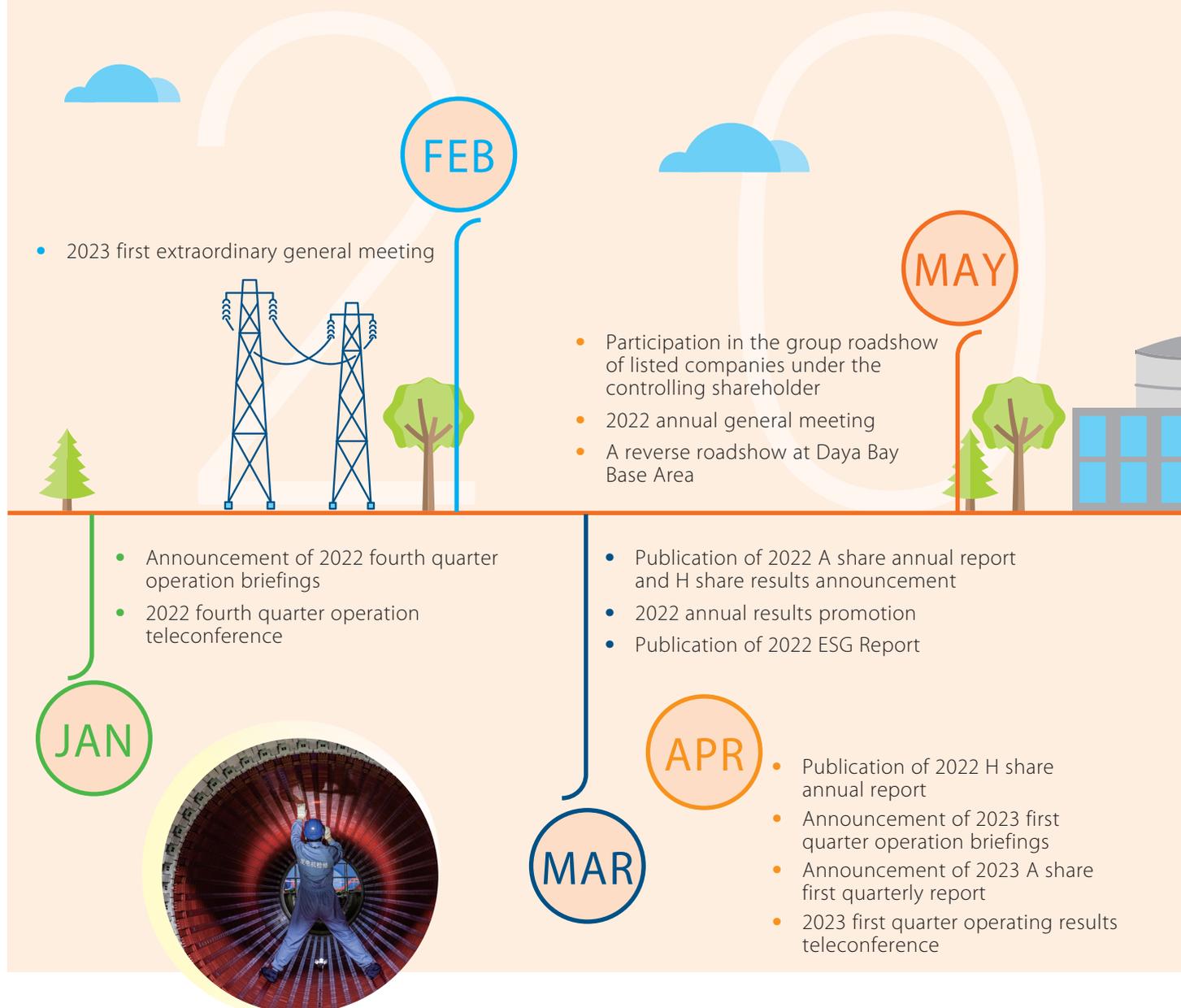
During the Reporting Period, a final dividend of RMB0.087 per share (tax inclusive) was declared to all shareholders of the Company, in respect of the year ended December 31, 2022, which was approved by the shareholders at the 2022 annual general meeting convened on May 25, 2023, and was paid on July 7, 2023. The dividend distribution ratio of the Company for 2022 was 44.09% of the net profit attributable to the shareholders of the Company.

Pursuant to the Company's dividend distribution policy, payment of an interim dividend for the six months ended June 30, 2023 is not recommended.



## Communications with Shareholders and Investors for the First Half of 2023 and Shareholders' Diary of 2023

The Company maintained active communication with shareholders and investors through various channels such as general meeting, results promotion (including the results announcement conference and the results roadshow), quarterly teleconference, reverse roadshow, EasyIR platform of SZSE, investors hotline and mailbox. For more details, please refer to the Company's column on SZSE EasyIR (<http://irm.cninfo.com.cn/szse/index.html>) and the investors relationship column on the official website of the Company ([www.cgnp.com.cn](http://www.cgnp.com.cn)).





AUG

- Announcement of 2023 A share interim report and H share interim results announcement
- Announcement of 2023 H share interim report
- 2023 interim results promotion

OCT

- Announcement of 2023 third quarter operation briefings
- Announcement of 2023 A share third quarterly report
- 2023 third quarter operating results teleconference

JUL

- Announcement of 2023 second quarter operation briefings
- 2023 second quarter operation teleconference
- Distribution of 2022 final dividend

NOV

- Participation in an online group reception day for investors of listed companies



Note: Any changes to the above dates will be announced on the website of the Company.

# Finance, Assets and Investments

Our investment and operational strategies affect our business performance, which in turn translate into the finance data combined in our financial statements.

## FINANCIAL PERFORMANCE AND ANALYSIS

### Key Financial Indicators

Item	For the six months ended June 30,	
	2023	2022 (Restated)
<b>Indicators of profitability</b>		
EBITDA margin (%) <sup>(1)</sup>	55.1	52.3
Net profit margin (%) <sup>(2)</sup>	27.8	24.2
<b>Indicators of investment returns</b>		
Return on equity (excluding non-controlling interests) (%) <sup>(3)</sup>	6.4	5.8
Return on total assets (%) <sup>(4)</sup>	3.9	3.5
<b>Indicators of solvency</b>		
Interest coverage <sup>(5)</sup>	4.4	3.3

Item	June 30, 2023		December 31, 2022 (Restated)
<b>Indicators of solvency</b>			
Asset-liability ratio (%) <sup>(6)</sup>	60.7		61.4
Debt to equity ratio (%) <sup>(7)</sup>	110.1		115.5

Notes:

- (1) EBITDA margin = (total profit + interest expenses recognized in profit or loss + depreciation and amortization)/operating revenue \* 100%
- (2) Net profit margin = net profit/operating revenue \* 100%
- (3) Return on equity (excluding non-controlling interests) = net profit attributable to shareholders of the parent company/average equity attributable to shareholders of the parent company (the arithmetic mean of the opening and closing balances) \* 100%
- (4) Return on total assets = (total profit + interest expenses recognized in profit or loss)/average total assets (the arithmetic mean of the opening and closing balances) \* 100%
- (5) Interest coverage = (total profit + interest expenses recognized in profit or loss)/(interest expenses recognized in profit or loss + interest expenses capitalized)
- (6) Asset-liability ratio = total liabilities/total assets \* 100%
- (7) Debt to equity ratio = net debt (the total amount of bank and other borrowings less cash and cash equivalents and other deposits over three months)/total shareholders' equity \* 100%

## Financial Results Analysis

	For the six months ended June 30,			Percentage change increase/ (decrease) %
	2023 RMB'000	2022 RMB'000 (Restated)	Fluctuations increase/ (decrease) RMB'000	
Operating revenue	39,275,824.32	36,622,093.48	2,653,730.84	7.2
Operating costs	22,502,483.91	21,948,110.85	554,373.06	2.5
Finance costs	2,951,525.90	3,257,842.42	(306,316.52)	(9.4)
Other gains <sup>(1)</sup>	696,082.85	516,882.68	179,200.17	34.7
Investment income <sup>(2)</sup>	970,777.08	691,518.22	279,258.86	40.4
Including: Income from investment in associates	964,365.86	649,285.37	315,080.49	48.5
Non-recurring gains or losses <sup>(3)</sup>	(11,087.20)	204,029.12	(215,116.32)	(105.4)
Net profit attributable to shareholders of the parent company <sup>(4)</sup>	6,958,915.47	5,901,975.38	1,056,940.09	17.9
Net profit attributable to shareholders of the parent company (excluding the effects of non-recurring gains or losses)	6,952,486.67	5,722,212.56	1,230,274.11	21.5

### Notes:

- (1) The increase in other gains was primarily due to the progress of the VAT refunds, so the VAT refunds received for the current period was higher than the corresponding period of previous year.
- (2) The increase in investment income was primarily due to the increase in investment income from Hongyanhe Nuclear as a result of the commencement of commercial operation of Hongyanhe Unit 6 in June 2022.
- (3) The decrease in non-recurring gains or losses was primarily due to the decrease in the investment income from the disposal of equity interest in China Nuclear Power (Beijing) Simulation Technology Corporation Ltd. (中廣核(北京)仿真技術有限公司)("CNPSTC") in the corresponding period of previous year and the gains from change in fair value of the H-share SAR as compared to the corresponding period of previous year.
- (4) The increase in net profit attributable to shareholders of the parent company was primarily due to the increase in the on-grid power generation of subsidiaries and the increase in investment income.

## Finance, Assets and Investments

### Revenue from Operation

	For the six months ended June 30,			
	2023 RMB'000	2022 RMB'000	Fluctuations increase/ (decrease) RMB'000	Percentage change increase/ (decrease) %
Revenue from principal business operations	39,157,078.06	36,338,804.91	2,818,273.15	7.8
Including: Sales of electricity <sup>(1)</sup>	30,923,922.83	27,803,471.49	3,120,451.34	11.2
Construction, installation and design services <sup>(2)</sup>	7,499,507.00	7,850,551.67	(351,044.67)	(4.5)
Revenue from other business operations <sup>(3)</sup>	118,746.26	283,288.57	(164,542.31)	(58.1)
<b>Total revenue from business operations</b>	<b>39,275,824.32</b>	<b>36,622,093.48</b>	<b>2,653,730.84</b>	<b>7.2</b>

Notes:

- (1) The increase in revenue from sales of electricity was primarily due to the year-on-year increase in the on-grid power generation of subsidiaries.
- (2) The decrease in revenue from construction, installation and design services was primarily due to the decrease in the construction volume of CGNPC's wind power business of China Nuclear Power Engineering Co., Ltd. (中廣核工程有限公司) ("CGN Engineering", a subsidiary of the Company).
- (3) The decrease in revenue from other business operations was primarily due to CGN Engineering's revenue from European Utility Requirements certification for CGNPC's HPR1000 recorded during the corresponding period of previous year.

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### Cost of Operations

	For the six months ended June 30,			
	2023 RMB'000	2022 RMB'000	Fluctuations increase/ (decrease) RMB'000	Percentage change increase/ (decrease) %
Cost of principal business operations	22,432,617.67	21,683,525.07	749,092.60	3.5
Including: Cost of sales of electricity	14,460,859.65	13,280,570.46	1,180,289.19	8.9
Of which: Cost of nuclear fuel	4,037,310.56	3,785,173.37	252,137.19	6.7
Depreciation of fixed assets	4,829,239.01	4,649,081.80	180,157.21	3.9
Provision for spent fuel management	1,656,659.44	1,538,417.07	118,242.37	7.7
Construction, installation and design services	7,449,789.46	7,793,409.16	(343,619.70)	(4.4)
Other costs of business operations <sup>(1)</sup>	69,866.24	264,585.78	(194,719.54)	(73.6)
<b>Total cost of operations</b>	<b>22,502,483.91</b>	<b>21,948,110.85</b>	<b>554,373.06</b>	<b>2.5</b>

Note:

- (1) The decrease in other costs of business operations was primarily due to CGN Engineering's cost from European Utility Requirements certification for CGNPC's HPR1000 recorded during the corresponding period of previous year.

## Financial Position

The bank and other borrowings, receivables, payables, inventories, fixed assets and intangible assets of the Company are shown in the table below. Details of the financial position are set out in the notes to the consolidated financial statements.

	June 30, 2023 RMB'000	December 31, 2022 RMB'000	Fluctuations increase/ (decrease) RMB'000	Percentage change increase/ (decrease) %
Bank and other borrowings <sup>(1)</sup>	197,443,061.39	199,967,430.10	(2,524,368.71)	(1.3)
Receivables <sup>(2)</sup>	35,898,721.29	35,643,758.61	254,962.68	0.7
Payables <sup>(3)</sup>	39,778,943.29	37,532,468.75	2,246,474.54	6.0
Inventories	18,143,422.21	17,775,458.32	367,963.89	2.1
Fixed assets and intangible assets <sup>(4)</sup>	255,774,396.25	237,968,836.40	17,805,559.85	7.5

Notes:

- (1) Bank and other borrowings comprise short-term loans, long-term loans, bonds payable, and long-term loans and bonds payable due within one year.
- (2) Receivables comprise bills receivable, accounts receivable, prepayments, contract assets and other receivables.
- (3) Payables comprise bills payable, accounts payable, receipt in advance, contract liabilities and other payables.
- (4) The increase in fixed assets and intangible assets was primarily due to the transfer of construction in progress to fixed assets upon the commencement of commercial operation of Fangchenggang Unit 3.

## Cash Flow Analysis

In the first half of 2023, the Company's net cash inflows from operating activities increased as compared with the corresponding period of 2022, mainly due to the year-on-year increase in the on-grid power generation of subsidiaries; the net cash outflows from investment activities decreased as compared with the corresponding period of 2022, mainly due to the year-on-year increase in conversion of fixed deposits to current deposits; the net cash outflows from financing activities increased as compared with the corresponding period of 2022, mainly due to the year-on-year increase in cash outflows from due borrowings repaid by self-owned funds of the Company.

	For the six months ended June 30,			
	2023 RMB'000	2022 RMB'000	Fluctuations increase/ (decrease) RMB'000	Percentage change increase/ (decrease) %
Net cash inflows from operating activities	15,679,972.55	12,936,515.89	2,743,456.66	21.2
Net cash outflows from investment activities	3,541,240.59	4,417,714.09	(876,473.50)	(19.8)
Net cash outflows from financing activities	8,091,856.20	4,952,000.38	3,139,855.82	63.4

## Finance, Assets and Investments

### ASSETS AND INVESTMENTS

The Group was mainly engaged in the investment in construction of nuclear power generating units, technical improvement in the NPPs in operation, and research and development of technologies relating to nuclear power for the six months ended June 30, 2023.

#### Investment in Fixed Assets

For the six months ended June 30, 2023, the Group's investment in fixed assets (cash flow) amounted to approximately RMB6,565.4 million, representing an increase of RMB1,424.1 million or 27.7% from RMB5,141.3 million in the corresponding period in 2022.



#### Investments in Equity

The Group had no investment in equity for the six months ended June 30, 2023.



#### Material Acquisition and Disposal

The Group had no material acquisition or disposal for the six months ended June 30, 2023.



#### Use of Proceeds

The Company had used all of the proceeds from the global offering of H shares in December 2014 and the proceeds from the initial public offering (A shares) on the SZSE in August 2019. For the six months ended June 30, 2023, the Group had no use of proceeds.



## External Financing Environment

In the first half of 2023, China's economy is recovering, and the gross domestic product ("GDP") in China reached RMB59.3 trillion, representing a year-on-year increase of 5.5%, with major macroeconomic indicators firming up, and the price level being generally stable. In the first half of 2023, domestic monetary policy was relatively stable, which maintained reasonably adequate liquidity of the banking system, while domestic market interest rate remained stable with a declining trend. At the same time, the RMB exchange rate fluctuated significantly in both directions, and the fluctuations in exchange rate had to be monitored continuously.



In the first half of 2023, the Company comprehensively strengthened the organization, coordination, support and risk monitoring of financing, made full use of various financing channels, ensured capital security and controlled financing costs. The Company carried out various financing activities in an orderly manner. At the same time, the Company continuously monitored foreign currency debt exchange rate risk exposure, exercised control over new debts denominated in foreign currencies, and prevented the risk of exchange rate fluctuations through various measures including forward transactions.

## Equity Financing

With reference to the Company's needs for business development, through equity financing, we consolidated the long-term capital of the Company in a timely manner. The overall capital structure of the Company was optimized according to changes in the external environment. The ability to resist the risk of fluctuations in the external economic and financial environment was consolidated and enhanced, which promoted the sustainable development of the Company's business. For those projects with high capital expenditure and good earnings forecasts, we will prudently consider the use of equity financing to balance the risks and to enhance shareholders' value.



## Debt Financing

In the first half of 2023, we continued to improve diversified ways of financing, reasonable mix of currencies and term structure so as to provide a stable and economical source of funding for the business development of the Company. As of June 30, 2023, the Group's total borrowings amounted to RMB197,443.1 million with major financing channels including borrowings from banks and other institutions (accounting for approximately 95.6%), medium-term notes (accounting for approximately 3.5%), ultra short-term financing notes (accounting for approximately 0.9%), etc. We maintained a debt structure mainly comprising RMB-denominated and long-term debts, which not only satisfied our operational characteristics of focusing on nuclear power projects, but also effectively prevented liquidity risks and systematic exchange rate risks.



## Finance, Assets and Investments

In the first half of 2023, the Group continued to strengthen communication with its banking partners, seizing the advantages of phrasal credit financing to meet capital needs and replace due debts with bank borrowing at better interest rate, thereby reducing financing costs.

The registration of interbank multi-type debt financing instruments of the Company has been approved at 2022 annual general meeting of the Company in May 2023. The Company is proceeding with the preparatory work for registration. Upon completion of registration, the Company will commence the issuance when appropriate based on market conditions and its needs.

### Debt Risk Management

In recent years, we proactively eliminated our exposure to risk on foreign exchange rate associated with debts denominated in foreign currencies by stages and in batches through various measures including forward transactions, debts replacement and early repayment, and actively changed our financing methods for foreign business contracts to exercise control over new debts denominated in foreign currencies, thereby effectively reduced the impact of major risks in exchange rate. In the first half of 2023, the Company adhered to the established strategies and continued to adopt relevant measures to minimize the impact from the fluctuation in RMB exchange rates. As compared with the end of 2022, the Group's total borrowings denominated in foreign currencies decreased by approximately RMB219.0 million at the end of the Reporting Period.



To manage liquidity risks, we monitored and maintained our cash and cash equivalents as well as the level of unutilized banking facilities. As of June 30, 2023, we had credits for unutilized general banking facilities of approximately RMB191,060.8 million, interbank multi-type debt financing instruments being readily available for public offering of RMB15,700.0 million, shelf-offering corporate bonds being readily available for public offering of RMB20,000.0 million, and cash at bank and in hand of approximately RMB16,894.8 million, for the provision of sufficient cash support for the operation of the Company and the reduction in the impact from cash flow fluctuation.

## Credit Rating

In May 2023, China Chengxin International Credit Rating Co., Ltd. (中誠信國際信用評級有限責任公司) assessed the credit rating of the Company, and based on the reasons that “the Company has nuclear power generating units of high quality and significant scale and the regions in which the Company operated has high level of economic development with huge demand on electricity consumption”, it concluded that “the on-grid power generation of the Company will be huge with strong profitability and cash generating ability” and maintained our AAA credit rating with stable outlook.



## Contingencies

### External Guarantees

The Group confirmed that, as of June 30, 2023, the Group had not provided any external guarantee.

### Assets with Restricted Ownership

As of June 30, 2023, the Group’s assets pledged to banks and with restricted ownership due to other reasons amounted to approximately RMB15,280.1 million in carrying value. As of December 31, 2022, the carrying value of the Group’s assets pledged to banks and with restricted ownership due to other reasons was approximately RMB16,894.3 million.

As of June 30, 2023 and December 31, 2022, the electricity tariff collection rights of Lingdong Nuclear, Yangjiang Nuclear, Fangchenggang Nuclear, Ningde Nuclear and Taishan Nuclear were pledged to secure the facilities and loans from banks to these entities.

### Legal Proceedings

The Group confirmed that, for the six months ended June 30, 2023, there was no significant litigation against the Group, and the Board was not aware of any pending or threatened litigation against the Group which had or could have a material and adverse effect on the financial conditions or operations of the Group.



## Investment Direction

Based on the strategies and business development needs of the Company, the Company will finance the construction of NPPs under construction according to its investment schedules, continue to fund the technological improvement in NPPs in operation to maintain and enhance operation, make continuous investment in the innovation of technologies, and fund the acquisitions of contingent assets in the second half of 2023. The Company will carry out relevant investment activities when appropriate, thereby laying a solid foundation for the Company’s future development.



# Business Performance and Outlook

## INDUSTRY OVERVIEW

Taking active, safe and orderly steps to develop nuclear energy is a strategic direction specified at the 20th National Congress of the Communist Party of China and also an integral part of the national energy strategy, playing a vital role in optimizing the national energy structure, ensuring energy security, and building a new energy system. On March 5, 2023, the State Council proposed the ideas of “maintaining safe and stable energy supply and low-carbon green development” and “accelerating the construction of new energy system” in the Report on the Work of the Government 《政府工作報告》. The National Ecosystem and Environmental Protection Conference was convened on July 17, 2023, at which “actively and steadily pushing forward the achievement of carbon peaking and carbon neutrality” and “developing a clean, low-carbon, safe and efficient energy system” were highlighted. On July 31, 2023, three nuclear power projects, including Ningde Unit 5 and Unit 6, were approved by the State Council. We believe that, as the state actively pushes forward the achievement of carbon peaking and carbon neutrality, strengthening energy security, and accelerating the construction of a new energy system, the nuclear power industry is still in an important period of strategic opportunities, and the room for development and the market prospects will be more extensive.

According to the data released by the National Bureau of Statistics on July 17, 2023, in the first half of 2023, as departments in different regions adhered to the working principle of making progress while maintaining stability, coupled with the effects of macroeconomic policies, China’s economic operation presented promising recovery. During the first half of the year, the GDP increased by 5.5% year on year, with steady energy supply and accelerated growth in energy consumption. According to the Briefings on the Operation of the National Power Industry from January to June 2023 《2023年1-6月電力工業運行簡況》 published by the China Electricity Council, in the first half of 2023, the total electricity consumption in the PRC increased by 5.0% year on year. The power demand and supply in the PRC achieved an overall tight balance, where power demand and supply may run tight in certain provinces and regions during the specific period. We believe that with the implementation of various national policies, the electricity consumption in China is expected to further increase in the second half of the year.

China continues to deepen its reforms in power system, accelerates the establishment of a clean, low-carbon, safe and abundant, cost-effective, supply-demand coordinated, flexible and smart new power system, optimizes systems and mechanisms compatible with new power system, and facilitates market mechanism innovation. As proposed in the Bluebook on the Development of New Power System 《新型電力系統發展藍皮書》 issued by the National Energy Administration on June 2, 2023, it is the rapid transition period for new power system from 2023 to 2030, and a unified national power market system will be basically formed. As always, we actively communicated with local governments, power grids and relevant enterprises, paid attention to the power system reform and actively participated in market-oriented trading, striving for better transaction prices and a larger market share.

## BUSINESS PERFORMANCE AND ANALYSIS

On March 25, 2023, Fangchenggang Unit 3 was put into commercial operation. On July 31, 2023, Ningde Unit 5 and Unit 6 of Fujian Ningde Second Nuclear Power Co., Ltd. (福建寧德第二核電有限公司) (“**Ningde Second Nuclear**”), an associate of the Company, were approved by the State Council. In the first half of 2023, we managed 27 nuclear power generating units in operation and six nuclear power generating units under construction (including four units under construction which were entrusted to the Company by the controlling shareholder of the Company for management). The operations of the nuclear power generating units in operation managed by us were safe and stable, and the construction of the nuclear power generating units under construction progressed orderly. We hereby report primarily on the business performance of our nuclear power generating units during the first half of 2023, and our work in respect of human resources and social responsibilities.

### Safety Management

Safety is crucial to any company. We highly value safety and always place safety at our top priority. We always adhere to the concept of “Nuclear Safety is Our Overriding Priority” and our basic principles of “Safety First, Quality Foremost, Pursuit of Excellence”, and strive to apply them to various stages of the design, construction, operation and decommissioning of the NPPs. We believe that maintaining nuclear power safety is a great responsibility to the state, society, shareholders, employees and other stakeholders. Only with safety can our units in operation provide the society with stable and reliable power and our units under construction achieve high quality production, and thus we can achieve constant improvement in our overall operating results.



We continued to improve our safety management system and optimize management approach. Based on our experience in nuclear power operation over the years, we have established a mature safety management system. We continued to launch regular, standardized and long-term activities such as “On-site Management”, “Upholding Compliance and Fighting against Non-compliance”, “Precautionary Education on Nuclear Safety” and “Bringing Nuclear Safety Culture into our Teams” so as to continuously enhance the nuclear safety culture awareness among all employees. We conducted relevant special works based on our annual key working goals. In the first half of 2023, the Company continued to conduct the major safety inspection on nuclear power bases led by the Chairman and the senior management

of the Company, covering all nuclear power bases managed by us. Centering on issues discovered, the Company conducted the 2023 special inspection and rectification on potential hazards of major incidents, focusing on facilitating potential major issues. The Company conducted the evaluation on the effectiveness of quality management system of all subsidiaries, associates and management companies as entrusted by the controlling shareholder for the first time, and supervised all units to continuously improve the completeness and effectiveness of safety quality and environmental protection system.

## Business Performance and Outlook

At the same time, we continued to promote safety supervision as well as dynamic and transparent experience feedback. We organized regular emergency drills under different scenarios and ensured effective operation of safety management system. In the first half of 2023, we conducted joint drills with Ningde Nuclear to continuously enhance the emergency response capability of the Group's nuclear emergency units.

In the first half of 2023, according to the International Nuclear and Radiological Event Scale 《國際核事件分級表》 (the "INES") set by the International Atomic Energy Agency, the NPPs we operated and managed had maintained our all-time good safety record of no nuclear event at level 2<sup>note</sup> or above.

### Nuclear power generating units in operation

As of June 30, 2023, all 27 nuclear power generating units in operation managed by us maintained safe and stable operation. The on-grid power generation figures (unit: GWh) of each of our NPPs are as follows:

Name of NPP	For the six months ended June 30,		Change rate for the same period (%)
	2023	2022	
<i>From subsidiaries</i>			
Daya Bay NPP	8,306.12	7,744.09	7.26
Ling'ao NPP	6,869.99	6,002.56	14.45
Lingdong NPP	8,187.59	8,379.29	-2.29
Ningde NPP	15,673.88	14,093.55	11.21
Yangjiang NPP	25,337.85	24,065.35	5.29
Fangchenggang NPP	10,465.32	7,689.45	36.10
Taishan NPP	7,325.31	6,541.33	11.99
<b>Subsidiaries, total</b>	<b>82,166.06</b>	<b>74,515.61</b>	<b>10.27</b>
<i>From associates</i>			
Hongyanhe NPP	23,752.00	18,319.66	29.65
<b>Subsidiaries and associates, total</b>	<b>105,918.06</b>	<b>92,835.27</b>	<b>14.09</b>

Note: Nuclear incidents are classified into seven levels in the INES according to their impact on (i) people and the environment, (ii) radiological barriers and control, and (iii) defence-in-depth. Level 1 to Level 3 are termed as "incidents", while Level 4 to Level 7 are termed as "accidents". Events below the scale are deviations without safety significance.

**Daya Bay NPP:** No refuelling outage was conducted from January to June 2023, while a refueling outage was conducted in the corresponding period of 2022.

**Ling'ao NPP:** The total duration of the refuelling outage from January to June 2023 was shorter as compared with the corresponding period of 2022.

**Lingdong NPP:** It conducted a refuelling outage from January to June 2023, while no refueling outage was conducted in the corresponding period of 2022. The time taken for operations at reduced load or shut down for standby in coordination with the requirements of the power grid was shorter than the corresponding period of 2022.

**Ningde NPP:** The total duration of the refuelling outage from January to June 2023 was shorter as compared with the corresponding period of 2022. The time taken for operations at reduced load or shut down for standby in coordination with the requirements of the power grid was shorter than the corresponding period of 2022.

**Yangjiang NPP:** The total duration of the refuelling outage from January to June 2023 was shorter as compared with the corresponding period of 2022.

**Fangchenggang NPP:** Fangchenggang Unit 3 commenced commercial operation on March 25, 2023.

**Taishan NPP:** The duration of the refuelling outage of Taishan Unit 1 from January to June 2023 was shorter than that of shutdown and inspection in the corresponding period of 2022.

**Hongyanhe NPP:** Hongyanhe Unit 6 commenced commercial operation on June 23, 2022.

We completed 7 refuelling outages among our 27 nuclear power generating units in operation in the first half of 2023 as planned. The total number of calendar days for the refuelling outages in the first half of 2023 was about 413 days.

## Operation Performance

Capacity factor, load factor and utilization hours are the three indicators normally used by us to evaluate the utilization of nuclear power generating units. They are mainly affected by the effects of refuelling outages for the generating units. According to the arrangements of the annual outage plan, there are certain differences between the duration of refuelling outages for different generating units, and refuelling outages may be carried over to the next year, resulting in small differences between the duration of outages in different years with respect to the same type of refuelling outage for the same type of generating unit. Meanwhile, load factor and utilization hours of nuclear power generating units are also under the influence of the transmission line maintenance or temporary operation at reduced load or shutdown resulting from the demand and supply conditions of the electricity market.



## Business Performance and Outlook

In the first half of 2023, we had 27 nuclear power generating units in operation, with an average capacity factor of 90.59%, an average load factor of 86.26% and average utilization hours of 3,747 hours, as compared with 87.88%, 80.34% and 3,490 hours of the 26 nuclear power generating units in operation in the first half of 2022. The details of the operation performance of generating units we operated and managed in the first half of 2023 are as follows:

Nuclear power generating unit	Capacity factor (%)		Load factor (%)		Utilization hours (hours)	
	For the six months ended June 30, 2023	2022	For the six months ended June 30, 2023	2022	For the six months ended June 30, 2023	2022
<i>From subsidiaries</i>						
Daya Bay Unit 1	100.00	100.00	101.59	101.69	4,413	4,418
Daya Bay Unit 2	100.00	86.38	101.36	87.70	4,403	3,810
Ling'ao Unit 1	99.98	65.29	99.06	63.14	4,303	2,743
Ling'ao Unit 2	68.88	82.17	67.66	82.57	2,939	3,587
Lingdong Unit 1	99.99	99.99	98.57	89.93	4,282	3,906
Lingdong Unit 2	86.20	99.99	85.54	98.46	3,716	4,277
Yangjiang Unit 1	99.23	100.00	97.84	98.17	4,250	4,265
Yangjiang Unit 2	100.00	83.44	95.63	82.52	4,154	3,584
Yangjiang Unit 3	83.74	99.99	82.78	100.67	3,596	4,373
Yangjiang Unit 4	99.98	99.98	100.83	88.84	4,380	3,859
Yangjiang Unit 5	100.00	85.78	96.52	85.14	4,193	3,699
Yangjiang Unit 6	99.98	87.02	97.24	86.65	4,224	3,764
Fangchenggang Unit 1	83.79	98.11	80.96	91.19	3,517	3,961
Fangchenggang Unit 2	99.99	86.09	100.16	83.77	4,351	3,639
Fangchenggang Unit 3	94.62	Under construction	95.30	Under construction	4,140	Under construction
Ningde Unit 1	69.23	99.99	68.02	89.33	2,955	3,881
Ningde Unit 2	99.26	100.00	96.55	78.83	4,194	3,424
Ningde Unit 3	100.00	84.72	97.38	76.80	4,230	3,336
Ningde Unit 4	99.06	82.19	91.28	74.31	3,965	3,228
Taishan Unit 1	15.83	0.00	13.90	0.00	604	0
Taishan Unit 2	92.10	91.50	89.30	91.99	3,879	3,996
Average of subsidiaries	90.09	86.63	86.19	80.41	3,744	3,493
<i>From associates</i>						
Hongyanhe Unit 1	99.99	85.31	94.75	80.58	4,116	3,500
Hongyanhe Unit 2	88.27	99.99	84.67	98.14	3,678	4,263
Hongyanhe Unit 3	84.98	83.50	82.27	62.05	3,574	2,695
Hongyanhe Unit 4	99.99	83.52	92.93	79.84	4,037	3,468
Hongyanhe Unit 5	99.74	99.99	86.37	78.85	3,752	3,425
Hongyanhe Unit 6	81.17	100.00	78.89	98.82	3,427	169
Average of associates	92.36	92.05	86.65	80.04	3,764	3,477
<b>Average of subsidiaries and associates</b>	<b>90.59</b>	<b>87.88</b>	<b>86.26</b>	<b>80.34</b>	<b>3,747</b>	<b>3,490</b>

“Pursuit of Excellence” is one of the basic principles of the Company. In order to identify our inadequacies and make sustained improvements, we continue to compare our indicators with international counterparts. In recent years, when compared with the one-year benchmark value of the 12 performance indicators for the PWR set by the World Association of Nuclear Operators (the “WANO”), the ratio of performance indicators achieving the world’s top 1/4 level (advanced level) and top 1/10 level (excellent level) remained at a high level, leading among industry peers.

The following table indicates the comparison of our 27 nuclear power generating units in operation with the one-year benchmark value of the 12 performance indicators for the PWR by the WANO for the six months ended June 30, 2023 and the corresponding period in 2022:

	For the six months ended June 30,	
	2023	2022
Number of units	27	24*
Total number of indicators	324	288
Including:		
Number/percentage of indicators ranked top 1/4 (advanced level) in the world	289/89.20%	243/84.38%
Number/percentage of indicators ranked top 1/10 (excellent level) in the world	282/87.04%	238/82.64%

\* During the first half of 2022, Taishan Unit 1 was shut down for inspection and Hongyanhe Unit 6 commenced commercial operation for less than three months. Hence, the aforesaid two units do not meet with the conditions for WANO indicators.

## Environmental Performance

We continued to improve radioactive waste management, optimize the control over the discharge process of liquid radioactive waste and gas radioactive waste (the “Discharge”) and strictly comply with emission control standards. In the first half of 2023, the radioactive waste management of the 27 generating units in operation managed by us strictly complied with the relevant national laws and regulations, and met the standards of the relevant technical specifications.

## Business Performance and Outlook

The following table sets forth the emission of the various types of radioactive waste discharged at our NPPs during the Reporting Period indicated as a percentage of the national standards. The total amounts of radioactive discharge from our NPPs were far below the applicable national limits.

	Daya Bay Base Area (including Daya Bay NPP, Ling'ao NPP and Lingdong NPP)		Yangjiang NPP		Fangchenggang NPP		Ningde NPP		Taishan NPP		Hongyanhe NPP	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Discharged liquid radioactive waste (radionuclides other than tritium) as a percentage of the national standards	0.09%	0.11%	0.15%	0.24%	0.53%	0.18%	0.14%	0.13%	1.13%	1.18%	0.16%	0.21%
Discharged gas radioactive waste (inert gases) as a percentage of the national standards	0.22%	0.23%	0.09%	0.11%	0.72%	0.16%	0.13%	0.16%	1.22%	0.93%	1.34%	1.45%
Solid radioactive waste (cubic meters)	22.4	88.1	40.8	31.6	17.6	51.3	34.8	40.4	0	0	41.2	31.6
Results of environmental monitoring	Normal	Normal	Normal	Normal	Normal	Normal	Normal	Normal	Normal	Normal	Normal	Normal

Note: The main reasons for changes in the data include: the refuelling outage plan is different for every unit and the maintenance project is different, the annual discharge limit of Taishan NPP is different from other power stations, and there is no comparability between the power stations.

Nuclear power is a clean energy source that contributes to energy saving and emissions reduction in the society. In the first half of 2023, the cumulative on-grid nuclear power generation of the Group (including our associates) in effect represented a reduction of approximately 31.7542 million tons of standard coal consumption, approximately 87.2765 million tons of CO<sub>2</sub> emissions, approximately 8,800 tons of sulphur dioxide emissions, and approximately 14,100 tons of oxynitride emissions.

In active response to the national call, we conducted a series of “June 5 World Environment Day” promotion campaign. We published the ecosystem and environmental protection initiative, promoting the concepts of “developing clean energy and reducing carbon emission at source”, “adhering to innovation and building new development trend”, “promoting eco-friendly culture and enhancing the awareness on conservation”.

### Nuclear Power Generating Units under Construction

The quality of NPPs under construction is important for the **safe and efficient** operations of nuclear power generating units after commencement of operation. We meticulously organize project construction in strict compliance with the requirements of relevant laws and regulations. For all the major construction milestones being required to pass the inspection of the national regulatory authority, we would enter into the next phase of work only after passing the inspection of the national regulatory authority which confirmed our full compliance with the requirements. We also attach importance to learning from experience feedbacks of domestic and foreign NPPs construction, and improving the safety and quality of our construction work.

As at June 30, 2023, we had six nuclear power generating units under construction (including units under construction which were entrusted to the Company by the controlling shareholder of the Company for management), among which two of them were in the civil construction phase, three were in the equipment installation phase and one was in the commissioning phase.

On April 28, 2023, Fangchenggang Unit 4 commenced the cold functional test and entered the commissioning phase.

On July 31, 2023, Ningde Unit 5 and Unit 6 were approved by the State Council. Adopting our HPR1000 technology, Ningde Unit 5 and Unit 6 have unit capacity of 1,210 MW.

At present, the Group has been conducting preparatory works for the construction of Lufeng Unit 6, and Ningde Unit 5 and Unit 6 in an orderly manner.

We controlled, supervised and managed aspects including the safety, quality, progress, investment, technology and environment of our construction projects, so as to ensure that the safety and quality of the projects under construction complied with various regulatory requirements and facilitate safe, stable and economical operation of the units after commencement of commercial operation.

Nuclear Power Generating Units	Civil Construction Phase <sup>1</sup>	Equipment Installation Phase <sup>2</sup>	Commissioning Phase <sup>3</sup>	Grid Connection Phase <sup>4</sup>	Expected Time of Commencement of Operation
<i>From subsidiaries</i>					
Fangchenggang Unit 4			✓		First half of 2024
Lufeng Unit 5	✓				2027
<i>From companies which were entrusted by the controlling shareholder for management</i>					
Huizhou Unit 1		✓			2025
Huizhou Unit 2		✓			2026
Cangnan Unit 1		✓			2026
Cangnan Unit 2	✓				2027

Notes:

1. "Civil construction" phase refers to the process from the first concrete day to the proper roof installation of the main plant of the nuclear reactor.
2. "Equipment installation" phase refers to the process from the installation of nuclear island equipment upon the roof installation of the main plant of the nuclear reactor to the nuclear island main system meeting the conditions to conduct cold functional tests.
3. "Commissioning" phase refers to the process of conducting cold functional tests for nuclear island main system and commencing joint commissioning for the power plant.
4. "Grid connection" phase refers to the commissioning of generating units upon the first grid connection with the power grid, demonstrating that the units are capable for power generation.

## Business Performance and Outlook

The construction process of nuclear power generating units may be affected by various factors including, among others, delivery delays, increase in the cost of key equipment and materials, delay in obtaining regulatory approvals, permits or licenses, unexpected engineering, environmental or geological problems, change of localization ratio as well as the implementation of additional China's regulatory and safety requirements for nuclear safety, so the actual date of commencement of operation may be different from such expected time. We will disclose updated information pursuant to the relevant requirements from time to time.

### Sales of Electricity

Due to the different economic development conditions of each province, the supply and demand for electricity in the provinces and regions where our nuclear power generating units are located varied slightly. In the first half of 2023, the Company continued to adopt the power sales strategy of "striving for more on-grid power generation quota, striving for better market power generation and power tariff, striving for development and utilization of incremental market and striving for more shares in power transmission across provinces and regions". With the increase in the proportion of nuclear power generating units participating in market-based transactions in each province and region, the Company actively developed high-quality market users and refined its units in service for greater and full load power generation. In the first half of 2023, the on-grid power generation was slightly higher than the power generation plans of the Company and the average settling tariff was basically the same as that of corresponding period of previous year, ensuring the overall economic benefits of the Company.

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### Guangdong Province

The electricity consumption in the province increased by 7.51% in the first half of 2023 over the corresponding period of previous year. According to the Notice on Doing a Good Job in Electricity Market Annual Transactions in 2023 (《關於做好2023年電力市場年度交易工作的通知》) issued by the Energy Administration of Guangdong Province (廣東省能源局), a total of 10 units of Ling'ao Nuclear, Lingdong Nuclear and Yangjiang Nuclear took 7,500 hours as the benchmark value, and arranged annual market-based power generation of approximately 19.5 billion kWh in total. The on-grid power generation of the nuclear power generating units within the Guangdong Province increased by 6.25% year on year, which was mainly due to the time taken for operations at reduced load or shut down for standby of power generating units within the Guangdong Province was shorter in the first half of 2023 as compared to the corresponding period of previous year.

### Fujian Province

The electricity consumption in the province increased by 5.92% in the first half of 2023 over the corresponding period of previous year. Ningde Unit 1 to Unit 4 participated in the market-based electricity transactions with their entire on-grid electricity. In the first half of 2023, the on-grid power generation increased by 11.21% year on year, which was mainly due to the time taken for operations at reduced load or shut down for standby of Ningde nuclear power generating units was shorter in the first half of 2023 as compared to the corresponding period of previous year.

## Guangxi Zhuang Autonomous Region

The electricity consumption in the province increased by 10.13% in the first half of 2023 over the corresponding period of previous year. Fangchenggang Unit 1 to Unit 3 participated in the market-based electricity transactions with their entire on-grid electricity. In the first half of 2023, the on-grid power generation of Fangchenggang Nuclear increased by 36.10% year on year, which was mainly due to the commencement of production of Fangchenggang Unit 3 in March 2023.

## Liaoning Province

The electricity consumption in the province increased by 3.28% in the first half of 2023 over the corresponding period of previous year. Hongyanhe Unit 1 to Unit 4 participated in the market-based electricity transactions with their on-grid electricity. In the first half of 2023, the on-grid power generation of Hongyanhe Nuclear increased by 29.65% year on year, which was due to the increase in number of nuclear power generating units in operation of Hongyanhe Nuclear following the commencement of production of Hongyanhe Unit 6 in June 2022.

In the first half of 2023, our nuclear power generating units in operation achieved a total on-grid power generation of 105,918.06 GWh (including our associates), representing a year-on-year increase of 14.09%. Market-based power generation volume accounted for approximately 55.5% of the total on-grid power generation, which was basically the same as that of the corresponding period of 2022.

In the first half of 2023, each of our power sales companies made vigorous efforts in penetrating and closely tracking situations of electricity markets in the provinces and regions where they are located at and got involved in market transactions proactively. The actual electricity consumption of our 162 retail agent clients amounted to approximately 9,186.06 GWh (including agent clients other than the Group).

We paid close attention to the on-grid tariffs of operating units. The Company's on-grid tariffs for operating units are classified into Planned Tariffs and Market-based Tariffs. The Planned Tariffs are approved by the relevant government authorities, and the Market-based Tariffs are formed through market-based transactions. On March 20, 2023, Fangchenggang Nuclear received the approval of the temporary on-grid tariff of Fangchenggang Unit 3 and Unit 4. The temporary on-grid tariff for Fangchenggang Unit 3 and Unit 4 (i.e. phase II project of Fangchenggang Nuclear) is RMB0.4063 per kWh (tax inclusive) from the time when they are officially put into commercial operation. The phase II project of Fangchenggang Nuclear is the demonstrative project of HPR1000 technology as approved by the state. The tariff should be in line with the new policy following a new on-grid tariff mechanism is formed as approved or implemented by the National Development and Reform Commission. In the first half of 2023, the Planned Tariffs for the other nuclear power generating units in operation of the Company remain unchanged. The average Market-based Tariffs of the Company in the first half of 2023 was basically the same as that of the corresponding period of 2022.

## Business Performance and Outlook

The Planned Tariffs (VAT inclusive) of our nuclear power generating units in operation as at June 30, 2023 are set out in the table below.

Nuclear Power Generating Units	Clients	Planned Tariffs (VAT included) (RMB/kWh)
Daya Bay Unit 1 and Unit 2	Guangdong Power Grid Co., Ltd.	0.4056
Ling'ao Unit 1 and Unit 2	Guangdong Power Grid Co., Ltd.	0.4143
Lingdong Unit 1 and Unit 2	Guangdong Power Grid Co., Ltd.	0.4153
Yangjiang Unit 1 to Unit 6	Guangdong Power Grid Co., Ltd.	0.4153
Fangchenggang Unit 1 to Unit 3	Guangxi Power Grid Co., Ltd.	0.4063
Ningde Unit 1 and Unit 2	Fujian Electric Power Co., Ltd.	0.4153
Ningde Unit 3	Fujian Electric Power Co., Ltd.	0.3916
Ningde Unit 4	Fujian Electric Power Co., Ltd.	0.3590
Taishan Unit 1 and Unit 2	Guangdong Power Grid Co., Ltd.	0.4350
Hongyanhe Unit 1 to Unit 4	Liaoning Electric Power Co., Ltd.	0.3823
Hongyanhe Unit 5 and Unit 6	Liaoning Electric Power Co., Ltd.	0.3749

### Comprehensive Use of Nuclear Energy

In addition to focusing on nuclear power generation as its principal business, the Company has also been actively taking an initiative to conduct research on the comprehensive use of nuclear energy, aiming to explore new technologies and new models. The Company strives to diversify its nuclear energy products and develop a complementary and comprehensive approach to use multiple forms of energy while regarding nuclear energy as the core, which will be able to support its nuclear power business, make an effective response to the impact of the market-oriented electricity system reform on the economical efficiency of nuclear power projects, and enhance market competitiveness.

For nuclear energy heating, we have accumulated certain experience at the Hongyanhe Nuclear Power Base, which will be properly promoted and applied in the future. The supporting construction of pumped storage and electrochemical energy storage projects can improve the operational stability of nuclear power generating units to a certain extent, reduce nuclear safety risks, and stabilize trading prices of nuclear power. We actively seek development opportunities for pumped storage projects in the provinces and regions where nuclear power is located. Based on the latest state policies and requirements, we are pushing forward the preliminary works on projects in a orderly and high-quality manner. As of June 30, 2023, the construction of equity-participation pumped storage power station project invested by the Company has commenced as planned, while full efforts are made to include pumped storage power station development project with controlling stake into the state development plan. At the same time, we are also cooperating with other companies to jointly build a large-scale nuclear storage complementary electrochemical energy storage demonstration project in the Guangdong province. Relevant feasibility study is in progress.

## Human Resources

The total number of employees of the Group was 18,265 (excluding our associates) as of June 30, 2023.

We pay close attention to the occupational health of our employees who carry out Work in our NPPs, including our contractors and other personnel who enter into our workplace to carry out relevant activities. We ensure each of our employees' occupational health through various means such as publicity and training, proactive prevention, identification and management of occupational hazards.

The average individual radiation exposure index among our personnel (including staff, contractors and other personnel) who entered into the control area to work at NPPs is lower than the national standard limit (20 mSv/year/person). The table below sets out information on the maximum individual radiation exposure index (Unit: mSv) among the personnel who entered into the control area to work in the first half of 2023 and that of 2022 at NPPs operated and managed by us:

NPP/Unit	For the six months ended June 30,	
	2023	2022
Daya Bay NPP, Ling'ao NPP and Lingdong NPP	6.359	8.820
Yangjiang NPP	4.279	6.219
Fangchenggang NPP Unit 1 to Unit 3	4.007	3.578
Ningde NPP	5.630	5.851
Taishan NPP	2.063	0.980
Hongyanhe NPP	7.345	5.760

Note: The changes in data are primarily due to the differences in outage schedules and maintenance projects during the six months ended June 30, 2023. According to the opinions from the relevant national regulatory authorities, since 2021, the personal radiation doses generated by the Daya Bay NPP, Ling'ao NPP and Lingdong NPP located in the Daya Bay Nuclear Power Base have been consolidated.

## Business Performance and Outlook

### Social Responsibilities

We constantly explore and improve our transparent communication mechanism and develop innovative means of communication. We strive to build interactive relationship with mutual trust with various sectors of the society and with the public, and support sustainable development of surrounding communities with our abilities.

### Proactive Disclosure of Information

Each of the nuclear power bases in operation managed by us has established its public information platform on nuclear safety. The information made available to the public includes monthly operating data, such as capacity factor, radiation protection, industrial safety, level 1 fire risk incidents, three wastes control and monitoring of the environment, and operational events. Any operational event occurring in power units in operation as required to be disclosed under relevant national and local laws and regulations must be announced within two natural days (excluding the occurring day of the event) from the date on which such event is defined. In the first half of 2023, the nuclear power bases disclosed all the relevant safety production information as required.

Each of the nuclear power bases managed by us has established its own websites and social media platforms such as the official WeChat account for delivering the operational information of various NPPs proactively. The Company arranges regular press conferences, interviews and site visits by invitation, theme activities and distribution of publications to provide NPPs' related information to the competent industry regulatory departments and the media, and takes public inquiries through hotlines, facsimile and e-mail. In the first half of 2023, the Company convened seven media communications and press conferences.

### Transparent Public Communication

We adhere to transparent communication, constantly explore the open and transparent communication mechanisms, and increase efforts in popularizing nuclear power science. We actively promote nuclear power knowledge in cities, schools and communities to help the public to understand all aspects of nuclear power in order to enhance public confidence in nuclear power.



In March 2023, Hongyanhe Nuclear organized the “Hongyanhe Nuclear Happy Tutoring (紅核輔導·快樂前行)” for the first class of the semester voluntary campaign by young volunteers at Liaohe Hope Primary School (遼核希望小學). Brainstormed by volunteers, multi-perspective activities such as ideas enlightenment, fun games, creative painting, sports events, quizzes, experiments were conducted, so the kids could learn more and exercise their bodies in a pleasant atmosphere.

In April 2023, in cooperation with China Association for Science and Technology, at the tenth anniversary of the commencement of commercial operation of Ningde Unit 1, the Company conducted live streaming on popular science. Over 1.20 million audiences joined the virtual tour at Ningde Nuclear Station through different platforms such as China Science Communication, m.yangshipin.cn and SASAC WeChat Official Account etc., enjoying the glamour of nuclear power and technology.



In May 2023, Fangchenggang Nuclear visited high school in Nanning for the first time. It conducted a nuclear power and popular science talk under the theme of “HPR1000 Nuclear Power Technology at Campus (華龍一號硬‘核’走進校園)” for over 700 students at Nanning No. 14 High School. While making more teenagers to get to know about nuclear power, it also promoted the environmental protection concept of clean energy, green energy and low-carbon.

### Win-win Community Development

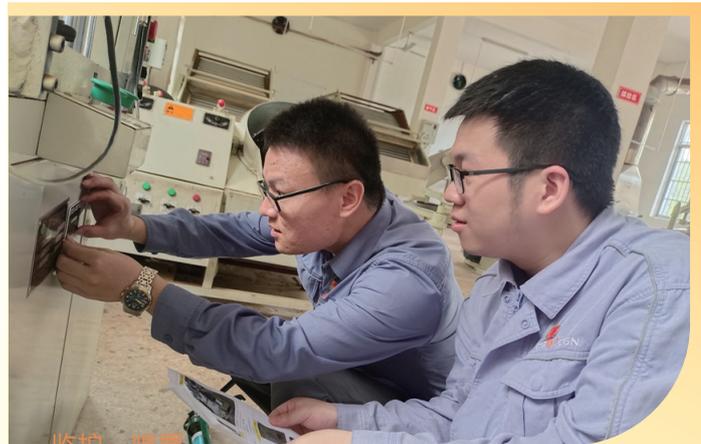
We uphold the vision of “boosting the economy and benefiting the people of the place in which we develop a project”. We actively promote community development and at the same time, we achieve our corporate development plan by building a harmonious relationship with the surroundings. In response to the national rural revitalization strategy, we continue to promote rural revitalization in Guangxi Zhuang Autonomous Region, Guangdong Province, Fujian Province and other regions, in order to constantly improve the livelihood of the local residents and develop characteristic industries there, which consolidated and expanded the achievements made in poverty alleviation.

## Business Performance and Outlook



In April 2023, Yangjiang Nuclear conducted charity donation at Yangdong Peizhi School (陽東區培智學校), helping the school to improve its conditions and teaching standards, thereby offering a quality platform for healthy growth of children with special needs and excellent learning and education environment, as well as boosting the education development in the neighborhoods.

In June 2023, Fangchenggang Nuclear conducted voluntary services and campaign in Longhuai Village, Jiayou Town, Lingyun County. In accordance with the Guidelines on Equipment Maintenance at Tea Factory (茶葉廠設備維修大綱), Fangchenggang Nuclear conducted inspection on the lubrication condition of machine and equipment, and performed necessary maintenance. Tea production equipment underwent deep cleaning using specialized detergent. In addition, Fangchenggang Nuclear prepared customized equipment tags for tea production equipment, making equipment management more convenient, thus promoting the long-term safe operation of equipment.



## OUTLOOK FOR THE SECOND HALF OF THE YEAR

In the second half of 2023, we plan to carry out the following initiatives:

We will work further on the construction of safety, quality and environment system, reinforce the safety risk management and control of key projects, make great efforts on potential hazard inspection and rectification, continue to improve the intrinsic safety level, enhance nuclear safety, industrial safety, equipment and facilities, environmental protection and network information security management, and ensure safe production, in order to guarantee the absolute safety of nuclear power.

On the premise of ensuring safety and quality, we will push forward construction of generating units (including entrusted management projects) in high quality as planned, fully facilitate various works in the commissioning stage of Fangchenggang Unit 4, commence various preparatory work for construction before FCD of approved units in an orderly manner, and proceed with the licensing application and approval of other projects.

We will ensure the safe and stable operation of all the generating units in operation. We plan to conduct 10 refuelling outages in the second half of the year.

We will closely follow and analyze the changes in the electricity market situation, further enhance the marketing system and mechanism of electricity market, strengthen the development of marketing capabilities for electricity market and adopt specialized marketing strategies to strive for more on-grid power generation through various channels and initiatives as well as better tariff. We strive to achieve an average utilization hour of generating units in 2023 not less than the average of the average utilization hour of generating units for the last three years.

We will enhance research and development works driven by self-innovation, continue to make more efforts to achieve breakthrough in nuclear technology development, and accelerate the construction of original technology source. We will also promote the digitalization of nuclear power, boost business growth through proprietary innovation and facilitate the sustainable development of the Company. We will strengthen the transformation and application of scientific research results to the external market to create greater economic value.

We will continuously push forward the implementation of SCS management strategy and lean management and strengthen internal resources coordination and cooperation to strengthen our control on construction cost of generating units under construction as well as the continuous control over operation and maintenance cost of generating units in operation.

We will closely follow the change of national policy, domestic and international economic and financial environment, adhere to the principle of prudence, identify changes in risks in a timely manner through operation of risk management system, and adjust our existing measures when appropriate to ensure the steady development of the Company.



# Corporate Governance

## Compliance with Requirements of Appendix 14 to the Listing Rules

The Company strives to maintain a high level of corporate governance to ensure the realization of the Company's strategy, to protect the interests of shareholders and to enhance enterprise value. Since the date of listing, the Company has formulated the Corporate Governance Code of CGN Power Co., Ltd. 《中國廣核電力股份有限公司企業管治守則》 (“**Corporate Governance Code of the Company**”), and has complied with the code provisions as set out in the Corporate Governance Code (the “**Hong Kong Stock Exchange Code**”) contained in Appendix 14 to the Listing Rules. The Corporate Governance Code of the Company covers the basic requirements of the Hong Kong Stock Exchange Code and stipulates standards which are higher than the recommended best practices in various aspects.

During the Reporting Period, the Company complied with all the code provisions and all recommended best practices as set out in the Hong Kong Stock Exchange Code.

During the Reporting Period, the Company held one annual general meeting, one H shareholders' class meeting, one A shareholders' class meeting, one extraordinary general meeting, three regular Board meetings and two meetings of the supervisory committee of the Company (the “**Supervisory Committee**”).



On February 10, 2023, the Company held the 2023 first extraordinary general meeting in Shenzhen, at which the appointment of a non-executive Director, the Measures on Performance Evaluation of the Independent Directors (Trial) and other resolutions were considered and approved.



The 2022 annual general meeting, 2023 first H shareholders' class meeting and 2023 first A shareholders' class meeting were held on May 25, 2023 in Shenzhen. The Board presented the 2022 operating results, the development for the first quarter of 2023 and the future outlook of the Company to all the shareholders present at the meetings. The Company's profit distribution plan for the year 2022, the general mandates to issue and repurchase shares and other related resolutions were considered and approved at the meetings. The Board answered questions from shareholders on issues of their concern.

According to the Articles of Association of CGN Power Co., Ltd.\* (the "Articles of Association"), each director and each supervisor of the Company have a term of 3 years and the term is renewable upon re-election. The terms of the third session of the Board and the Supervisory Committee expired on August 5, 2023. Based on the progress of the nomination process of candidates for directors and supervisors of the new session of the Board and the Supervisory Committee, the Company published an announcement on the postponed election of the new session of the Board and the Supervisory Committee on June 14, 2023. The election of the new session of the Board and the Supervisory Committee will be postponed. The terms of the committees of the Board and certain senior management of the Company will also be extended accordingly. All the members of the third session of the Board and the Supervisory Committee, and the aforementioned senior management of the Company will continue to fulfill their respective obligations and responsibilities in accordance with the relevant laws, administrative regulations or the Articles of Association until the completion of the election of the new session of the Board and the Supervisory Committee.

## Compliance with Domestic Regulatory Requirements

During the Reporting Period, the corporate governance practices of the Company were in compliance with the laws and regulations of the PRC, the relevant regulatory requirements of China Securities Regulatory Commission and the Hong Kong Stock Exchange, and will continue to comply with the updated laws and regulations. The Company, its Directors, Supervisors and senior management were not subject to any administrative penalties, notice of criticism or reprimand.

## Amendments to Documents of Governance such as the Articles of Association

A special resolution was considered and passed at the 2022 annual general meeting on May 25, 2023 to approve the amendments to the Articles of Association. The amendments mainly correspondingly updated the Articles of Association based on the amendments to the related laws and regulations. In particular, the Securities Law of the People's Republic of China (2019 Revision) 《中華人民共和國證券法(2019年修訂)》 stipulated the latest requirements on the regulation of short-swing trading, the consequences of violating the requirements for information disclosure of large shareholdings, and the requirements for supervisors to perform their duties. The Guidelines for the Articles of Association of Listed Companies (2022 Revision) 《上市公司章程指引(2022年修訂)》 stipulated the latest requirements on the terms of reference of the general meeting, the requirements for notice of the general meeting, the circumstances of external guarantees which are subject to approval at the general meeting, the conditions for one to solicit voting rights from shareholders, the terms of reference of the board of directors, and the salary requirements for senior management members of the company, etc. The Rules Governing the Listing of Shares on Shenzhen Stock Exchange (2022 Revision) 《深圳證券交易所股票上市規則(2022年修訂)》 stipulated the latest requirements on the names of regular reports that listed companies should disclose. The Hong Kong Listing Rules (Update No. 134) stipulated the latest requirements on right of the clearing house to appoint proxies or corporate representatives.

### Changes in Directors, Supervisors and Senior Management

As of the date of this report, the list of names of the Board, the Supervisory Committee and senior management of the Company are as follows:

#### The Board

Non-executive Directors	Executive Director	Independent non-executive Directors
Mr. Yang Changli (Chairman) Mr. Shi Bing Mr. Feng Jian Mr. Gu Jian	Mr. Gao Ligang	Mr. Li Fuyou Mr. Yang Jiayi Mr. Xia Ceming Mr. Tang Chi Cheung

- The appointment of Mr. Feng Jian as a non-executive Director of the third session of the Board of the Company was approved at the 2023 first extraordinary general meeting of the Company, which became effective on February 10, 2023.

#### Supervisory Committee

Non-employee representative Supervisors	Employee representative Supervisors
Ms. Pang Xiaowen Mr. Zhang Baishan	Ms. Zhu Hui Mr. Wang Hongxin

- Ms. Zhu Hui and Mr. Luo Jun were elected as employee representative Supervisors of the fourth session of the Supervisory Committee at the employee representative meeting of the Company convened on March 15, 2023 with effect from the date of general meeting of the Company on which other non-employee representative Supervisors were appointed. On May 5, 2023, Ms. Zhu Hui resigned from the position of employee representative Supervisor of the third session of the Supervisory Committee of the Company and would not hold the position of employee representative Supervisor of the fourth session of the Supervisory Committee due to work reasons. As Ms. Zhu Hui's resignation would result in the number of employee representative Supervisors being less than one-third of the members of the Supervisory Committee, her resignation will take effect on the date of election of a new employee representative Supervisor by the Company. On August 7, 2023, Mr. He Dabo was elected as an employee representative Supervisor of the fourth session of the Supervisory Committee at the employee representative meeting of the Company, which will take effect from the date of general meeting subsequently convened by the Company for the election of non-employee representative Supervisors of the fourth session of the Supervisory Committee, and Ms. Zhu Hui continued to act as an employee representative Supervisor of the third session of the Supervisory Committee.

#### Senior Management

President	Vice presidents	Chief financial officer	Board secretary
Mr. Gao Ligang	Mr. Qin Yuxin Mr. Zhou Jianping Mr. Liu Haijun	Mr. Yin Engang	Mr. Yin Engang

- The appointment of Mr. Zhou Jianping and Mr. Liu Haijun as vice presidents of the Company were approved at the 21st meeting of the third session of the Board of the Company, which became effective on January 4, 2023.

The biographical details of the newly appointed Director and senior management of the Company are set out as follows:

### Mr. Feng Jian (馮堅)

Born in 1967, he has served as a non-executive Director of the Company since February 2023. He holds a postgraduate degree and is an accountant. Mr. Feng Jian has extensive experience in corporate management, financial management, investment management and other areas. From October 2012 to August 2021, he successively served as the deputy general manager and vice chairman of Guangdong Hengjian Hezi Medical Industry Co., Ltd. (廣東恒健核子醫療產業有限公司), the executive director and general manager of Zhuhai Hengqin Hengtaian Investment Co., Ltd. (珠海市橫琴恒泰安投資有限公司), the executive director of Guangdong Hengtaian Investment Co., Ltd. (廣東恒泰安投資有限公司), the chairman of Guangdong Agricultural Supply Side Structural Reform Funds Management Co., Ltd. (廣東省農業供給側結構性改革基金管理有限公司). He has served as the deputy general manager of Guangdong Hengjian Investment Holding Co., Ltd. (廣東恒健投資控股有限公司) since August 2021 and the supervisor of China Southern Power Grid Company Limited (中國南方電網有限責任公司) since November 2022.

### Mr. Zhou Jianping (周建平)

Born in 1972, he has served as a Vice President of the Company since January 2023. He holds a bachelor's degree and is a senior engineer (researcher-level). Mr. Zhou Jianping has more than 25 years of experience in the nuclear power industry. From June 2014 to July 2018, he successively served as an assistant to the general manager and the deputy general manager of Fangchenggang Nuclear. He served as the general manager of the Safety and Quality Assurance Department of the Company from July 2018 to March 2019, the secretary of the party committee and the general manager of Fangchenggang Nuclear from March 2019 to December 2020, and the secretary of the party committee and the chairman of Fangchenggang Nuclear from December 2020 to February 2022. During his time as the secretary of the party committee and the chairman of Fangchenggang Nuclear from February 2022 to April 2022, he also served as the general manager of the Safety, Quality and Environmental Department of the Company. He has served as the general manager of the Safety, Quality and Environmental Department of the Company since April 2022, the safety director of the Company since February 2023, and the chairman of Xiong'an Xingrong Nuclear Power Innovation Center Co., Ltd. (雄安興融核電創新中心有限公司) since July 2023.

### Mr. Liu Haijun (劉海軍)

Born in 1973, he has served as a Vice President of the Company since January 2023. He holds a master's degree and is a senior engineer. Mr. Liu Haijun has more than 25 years of experience in the nuclear power industry. He served as an assistant to the general manager of Taishan Nuclear from May 2009 to December 2015. He also served as the general counsel of Taishan Nuclear from June 2011 to December 2012. He served as the deputy general manager of Taishan Nuclear from December 2015 to December 2020, a director of NNB Generation Company (HPC) Limited ("HPC Genco") from November 2019 to September 2021, the secretary of the party committee, a director and the general manager of Taishan Nuclear from December 2020 to December 2021, and the secretary of the party committee, the chairman and the general manager of Taishan Nuclear from December 2021 to May 2022. From July 2021 to May 2022, he served as the chairman and the general manager of Taishan Nuclear Power Industry Investment Co., Ltd. (台山核電產業投資有限公司), as well as an executive director and the general manager of CGN Taishan No. 2 Nuclear Power Co., Ltd. (中廣核台山第二核電有限公司). Since May 2022, he has served as the secretary of the party committee and the chairman of Taishan Nuclear, as well as the chairman of Taishan Nuclear Power Industry Investment Co., Ltd. He has served as the general manager of the Nuclear Energy Management Department of the Company since February 2023.

## Corporate Governance

Save as disclosed above, there is no change in the Directors, Supervisors and senior management of the Company as of the date of this report. Meanwhile, the Directors, Supervisors and senior management of the Company have confirmed that no other information is required to be disclosed pursuant to Rules 13.51B (1) of the Listing Rules.

### Compliance with Appendix 10 to the Listing Rules by Directors

The Company has formulated the Code for Securities Transactions by Directors and Specified Individuals, and has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules as the code of conduct regarding securities transactions of the Company by all Directors. According to the special enquiry made to all Directors, all Directors have confirmed that they have strictly complied with the standards set out in the two aforementioned codes throughout the Reporting Period.

### Internal Control

The Company has been continuously improving the development of an internal control system and promoting workflow of business activities. Control measures were implemented at the corresponding risk points in the internal control workflow.

For the six months ended June 30, 2023, the general issues discovered in the internal control evaluation and internal audit of the Company for 2022 had been rectified as planned. At the same time, the Company had conducted various supervision activities such as management auditing and accountability audit in accordance with the auditing plans for 2023. No material issues which may affect shareholders were discovered.

Details of the standards, procedures and effectiveness of the internal control system of the Company were set out on pages 118 to 121 of the 2022 Annual Report.

### Audit and Risk Management Committee

The Company has established the audit and risk management committee (the “**Audit and Risk Management Committee**”) in compliance with the requirements of Rule 3.21 of the Listing Rules and the requirements of the Hong Kong Stock Exchange Code with written terms of reference. The Board has delegated to the Audit and Risk Management Committee with written terms of reference. The Terms of Reference for the Audit and Risk Management Committee under the Board of Directors of CGN Power Co., Ltd. was prepared in accordance with the relevant requirements of the Articles of Association of CGN Power Co., Ltd., the Company Law of the People’s Republic of China, the listing rules of the places where the shares of the Company are listed, and A Guide for Effective Audit Committees published by the Hong Kong Institute of Certified Public Accountants. The terms of reference are detailed in the Terms of Reference for the Audit and Risk Management Committee under the Board of Directors of CGN Power Co., Ltd. and are available on the websites of the Company, SZSE and the Hong Kong Stock Exchange. As at the date of this report, the Audit and Risk Management Committee comprises one non-executive Director (Mr. Gu Jian) and two independent non-executive Directors (Mr. Yang Jiayi and Mr. Tang Chi Cheung). Mr. Yang Jiayi, who possesses accounting qualification, acts as the chairman of the Audit and Risk Management Committee.

On August 17, 2023, the Audit and Risk Management Committee has reviewed and confirmed the interim results announcement for the six months ended June 30, 2023 of the Group, 2023 Interim Report and the unaudited interim consolidated financial statements for the six months ended June 30, 2023 prepared in accordance with the Accounting Standard for Business Enterprises No. 32 – Interim Financial Reporting and the China Accounting Standard for Business Enterprises issued by the Ministry of Finance of the People’s Republic of China.

## Changes in Remuneration

The remuneration policy and system of the Company did not change as compared with that of previous year. As of June 30, 2023, the remuneration standards and implementation basis for Directors, Supervisors and senior management remained the same as those in the corresponding period of 2022. At the 2022 annual general meeting of the Company convened on May 25, 2023, the resolutions on the remuneration of the Directors of the third session of the Board and the Supervisors of the third session of the Supervisory Committee in 2023 were approved. The resolution on the remuneration of the Company’s senior management in 2023 was approved at the twenty-second meeting of the third session of the Board on March 15, 2023.

For the six months ended June 30, 2023, the statistics of the remuneration of the Directors, Supervisors and senior management of the Company are as follows:

	Fees RMB'000	Salaries, other allowances and discretionary bonus RMB'000	Pension scheme* contribution RMB'000	Total RMB'000
Directors	120	491	68	679
Supervisors	–	1,466	94	1,559
Senior management**	–	3,289	251	3,540

\* The Company contributes a certain proportion of the salaries of all the staff for their basic pension insurance according to the national and local regulations on pensions, and the staff will collect their pension according the local polices upon retirement. In addition, the Company has also launched a corporation pension plan. According to the plan, the Company will contribute an amount of not exceeding 8% of the individual contracted remuneration per month and the individuals will contribute an amount of not exceeding half of the contribution from the Company, and the staff can collect such pension from their individual accounts every month upon retirement. Other than these, the Company has no other responsibility for the pension scheme of the staff.

\*\* The remuneration of executive Directors concurrently serving as senior management members is only listed in the remuneration of Directors.

## Corporate Governance

For the six months ended June 30, 2023, remuneration of Directors, Supervisors and senior management of the Company in aggregate amounted to approximately RMB5.78 million and the total staff costs amounted to approximately RMB5,049.55 million (excluding associates).

In order to provide incentives to key talents and create more value for our shareholders, the H-Shares Appreciation Rights (the “SAR”) Scheme (the “Scheme”) was approved at the 2014 annual general meeting. The Scheme is expected to be conducted in three grants with each grant taking effect in three tranches. The first grant of the SAR was approved by the Board on November 5, 2015. Since the price of H shares was yet to meet the exercise condition, all of the three tranches of SAR for the first grant expired and lapsed.

The second grant of the SAR of the Company was approved by the Board on December 14, 2017. In particular, the first and second tranches of SAR for the second grant have taken effect since December 16, 2019 and December 15, 2020, respectively, with the exercise conditions being met. The third tranche of SAR are not effective due to some performance indicators not meeting the exercise conditions.

The second exercise plan of the Second Grant of the share appreciation rights incentive scheme of the Company was approved at the fourth meeting of the third session of the Board convened by the Company on January 13, 2021. As at June 30, 2023, the Incentive Recipients under the first tranche (which expired and lapsed on December 14, 2022) and second tranche of the Second Grant of the share appreciation rights incentive scheme exercised certain SARs. For details, please refer to Note (XI) to the financial statements of this report.

For retired/redesignated Directors and senior management, the specific arrangements for the exercise are implemented in accordance with the SAR Agreement. Since the Scheme does not involve the grant of any new share or share option over other new securities to be issued by the Company (or any of its subsidiaries), it does not fall within the ambit of, and is not subject to, the regulations of Chapter 17 of the Listing Rules. Please refer to Note (XI) of the financial statements of this report for details of the first and second grant and implementation of the SAR.

## Share Capital

As of June 30, 2023, the registered share capital of the Company was RMB50,498,611,100, divided into 50,498,611,100 shares (with a nominal value of RMB1.00 each), comprising 39,334,986,100 A shares and 11,163,625,000 H shares, representing approximately 77.89% and 22.11% of the registered share capital, respectively.

## Purchase, Sale or Redemption of the Company’s Listed Securities

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s listed securities during the six months ended June 30, 2023.

## Interests

### Interest of Directors, Supervisors and chief executive officer

As recorded in the register required by Section 352 of Part XV of the Hong Kong Securities and Futures Ordinance, none of the Directors, Supervisors and chief executive officer of the Company held any interest/short position in the shares, underlying shares and debentures of the Company and its associated corporations as of June 30, 2023.

### Interest of shareholders required to be disclosed under the Hong Kong Securities and Futures Ordinance

Pursuant to Divisions 2 and 3 of Part XV of the Hong Kong Securities and Futures Ordinance, the interest/short position held by the following persons (other than Directors, Supervisors and chief executive officer of the Company) in the shares and underlying shares of the Company as of June 30, 2023 are set out in the table below.

### Aggregate long positions in the shares and underlying shares of the Company

The Company has been notified by the following shareholders of the interests held in the shares of the Company (other than equity derivatives under share options, call warrants or convertible bonds) as of June 30, 2023 as follows:

Shareholders	Capacity as holder of shares	Number and class of the shares of the Company held	Approximate % of the relevant share classes	Approximate % of the total issued shares of the Company
CGNPC	Beneficial owner	29,176,641,375 (A shares)	74.17%	57.78%
		570,235,000 <sup>(Note)</sup> (H shares)	5.11%	1.13%
Guangdong Hengjian Investment Holding Co., Ltd. (廣東恒健投資控股有限公司)	Beneficial owner	3,428,512,500 (A shares)	8.72%	6.79%
BlackRock, Inc.	Interest of controlled corporation	667,860,059 (H shares)	5.98%	1.32%

Note: Among which including 10,000,000 H shares held by CGNPC through one of its wholly-owned subsidiaries.

## Aggregate short positions in the shares and underlying shares of the Company

The Company had been notified of the following shareholders' holding short positions in the shares of the Company as of June 30, 2023:

Shareholders	Capacity as holder of shares	Number and class of the shares of the Company held	Approximate % of the relevant share classes	Approximate % of the total issued shares of the Company
BlackRock, Inc.	Interest of controlled corporation	5,148,000 <sup>Note</sup> (H shares)	0.05%	0.01%

Note: Among which including 5,028,000 H shares held in unlisted derivatives and settled in cash.

### Interests of Other Persons

As of June 30, 2023, the Company has not been notified of any persons other than the above shareholders who had interests or short positions in the shares or underlying shares of the Company, under Divisions 2 and 3 of Part XV of the Hong Kong Securities and Futures Ordinance.

### Events after the Reporting Period

There was no occurrence of events that had a significant impact on the Group's operation, financial and trading prospects from July 1, 2023 to the date of this report.



# Report Review

KPMG Huazhen Zhuan Zi No. 2301587

To the Shareholders of CGN Power Co., Ltd.:

We have reviewed the accompanying interim financial statements of CGN Power Co., Ltd. (“CGN Power”), which comprise the consolidated balance sheet and the balance sheet of the parent company as at June 30, 2023, and the consolidated income statement and the income statement of the parent company, the consolidated cash flow statement and the cash flow statement of the parent company, and the consolidated statement of changes in shareholders’ equity and statement of changes in shareholders’ equity of the parent company for the period from January 1 to June 30, 2023, as well as the notes to the financial statements. The management is responsible for preparing the interim financial statements in accordance with the Accounting Standards for Business Enterprises No. 32 – Interim Financial Reporting, issued by the Ministry of Finance of the People’s Republic of China. Our responsibility is to issue a review report on the interim financial statements based on our review.

We conducted our review in accordance with China Standard on Review No. 2101 – Engagements to Review Financial Statements. The standard requires us to plan and conduct a review to obtain limited assurance as to whether the interim financial statements are free of material misstatement. A review is limited primarily to inquiries of CGN Power relevant personnel and performing analytical procedures on the financial data. A review provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the aforementioned interim financial statements of CGN Power have not been prepared in accordance with the Accounting Standards for Business Enterprises No. 32 – Interim Financial Reporting, in all material respects.

**KPMG Huazhen LLP**  
Beijing, PRC

Certified Public Accountants  
Registered in the People’s Republic of China

**Chen Zimin**  
**Wang Jie**

August 23, 2023

# Consolidated Balance Sheet (unaudited)

As at June 30, 2023

(Unit: RMB)

Item	Notes	June 30, 2023	December 31, 2022 (Restated)
<b>Assets</b>			
Current assets:			
Cash at bank and in hand	(V)1	16,894,754,734.05	14,840,775,400.46
Bills receivable	(V)2	5,230,000.00	3,605,535.11
Accounts receivable	(V)3	14,080,122,442.81	14,937,561,118.67
Prepayments	(V)4	18,237,017,470.03	17,506,790,909.33
Other receivables	(V)5	49,681,922.91	334,927,504.46
Inventories	(V)6	18,143,422,209.64	17,775,458,321.06
Contract assets	(V)7	3,526,669,456.16	2,860,873,537.43
Other current assets	(V)8	2,001,988,092.20	2,244,917,768.57
<b>Total current assets</b>		<b>72,938,886,327.80</b>	<b>70,504,910,095.09</b>
Non-current assets:			
Debt investments	(V)9	54,568,690.91	48,917,096.53
Long-term equity investments	(V)10	14,714,156,011.85	13,657,204,477.06
Other investment in equity instruments	(V)11	644,757,870.13	569,823,570.13
Investment properties	(V)12	162,827,639.56	180,474,430.77
Fixed assets	(V)13	250,475,995,320.56	232,763,516,089.38
Construction in progress	(V)14	49,948,188,189.65	68,299,405,441.78
Right-of-use assets	(V)15	946,091,483.29	1,041,919,328.49
Intangible assets	(V)16	5,298,400,931.62	5,205,320,306.21
Development costs	(V)17	5,233,326,730.76	5,031,087,404.91
Goodwill	(V)18	419,242,673.32	419,242,673.32
Long-term deferred expenses	(V)19	1,622,742,218.44	1,563,607,925.18
Deferred tax assets	(V)20	2,446,022,466.88	2,408,447,920.36
Other non-current assets	(V)21	8,233,671,190.17	7,322,023,246.40
<b>Total non-current assets</b>		<b>340,199,991,417.14</b>	<b>338,510,989,910.52</b>
<b>Total assets</b>		<b>413,138,877,744.94</b>	<b>409,015,900,005.61</b>

The accompanying notes to the financial statements form an integral part of these financial statements.

Item	Notes	June 30, 2023	December 31, 2022 (Restated)
<b>Liabilities and shareholders' equity</b>			
Current liabilities:			
Short-term loans	(V)22	12,258,644,610.54	11,930,482,045.91
Derivative financial liabilities		707,561.54	–
Bills payable	(V)23	4,577,101,770.22	5,094,227,695.25
Accounts payable	(V)24	22,063,645,910.02	22,967,701,771.92
Receipts in advance		642,857.15	450,000.00
Contract liabilities	(V)25	2,983,704,059.65	2,713,506,296.40
Employee benefits payable	(V)26	72,647,139.34	57,289,658.73
Taxes payable	(V)27	1,889,884,016.45	2,099,287,224.92
Other payables	(V)28	10,153,848,688.05	6,756,582,982.51
Non-current liabilities due within one year	(V)29	22,120,454,280.35	21,370,443,527.73
Other current liabilities	(V)30	1,984,125,949.14	3,142,463,824.40
<b>Total current liabilities</b>		<b>78,105,406,842.45</b>	<b>76,132,435,027.77</b>
Non-current liabilities:			
Long-term loans	(V)31	159,426,359,900.87	160,074,949,905.97
Bonds payable	(V)32	2,495,723,694.78	4,492,066,733.52
Lease liabilities	(V)33	517,628,747.96	651,291,464.61
Long-term employee benefits payable	(V)34	59,979,789.34	60,783,521.25
Provisions	(V)35	6,268,175,903.76	5,959,875,294.10
Deferred income	(V)36	2,319,011,928.94	2,325,356,501.66
Deferred tax liabilities	(V)20	1,452,944,541.59	1,386,207,340.79
<b>Total non-current liabilities</b>		<b>172,539,824,507.24</b>	<b>174,950,530,761.90</b>
<b>Total liabilities</b>		<b>250,645,231,349.69</b>	<b>251,082,965,789.67</b>
Shareholders' equity:			
Share capital	(V)37	50,498,611,100.00	50,498,611,100.00
Capital reserve	(V)38	10,830,498,981.95	10,807,810,823.13
Other comprehensive income	(V)39	963,570,791.93	741,762,782.92
Specific reserve	(V)40	232,296,598.65	200,139,433.39
Surplus reserve	(V)41	5,740,430,152.70	5,740,430,152.70
Retained earnings	(V)42	41,603,067,822.60	39,037,531,521.85
<b>Total equity attributable to shareholders of the parent company</b>		<b>109,868,475,447.83</b>	<b>107,026,285,813.99</b>
Non-controlling interests		52,625,170,947.42	50,906,648,401.95
<b>Total shareholders' equity</b>		<b>162,493,646,395.25</b>	<b>157,932,934,215.94</b>
<b>Total liabilities and shareholders' equity</b>		<b>413,138,877,744.94</b>	<b>409,015,900,005.61</b>

These financial statements were approved by the board of directors on August 23, 2023.

The accompanying notes to the financial statements form an integral part of these financial statements.

The financial statements were signed by the following persons in charge.

**Yang Changli**  
Legal Representative (Chairman)

**Gao Ligang**  
Executive Director

**Yin Engang**  
Chief Financial Officer

**Shan Jing**  
Head of the Accounting  
Department

# Balance Sheet of the Parent Company (unaudited)

As at June 30, 2023

(Unit: RMB)

Item	Notes	June 30, 2023	December 31, 2022 (Restated)
<b>Assets</b>			
Current assets:			
Cash at bank and in hand		10,403,121,429.44	6,276,518,296.50
Accounts receivable	(XV)1	331,947,177.12	335,122,339.25
Prepayments		27,342,534.12	27,426,987.35
Other receivables	(XV)2	3,658,722,656.10	4,817,369,269.83
Non-current assets due within one year		5,071,600,837.28	4,004,622,317.91
Other current assets	(XV)3	12,610,120,623.20	14,846,875,133.93
<b>Total current assets</b>		<b>32,102,855,257.26</b>	<b>30,307,934,344.77</b>
Non-current assets:			
Debt investments	(XV)4	4,342,032,017.27	7,506,380,422.89
Long-term equity investments	(XV)5	88,126,617,227.10	86,604,533,475.78
Fixed assets		81,840,908.42	89,411,852.95
Construction in progress		84,513,091.17	80,206,103.36
Right-of-use assets		68,454,515.60	97,792,165.16
Intangible assets		281,314,545.66	210,051,447.15
Development costs		4,316,946,534.81	4,015,366,360.18
Other non-current assets		–	32,559,400.00
<b>Total non-current assets</b>		<b>97,301,718,840.03</b>	<b>98,636,301,227.47</b>
<b>Total assets</b>		<b>129,404,574,097.29</b>	<b>128,944,235,572.24</b>
<b>Liabilities and shareholders' equity</b>			
Current liabilities:			
Accounts payable		371,933,717.40	642,341,565.61
Contract liabilities		5,507,911.76	10,584,776.26
Employee benefits payable		7,779,621.78	786,038.63
Taxes payable		24,798,287.53	28,425,537.02
Other payables		12,405,140,930.53	6,419,938,995.95
Non-current liabilities due within one year		4,710,440,602.44	4,230,439,223.85
Other current liabilities	(V)30(1)	1,820,771,506.85	2,814,282,739.72
<b>Total current liabilities</b>		<b>19,346,372,578.29</b>	<b>14,146,798,877.04</b>
Non-current liabilities:			
Long-term loans	(XV)6	1,210,000,000.00	1,210,000,000.00
Bonds payable	(V)32	2,495,723,694.78	4,492,066,733.52
Lease liabilities		10,425,719.59	41,190,918.72
Long-term employee benefits payable		502,717.47	616,166.05
Deferred income		1,174,266.67	904,266.67
<b>Total non-current liabilities</b>		<b>3,717,826,398.51</b>	<b>5,744,778,084.96</b>
<b>Total liabilities</b>		<b>23,064,198,976.80</b>	<b>19,891,576,962.00</b>

The accompanying notes to the financial statements form an integral part of these financial statements.

Item	Notes	June 30, 2023	December 31, 2022 (Restated)
<b>Liabilities and shareholders' equity (Cont'd)</b>			
Shareholders' equity:			
Share capital		50,498,611,100.00	50,498,611,100.00
Capital reserve		31,784,150,682.76	31,781,695,128.05
Surplus reserve		5,328,738,712.60	5,328,738,712.60
Retained earnings		18,728,874,625.13	21,443,613,669.59
Total shareholders' equity		106,340,375,120.49	109,052,658,610.24
Total liabilities and shareholders' equity		129,404,574,097.29	128,944,235,572.24

These financial statements were approved by the board of directors on August 23, 2023.

The accompanying notes to the financial statements form an integral part of these financial statements.

The financial statements were signed by the following persons in charge.

**Yang Changli**  
Legal Representative (Chairman)

**Gao Ligang**  
Executive Director

**Yin Engang**  
Chief Financial Officer

**Shan Jing**  
Head of the Accounting  
Department

# Consolidated Income Statement (unaudited)

For the period from January 1, 2023 to June 30, 2023

(Unit: RMB)

Item	Notes	For the period from January 1, 2023 to June 30, 2023	For the period from January 1, 2022 to June 30, 2022 (Restated)
I. Operating revenue	(V)43	39,275,824,322.89	36,622,093,484.82
Less: Operating costs	(V)43	22,502,483,912.86	21,948,110,852.25
Tax and surcharges	(V)44	427,800,364.25	373,040,564.34
Selling expenses	(V)45	20,215,287.37	21,112,069.25
Administrative expenses	(V)46	1,153,434,054.14	1,176,685,485.00
Research and development expenses	(V)47	677,527,992.99	448,028,566.70
Finance costs	(V)48	2,951,525,896.26	3,257,842,421.67
Including: Interest expenses		2,837,926,896.81	3,364,107,688.16
Interest income		138,856,976.35	80,432,534.75
Add: Other gains	(V)49	696,082,853.15	516,882,682.63
Investment income	(V)50	970,777,081.79	691,518,217.33
Including: Income from investment in associates and joint ventures		964,365,859.88	649,285,373.56
(Losses)/gains from changes in fair value	(V)51	(4,790,190.84)	58,620,720.03
Losses from credit impairment	(V)52	(59,972,096.38)	(47,527,989.97)
Asset impairment (losses)/reversal	(V)53	(9,834.01)	524.48
Gains from disposal of assets	(V)54	3,017,244.01	2,160,849.59
II. Operating profit		13,147,941,872.74	10,618,928,529.70
Add: Non-operating income	(V)55	5,737,502.26	13,835,357.02
Less: Non-operating expenses	(V)56	83,097,316.98	30,232,210.26
III. Total profit		13,070,582,058.02	10,602,531,676.46
Less: Income tax expenses	(V)57	2,160,861,154.44	1,752,783,720.63
IV. Net profit		10,909,720,903.58	8,849,747,955.83
(I) Classified by continuity of operations			
1. Net profit from continuing operations		10,909,720,903.58	8,849,747,955.83
2. Net profit from discontinued operations		–	–
(II) Classified by ownership			
1. Net profit attributable to shareholders of the parent company		6,958,915,466.46	5,901,975,375.42
2. Non-controlling interests		3,950,805,437.12	2,947,772,580.41

The accompanying notes to the financial statements form an integral part of these financial statements.

Item	Notes	For the period from January 1, 2023 to June 30, 2023	For the period from January 1, 2022 to June 30, 2022 (Restated)
V. Other comprehensive income, net of tax		275,603,131.70	348,590,748.14
Other comprehensive income attributable to shareholders of the parent company, net of tax		221,808,009.01	265,861,531.07
(I) Other comprehensive income that will not be reclassified to profit or loss		60,135,390.84	17,848,254.81
1. Change arising from remeasurement of defined benefit plan		(2,644,250.00)	1,892,875.00
2. Other comprehensive income that cannot be transferred to profit or loss under the equity method		(914,514.16)	3,556,854.81
3. Change in fair value of investment in other equity instruments		63,694,155.00	12,398,525.00
(II) Other comprehensive income that may be reclassified to profit or loss		161,672,618.17	248,013,276.26
1. Other comprehensive income that can be transferred to profit or loss under the equity method		-	-
2. Translation differences arising from translation of foreign currency financial statements		161,672,618.17	248,013,276.26
Other comprehensive income attributable to non-controlling interests, net of tax		53,795,122.69	82,729,217.07
VI. Total comprehensive income		11,185,324,035.28	9,198,338,703.97
Total comprehensive income attributable to shareholders of the parent company		7,180,723,475.47	6,167,836,906.49
Total comprehensive income attributable to non-controlling interests		4,004,600,559.81	3,030,501,797.48
VII. Earnings per share			
(I) Basic earnings per share	(V)58	0.138	0.117
(II) Diluted earnings per share	(V)58	0.138	0.117

The accompanying notes to the financial statements form an integral part of these financial statements.

# Income Statement of the Parent Company (unaudited)

For the period from January 1, 2023 to June 30, 2023

(Unit: RMB)

Item	Notes	For the period from January 1, 2023 to June 30, 2023	For the period from January 1, 2022 to June 30, 2022 (Restated)
I. Operating revenue	(XV)7	30,148,428.55	75,319,894.28
Less: Operating costs	(XV)7	4,922,818.10	54,604,419.88
Tax and surcharges		140,523.58	1,128,529.80
Administrative expenses		219,042,507.25	278,856,581.38
Research and development expenses		23,753,026.95	53,648,880.90
Finance costs		178,950,603.79	271,714,493.09
Including: Interest expenses		215,441,343.70	316,060,683.24
Interest income		37,750,711.24	45,365,921.81
Add: Other gains		1,639,511.75	1,414,949.81
Investment income	(XV)8	2,073,697,221.11	4,235,152,078.84
Including: Income from investment in associates and joint ventures		291,906,368.93	178,461,673.98
(Losses)/gains from changes in fair value		(133,038.78)	11,162,774.79
Reversal of losses from credit impairment		225,350.17	1,398,180.34
Gains from disposal of assets		–	1,555,764.32
II. Operating profit		1,678,767,993.13	3,666,050,737.33
Add: Non-operating income		1.53	–
Less: Non-operating expenses		127,873.41	31,512.23
III. Total profit		1,678,640,121.25	3,666,019,225.10
Less: Income tax expenses		–	–
IV. Net profit		1,678,640,121.25	3,666,019,225.10
(I) Net profit from continuing operations		1,678,640,121.25	3,666,019,225.10
V. Other comprehensive income, net of tax		–	–
VI. Total comprehensive income		1,678,640,121.25	3,666,019,225.10

The accompanying notes to the financial statements form an integral part of these financial statements.

# Consolidated Cash Flow Statement (unaudited)

For the period from January 1, 2023 to June 30, 2023

(Unit: RMB)

Item	Notes	For the period from January 1, 2023 to June 30, 2023	For the period from January 1, 2022 to June 30, 2022
I. Cash flows from operating activities:			
Cash received from the sales of goods and rendering of services		43,931,736,205.18	41,351,806,045.02
Tax rebate received		657,583,486.29	625,621,955.26
Other cash received relating to operating activities	(V)60(1)	1,050,835,349.62	995,412,548.79
Subtotal of cash inflow from operating activities		45,640,155,041.09	42,972,840,549.07
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Cash payments for goods purchased and services received		18,929,845,720.53	20,281,112,230.99
Cash payments to and on behalf of employees		4,558,430,880.26	4,334,781,370.11
Payments of various types of taxes		5,067,137,427.71	4,152,789,766.10
Other cash paid relating to operating activities	(V)60(2)	1,404,768,462.70	1,267,641,295.29
Subtotal of cash outflow from operating activities		29,960,182,491.20	30,036,324,662.49
Net cash flows from operating activities	(V)61(1)	15,679,972,549.89	12,936,515,886.58
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II. Cash flows from investing activities:			
Cash received from investment income		289,311,140.81	21,251,461.15
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		8,883,395.40	1,110,371.02
Other cash received relating to investing activities	(V)60(3)	3,462,478,949.12	2,435,376,110.66
Subtotal of cash inflow from investing activities		3,760,673,485.33	2,457,737,942.83
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Cash paid to purchase and construct fixed assets, intangible assets and other long-term assets		5,811,561,194.26	4,245,684,797.59
Cash paid for investments		60,000,000.00	809,754,495.00
Other cash paid relating to investing activities	(V)60(4)	1,430,352,885.49	1,820,012,741.49
Subtotal of cash outflow from investing activities		7,301,914,079.75	6,875,452,034.08
Net cash flow used in investing activities		(3,541,240,594.42)	(4,417,714,091.25)
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The accompanying notes to the financial statements form an integral part of these financial statements.

## Consolidated Cash Flow Statement (unaudited)

For the period from January 1, 2023 to June 30, 2023

Item	Notes	For the period from January 1, 2023 to June 30, 2023	For the period from January 1, 2022 to June 30, 2022
III. Cash flows from financing activities:			
Cash received from borrowings		37,330,393,392.08	46,659,121,907.51
Other cash received relating to financing activities	(V)60(5)	–	148,050.00
Subtotal of cash inflow from financing activities		37,330,393,392.08	46,659,269,957.51
Cash repayments of borrowings		40,142,552,897.79	46,270,576,137.34
Cash payments for distribution of dividends or profits or settlement of interest expenses		5,006,233,784.55	5,196,145,162.99
Including: Payments for distribution of dividends or profits to minority shareholders of subsidiaries		1,538,855,992.87	1,155,859,912.71
Other cash paid relating to financing activities	(V)60(6)	273,462,907.96	144,549,035.67
Subtotal of cash outflow from financing activities		45,422,249,590.30	51,611,270,336.00
Net cash flow used in financing activities		(8,091,856,198.22)	(4,952,000,378.49)
IV. Effect of foreign exchange rate changes on cash and cash equivalents		41,828,832.77	(23,650,013.31)
V. Net increase in cash and cash equivalents		4,088,704,590.02	3,543,151,403.53
Add: Opening balance of cash and cash equivalents	(V)61(2)	7,557,603,552.58	11,571,839,016.11
VI. Closing balance of cash and cash equivalents	(V)61(2)	11,646,308,142.60	15,114,990,419.64

The accompanying notes to the financial statements form an integral part of these financial statements.

# Cash Flow Statement of the Parent Company (unaudited)

For the period from January 1, 2023 to June 30, 2023

(Unit: RMB)

Item	Notes	For the period from January 1, 2023 to June 30, 2023	For the period from January 1, 2022 to June 30, 2022
<b>I. Cash flows from operating activities:</b>			
Cash received from the sales of goods and rendering of services		35,579,024.81	554,232,502.22
Tax rebate received		–	41,520,104.51
Other cash received relating to operating activities		40,058,623.78	63,342,484.82
<b>Subtotal of cash inflow from operating activities</b>		<b>75,637,648.59</b>	<b>659,095,091.55</b>
Cash payments for goods purchased and services received		45,667,665.35	84,574,472.77
Cash payments to and on behalf of employees		101,441,754.94	160,086,365.31
Payments of various types of taxes		140,523.58	1,128,529.80
Other cash paid relating to operating activities		153,919,013.98	132,199,589.38
<b>Subtotal of cash outflow from operating activities</b>		<b>301,168,957.85</b>	<b>377,988,957.26</b>
<b>Net cash flows (used in)/from operating activities</b>	(XV)9	<b>(225,531,309.26)</b>	<b>281,106,134.29</b>
<b>II. Cash flows from investing activities:</b>			
Cash received from disposal of investments		10,850,000,000.00	15,930,500,000.01
Cash received from investment income		2,948,838,240.23	740,689,384.35
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		93,387.00	513,841.18
Net cash received from disposal of subsidiaries		–	10,429,199.93
<b>Subtotal of cash inflow from investing activities</b>		<b>13,798,931,627.23</b>	<b>16,682,132,425.47</b>
Cash paid to purchase and construct fixed assets, intangible assets and other long-term assets		596,344,621.97	1,076,977,988.55
Cash paid for investments		7,683,162,427.68	14,437,754,495.00
Other cash paid relating to investing activities		–	152,083.33
<b>Subtotal of cash outflow from investing activities</b>		<b>8,279,507,049.65</b>	<b>15,514,884,566.88</b>
<b>Net cash flow from investing activities</b>		<b>5,519,424,577.58</b>	<b>1,167,247,858.59</b>
<b>III. Cash flows from financing activities:</b>			
Cash received from borrowings		4,239,313,717.43	13,055,273,956.33
<b>Subtotal of cash inflow from financing activities</b>		<b>4,239,313,717.43</b>	<b>13,055,273,956.33</b>
Cash repayments of borrowings		5,150,725,746.25	10,281,094,261.72
Cash payments for distribution of dividends or profits or settlement of interest expenses		255,871,521.43	295,694,555.00
Other cash paid relating to financing activities		47,346.57	25,919,191.13
<b>Subtotal of cash outflow from financing activities</b>		<b>5,406,644,614.25</b>	<b>10,602,708,007.85</b>
<b>Net cash flow (used in)/from financing activities</b>		<b>(1,167,330,896.82)</b>	<b>2,452,565,948.48</b>
<b>IV. Effect of foreign exchange rate changes on cash and cash equivalents</b>			
		11,093.53	1,473,357.13
<b>V. Net increase in cash and cash equivalents</b>			
Add: Opening balance of cash and cash equivalents	(XV)9	6,275,618,531.96	9,732,690,649.20
<b>VI. Closing balance of cash and cash equivalents</b>			
	(XV)9	10,402,191,996.99	13,635,083,947.69

The accompanying notes to the financial statements form an integral part of these financial statements.

# Consolidated Statement of Changes in Equity (unaudited)

For the period from January 1, 2023 to June 30, 2023

(Unit: RMB)

Item	Notes	For the period from January 1, 2023 to June 30, 2023								
		Attributable to shareholders of the Parent Company							Non-controlling interests	Total shareholders' equity
		Share capital	Capital reserve	Other comprehensive income	Specific reserve	Surplus reserve	Retained earnings	Subtotal		
I. Balance at December 31, 2022 and January 1, 2023 (Restated)		50,498,611,100.00	10,807,810,823.13	741,762,782.92	200,139,433.39	5,740,430,152.70	39,037,531,521.85	107,026,285,813.99	50,906,648,401.95	157,932,934,215.94
II. Changes in the current period		-	22,688,158.82	221,808,009.01	32,157,165.26	-	2,565,536,300.75	2,842,189,633.84	1,718,522,545.47	4,560,712,179.31
(I) Total comprehensive income		-	-	221,808,009.01	-	-	6,958,915,466.46	7,180,723,475.47	4,004,600,559.81	11,185,324,035.28
(II) Shareholders' contributions and reduction in capital		-	22,688,158.82	-	-	-	-	22,688,158.82	(103,028,568.09)	(80,340,409.27)
1. Others (V)38		-	22,688,158.82	-	-	-	-	22,688,158.82	(103,028,568.09)	(80,340,409.27)
(III) Profit distribution		-	-	-	-	-	(4,393,379,165.71)	(4,393,379,165.71)	(2,208,096,012.93)	(6,601,475,178.64)
1. Distribution to shareholders (V)42		-	-	-	-	-	(4,393,379,165.71)	(4,393,379,165.71)	(2,208,096,012.93)	(6,601,475,178.64)
(IV) Specific reserve (V)40		-	-	-	32,157,165.26	-	-	32,157,165.26	25,046,566.68	57,203,731.94
1. Transfer to specific reserve in the period		-	-	-	358,833,228.54	-	-	358,833,228.54	86,682,109.60	445,515,338.14
2. Amount utilized in the period		-	-	-	(326,676,063.28)	-	-	(326,676,063.28)	(61,635,542.92)	(388,311,606.20)
III. Balance at June 30, 2023		50,498,611,100.00	10,830,498,981.95	963,570,791.93	232,296,598.65	5,740,430,152.70	41,603,067,822.60	109,868,475,447.83	52,625,170,947.42	162,493,646,395.25

(Unit: RMB)

Item	Notes	For the period from January 1, 2022 to June 30, 2022 (Restated)								
		Attributable to shareholders of the Parent Company							Non-controlling interests	Total shareholders' equity
		Share capital	Capital reserve	Other comprehensive income	Specific reserve	Surplus reserve	Retained earnings	Subtotal		
I. Balance at December 31, 2021		50,498,611,100.00	10,790,413,325.63	345,482,066.81	249,371,452.84	4,901,787,799.63	34,156,472,714.58	100,942,138,459.49	50,008,158,442.57	150,950,296,902.06
Add: Changes in accounting policy (III)31		-	-	-	-	-	906,177.98	906,177.98	4,807,682.67	5,713,860.65
II. Balance at January 1, 2022		50,498,611,100.00	10,790,413,325.63	345,482,066.81	249,371,452.84	4,901,787,799.63	34,157,378,892.56	100,943,044,637.47	50,012,966,125.24	150,956,010,762.71
III. Changes in the current period		-	13,664,789.50	265,861,531.07	(45,758,008.84)	-	1,658,202,202.10	1,891,970,513.83	623,688,301.79	2,515,658,815.62
(I) Total comprehensive income		-	-	265,861,531.07	-	-	5,901,975,375.42	6,167,836,906.49	3,030,501,797.48	9,198,338,703.97
(II) Shareholders' contributions and reduction in capital		-	13,664,789.50	-	-	-	-	13,664,789.50	(12,632,431.84)	1,032,357.66
1. Others		-	13,664,789.50	-	-	-	-	13,664,789.50	(12,632,431.84)	1,032,357.66
(III) Profit distribution		-	-	-	-	-	(4,243,773,173.32)	(4,243,773,173.32)	(2,394,181,063.85)	(6,637,954,237.17)
1. Distribution to shareholders (V)42		-	-	-	-	-	(4,243,773,173.32)	(4,243,773,173.32)	(2,394,181,063.85)	(6,637,954,237.17)
(IV) Specific reserve		-	-	-	(45,758,008.84)	-	-	(45,758,008.84)	-	(45,758,008.84)
1. Transfer to specific reserve in the period		-	-	-	111,832,427.82	-	-	111,832,427.82	-	111,832,427.82
2. Amount utilized in the period		-	-	-	(157,590,436.66)	-	-	(157,590,436.66)	-	(157,590,436.66)
IV. Balance at June 30, 2022		50,498,611,100.00	10,804,078,115.13	611,343,597.88	203,613,444.00	4,901,787,799.63	35,815,581,094.66	102,835,015,151.30	50,636,654,427.03	153,471,669,578.33

The accompanying notes to the financial statements form an integral part of these financial statements.

# Statement of Changes in Equity of Parent Company (unaudited)

For the period from January 1, 2023 to June 30, 2023

(Unit: RMB)

	For the period from January 1, 2023 to June 30, 2023				
	Share capital	Capital reserve	Surplus reserve	Retained earnings	Total shareholders' equity
I. Balance at December 31, 2022 and January 1, 2023 (Restated)	50,498,611,100.00	31,781,695,128.05	5,328,738,712.60	21,443,613,669.59	109,052,658,610.24
II. Changes in the current period	-	2,455,554.71	-	(2,714,739,044.46)	(2,712,283,489.75)
(I) Total comprehensive income	-	-	-	1,678,640,121.25	1,678,640,121.25
(II) Owners' contributions and reduction in capital	-	2,455,554.71	-	-	2,455,554.71
1. Others	-	2,455,554.71	-	-	2,455,554.71
(III) Profit distribution	-	-	-	(4,393,379,165.71)	(4,393,379,165.71)
1. Distribution to shareholders	-	-	-	(4,393,379,165.71)	(4,393,379,165.71)
III. Balance at June 30, 2023	50,498,611,100.00	31,784,150,682.76	5,328,738,712.60	18,728,874,625.13	106,340,375,120.49

(Unit: RMB)

	For the period from January 1, 2022 to June 30, 2022 (Restated)				
	Share capital	Capital reserve	Surplus reserve	Retained earnings	Total shareholders' equity
I. Balance at December 31, 2021	50,498,611,100.00	31,781,695,128.05	4,490,096,359.53	18,139,381,503.56	104,909,784,091.14
Add: Changes in accounting policy	-	-	-	240,040.57	240,040.57
II. Balance at January 1, 2022	50,498,611,100.00	31,781,695,128.05	4,490,096,359.53	18,139,621,544.13	104,910,024,131.71
III. Changes in the current period	-	-	-	(577,753,948.22)	(577,753,948.22)
(I) Total comprehensive income	-	-	-	3,666,019,225.10	3,666,019,225.10
(II) Profit distribution	-	-	-	(4,243,773,173.32)	(4,243,773,173.32)
1. Distribution to shareholders	-	-	-	(4,243,773,173.32)	(4,243,773,173.32)
IV. Balance at June 30, 2022	50,498,611,100.00	31,781,695,128.05	4,490,096,359.53	17,561,867,595.91	104,332,270,183.49

The accompanying notes to the financial statements form an integral part of these financial statements.

# Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

## (I) COMPANY OVERVIEW

CGN Power Co., Ltd. (the "Company") is a joint stock company jointly established by 中國廣核集團有限公司 China General Nuclear Power Corporation ("CGNPC"), as the main promoter by way of contribution with equity of 11 companies involved in the development, investment, operation and R&D of NPPs as well as certain assets and liabilities in respect of the above businesses (the "Business Contribution"), together with other promoters by way of cash contribution in accordance with relevant provisions under PRC laws and administrative regulations, with approvals from the State-Owned Assets Supervision and Administration Commission of the State Council (the "SASAC") through the Reply on the Matters Related to the Main Business Restructuring and Listing of China General Nuclear Power Corporation (Guo Zi Gai Ge [2013] No. 1005) (國資改革[2013]1005 號《關於中國廣核集團有限公司核電主業改制並上市有關事項的批覆》) dated December 4, 2013 and the Reply on the Establishment of CGN Power Co., Ltd. (Guo Zi Gai Ge [2014] No. 123) (國資改革[2014]123 號《關於設立中國廣核電力股份有限公司的批覆》) dated March 14, 2014. The Company was incorporated in Shenzhen, Guangdong Province on March 25, 2014, and obtained the business license (No. 440301109037551) issued by the State Administration of Industry and Commerce.

Upon establishment, the Company's total share capital was RMB35,300,000,000.00, which was valued by 北京中企華資產評估有限責任公司(Beijing China Enterprise Appraisals Co., Ltd.), with final approval by the SASAC through the Reply on the Approval of the Asset Valuation Results to the Main Business Restructuring and Listing Project of China General Nuclear Power Corporation (Guo Zi Chan Quan [2014] No. 108) (《關於中國廣核集團有限公司核電主業改制並上市項目資產評估結果核准的批覆》(國資產權[2014]108 號)). CGNPC contributed RMB43,017,097,508.00, including valuation of the Business Contribution at RMB40,425,171,692.47 and cash contribution of RMB2,591,925,815.53, translating into 30,040,300,000 shares of the Company at a ratio of 69.83%, representing 85.10% of the total shares; Guangdong Hengjian Investment Holding Co., Ltd. contributed RMB5,054,888,074.00, translating into 3,530,000,000 at a ratio of 69.83%, representing 10.00% of the total shares; and China National Nuclear Corporation (formerly 中國核工業集團公司 China National Nuclear Corporation) ("CNNC") contributed RMB2,476,895,156.00, translating into 1,729,700,000 at a ratio of 69.83%, representing 4.90% of the total shares.

As approved by the Reply on the Approval to Issue Overseas Listed Foreign Share of CGN Power Co., Ltd. (Zheng Jian Xu Ke [2014] No. 1165) (《關於核准中國廣核電力股份有限公司發行境外上市外資股的批覆》(證監許可[2014]1165 號)) issued by China Securities Regulatory Commission on November 3, 2014, and the Letter of Consent for Listing issued by the Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange") on December 9, 2014, the Company publicly issued overseas listed foreign shares (H shares) in December 2014 and was listed on the Main Board of the Hong Kong Stock Exchange, with an initial offering size of 8,825,000,000 overseas listed foreign shares (H shares), and 1,323,750,000 shares issued and allotted due to the exercise of over-allotment option with a nominal value of RMB1.00 per share and an issuance price of HK\$2.78 per share. Under the PRC regulations related to the disposal of state-owned shares, CGNPC, Guangdong Hengjian Investment Holding Co., Ltd. and CNNC are required to transfer the amount of domestic shares equivalent to 10% of offer shares to the National Council for Social Security Fund ("NCSSF"), totaling 1,014,875,000 shares. Upon the listing of the Company, shares held by the NCSSF were translated into H shares amounting to 1,014,875,000 shares on an one-for-one basis.

As approved by the Reply on Approval of the Initial Public Offer of Shares of CGN Power Co., Ltd. (Zheng Jian Xu Ke [2019] No. 1381) (《關於核准中國廣核電力股份有限公司首次公開發行股票的批覆》(證監許可[2019]1381 號)) issued by China Securities Regulatory Commission on July 26, 2019, the Company issued RMB ordinary shares (A shares) under the public offer in August 2019 and the shares were listed on the SME Board of the Shenzhen Stock Exchange. A total of 5,049,861,100 RMB ordinary shares (A shares) were issued with a nominal value of RMB1.00 each. The issue price was RMB2.49. The proceeds amounted to RMB12,574,154,139.00 in total. After deducting the issuance costs, the actual net proceeds amounted to RMB12,389,775,559.44, of which, RMB5,049,861,100.00 was included in the share capital and RMB7,339,914,459.44 was included in the capital reserve. The status of proceeds has been verified by Deloitte Touche Tohmatsu (Certified Public Accountants LLP), which has issued the Capital Verification Report (De Shi Bao (Yan) Zi (19) No. 00386).

The headquarters of the Company is located in Shenzhen, Guangdong Province. The parent of the Company is CGNPC. The ultimate beneficial owner of the Company is the SASAC.

The scope of business of the Company and its subsidiaries (the “Group”) mainly includes: production and supply of electricity and heat generated mainly from nuclear energy, and provision of related professional technical services; disposal of nuclear wastes; organization and implementation of the construction and management for NPPs engineering projects; organization of the operation, repair and related services for NPPs; organization of the design development and scientific research for NPPs; and engagement in related investment, import and export businesses.

For the scope of consolidated financial statements for the reporting period, please refer to Note (VII) “INTEREST IN OTHER ENTITIES”. For the changes in the scope of consolidated financial statements, please refer to Note (VI) “CHANGES IN CONSOLIDATION SCOPE”.

## (II) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

### Basis of preparation

The Group adopts the Accounting Standards for Business Enterprises and relevant requirements promulgated by the Ministry of Finance of the People’s Republic of China (the “Ministry of Finance”), and discloses relevant financial information in accordance with the Rules on the Preparation and Report of Information Disclosure for Companies Publicly Issuing Securities No. 15 – General Requirements for Financial Reports (Revised in 2014) 《公開發行證券的公司信息披露編報規則第 15 號 – 財務報告的一般規定(2014 年修訂)》. In addition, the financial statements also include information disclosure according to the relevant disclosure requirements under the Hong Kong Companies Ordinance and the Listing Rules of the Hong Kong Stock Exchange.

### Going concern

The Group has evaluated its ability of going concern for the next 12 months since July 1, 2023. There is no indication of major events that may affect the ability of going concern. Thus, the financial statements have been prepared under the assumption of going concern.

### Basis of accounting and principle of measurement

The Group’s financial statements have been prepared on an accrual basis. Except for certain financial instruments which are measured at fair value, the financial statements are prepared under the historical cost convention. In the event that impairment of assets occurs, a provision for impairment is made accordingly in accordance with the relevant regulations.

Under historical cost method, the amount of assets was measured at the fair value of cash or cash equivalents or consideration paid at the time of purchase. Liabilities were measured at the amount of money or assets and liabilities due to the current obligations actually received, or a present obligation of the contract amount, or the measurement of cash or cash equivalents in accordance with daily activities to repay the debts of the amount expected to be paid.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Whether fair value is observable or measured by valuation techniques, the measurement and disclosure in these financial statements were all based on it.

Fair value measurements are categorized into three levels based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs, other than the Level 1 inputs, that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### (III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

#### 1. Statement of compliance

The financial statements have been prepared in compliance with the Accounting Standards for Business Enterprises to truly and completely reflect consolidated and the parent company's financial position of the Group as at June 30, 2023 and consolidated and the parent company's operating results and cash flows for the period from January 1 to June 30, 2023.

#### 2. Accounting period

The Group has adopted the calendar year as its accounting year, i.e. from January 1 to December 31.

#### 3. Operating cycle

Operating cycle refers to period from assets purchased for production to cash or cash equivalents realized.

#### 4. Functional currency

Apart from the functional currency of the primary economic environment of 廣東核電合營有限公司 Guangdong Nuclear Power Joint Venture Co., Ltd. ("GNPJVC"), a subsidiary of the Company, being USD, the functional currency of the primary economic environment that the Company and its other subsidiaries operate in is RMB. The Company adopts RMB to prepare the financial statements.

#### 5. The accounting treatment of business combinations involving enterprises under common control and business combinations not involving enterprises under common control

If the Group obtains control of another or more companies (or a group of assets or net assets) which constitutes a business, such transaction or event constitutes a business combination. Business combinations are classified into business combination under common control and not under common control.

For transactions not involving enterprises under common control, the purchaser will consider whether to adopt the simplified judgment method of "concentration test" when determining whether the acquired assets combination constitute a business. If the combination passes the "concentration test", it is determined not to constitute a business. If the combination fails the "concentration test", it should still be determined according to business conditions.

When the Group acquires a set of assets or net assets that do not constitute a business, the purchase cost shall be allocated on the basis of the relative fair value of the identifiable assets and liabilities acquired on the purchase date, instead of the being accounted for using the following accounting treatment methods for business combinations.

## (1) Business combinations involving enterprises under common control

A business combination involving enterprises under common control is a business combination in which all of the combining enterprises are ultimately controlled by the same party or parties both before and after the combination, and that control is not transitory.

Assets and liabilities obtained in the business combination are recognized at their carrying amounts at the date of merger as recorded by the ultimate controlling party. The difference between the carrying amount of the net assets obtained and the carrying amount of the consideration paid for the combination and/or aggregate face values of the shares issued is adjusted to the share premium in the capital reserves. If the share premium in the capital reserve is not sufficient to absorb the difference, any excess is adjusted to retained profits.

Costs that are directly attributable to the business combination are charged to profit or loss when incurred.

## (2) Business combinations not involving enterprises under common control and goodwill

A business combination involving enterprises not under common control is a business combination in which all of the combining enterprises are not ultimately controlled by the same party or parties before and after the combination.

The combination costs shall be the fair value of the assets paid, the liabilities incurred or assumed and the equity instruments issued by the acquirer in exchange for the control over the acquiree. For business combinations not involving enterprises under common control realized step by step through multiple transactions, the cost of combination is the sum of the consideration paid at the acquisition date and the fair value at the acquisition date of the acquirer's previously held interest in the acquiree. The overhead for the business combination of the combining party, including the expenses for audit, legal services, assessment, and other administrative expenses, shall be recorded in profit or loss for the period when incurred.

Identifiable assets, liabilities and contingent liabilities of acquiree qualifying for the conditions of recognition acquired by the acquirer in business combination are measured at fair value on the acquisition date.

For the difference that the combination cost is larger than the portion of fair value of net identifiable assets of acquiree acquired in combination, it is recognized as goodwill as an asset, and initially measured at cost. For those with combination cost lower than the portion of fair value of net identifiable assets of acquiree acquired in combination, re-verification is first carried out on the measurement of the fair value of all identifiable assets, liabilities and contingent liabilities as well as the combination cost. For those with combination cost still lower than the portion of fair value of net identifiable assets of acquiree acquired in combination after re-verification, they are credited to profit or loss for the period.

Goodwill occurred as a result of business combination shall be recognized separately in the consolidated financial statements and measured at cost less accumulated impairment losses.

# Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

## 6. Basis for preparation of consolidated financial statements

The scope of consolidated financial statements is determined on the basis of control. Control is achieved when the investor has power over the investee; is exposed, or has rights to receive variable returns from its involvement with the investee; and has the ability to use its power to affect its returns. Once the relevant facts and situation changed that altered the elements define control, the Group shall re-evaluate control.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

For a subsidiary disposed of by the Group, the operating results and cash flows before the date of disposal (the date when control is lost) are included in the consolidated income statement and consolidated statement of cash flows, as appropriate.

For a subsidiary acquired through a business combination involving enterprises not under common control, the operating results and cash flows from the acquisition date (the date when control is obtained) are included in the consolidated income statement and consolidated statement of cash flows, as appropriate.

No matter when the business combination occurs in the reporting period, subsidiaries acquired through a business combination involving enterprises under common control are included in the Group's scope of consolidation as if they had been included in the scope of consolidation from the date when they first came under the common control of the ultimate controlling party. Their operating results and cash flows from the beginning of the earliest reporting period are included in the consolidated income statement and consolidated statement of cash flows, as appropriate.

The significant accounting policies and accounting periods adopted by the subsidiaries are determined based on the accounting policies and accounting periods consistently set out by the Company.

The effects of all intra-group transactions between the Company and subsidiaries and among the subsidiaries are eliminated on consolidation.

The portion of subsidiaries' equity that is not attributable to the parent company is treated as non-controlling interests and presented as "non-controlling interests" in the consolidated balance sheet within shareholders' equity. The portion of net profits or losses of subsidiaries for the period attributable to non-controlling interests is presented as "non-controlling interests" in the consolidated income statement below the "net profit" line item.

When the amount of loss for the period attributable to the minority shareholders of a subsidiary exceeds the minority shareholders' portion of the opening balance of owners' equity of the subsidiary, the excess amount is still allocated against non-controlling interests.

Acquisition of non-controlling interests or disposal of interest in a subsidiary that does not result in the loss of control over the subsidiary is accounted for as equity transactions. The carrying amounts attributable to shareholders' of the parent company and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. The difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is adjusted to capital reserve. If the capital reserve is not sufficient to absorb the difference, the excess is adjusted against retained earnings.

When the Group loses control over a subsidiary due to disposal of certain equity interest or other reasons, any retained interest is re-measured at its fair value at the date when control is lost. The difference between the aggregate of the consideration received on disposal and the fair value of any retained interest(s) and the share of the former subsidiary's net assets cumulatively calculated from the acquisition date according to the original proportion of ownership interest is recognized as investment income in the period in which control is lost, and at the same time adjusted against goodwill. Except for the other comprehensive income arising from the change in net liabilities or net assets as a result of the remeasurement of defined benefit plan by the acquiree, other comprehensive income associated with investment in the former subsidiary is reclassified to investment income in the period in which control is lost.

## 7. Classification of joint arrangements and accounting treatment for joint ventures

There are two types of joint arrangements – joint operations and joint ventures. The type of joint arrangements is determined based on the rights and obligations of joint operators to the joint arrangements by considering the factors, such as the structure, the legal form of the arrangements, and the contractual terms, etc. A joint operation is a joint arrangement whereby the joint operators have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the joint ventures have rights to the net assets of the arrangement.

## 8. Standards for determining cash and cash equivalents

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

## 9. Translation of transactions and financial statements denominated in foreign currencies

### (1) Transactions denominated in foreign currencies

A foreign currency transaction is recorded, on initial recognition, by applying the spot exchange rate on the date of the transaction.

At the balance sheet date, foreign currency monetary items are translated using the spot exchange rates at the balance sheet date. Exchange differences arising from the differences between the spot exchange rates prevailing at the balance sheet date and those on initial recognition or at the previous balance sheet date are recognized in profit or loss for the period, except that (1) exchange differences related to a specific-purpose borrowing denominated in foreign currency that qualify for capitalization are capitalized as part of the cost of the qualifying asset during the capitalization period; (2) exchange differences related to hedging instruments for the purpose of hedging against foreign currency risks are accounted for using hedge accounting.

Foreign currency non-monetary items measured at historical cost are translated into the amounts in functional currency at the spot exchange rates on the dates of the transactions. Foreign currency non-monetary items measured at fair value are re-translated at the spot exchange rate on the date the fair value is determined. Difference between the re-translated functional currency amount and the original functional currency amount is treated as changes in fair value (including changes of exchange rate) and is recognized in profit or loss or other comprehensive income.

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### (2) Translation of financial statements denominated in foreign currencies

For the purpose of preparing the consolidated financial statements, financial statements with USD as the functional currency are translated from the foreign currency into RMB using the following method: assets and liabilities on the balance sheet are translated at the spot exchange rate prevailing at the balance sheet date; owners' equity items are translated at the spot exchange rates at the dates on which such items arose; all items in the income statement as well as items reflecting the distribution of profits are translated at exchange rates that approximate the actual spot exchange rates on the dates of the transactions; the difference between the translated assets and the aggregate of liabilities and owners' equity items is recognized as other comprehensive income and included in shareholders' equity in the consolidated financial statements.

Cash flows arising from a transaction in foreign currency and the cash flows of a foreign subsidiary are translated at an exchange rate which approximates the spot exchange rate on the date of the cash flows. The effect of exchange rate changes on cash and cash equivalents is regarded as a reconciling item and presented separately in the consolidated cash flow statement as "effect of foreign exchange rate changes on cash and cash equivalents".

The opening balances and the comparative figures of previous year are presented at the translated amounts in the previous year's financial statements.

On disposal of the Group's entire interest in a foreign operation, or upon a loss of control over a foreign operation due to disposal of certain interest in it or other reasons, the Group transfers the accumulated exchange differences arising on translation of financial statements of this foreign operation attributable to the shareholders' equity of the parent company and presented under shareholders' equity in the consolidated balance sheet, to profit or loss in the period in which the disposal occurs.

In case of a disposal or other reason that results in a reduction in the proportional interest held but does not result in losing control over a foreign operation, the proportionate share of accumulated exchange differences arising on translation of financial statements are re-attributed to non-controlling interests and are not recognized in profit and loss. For partial disposals of equity interests in foreign operations which are associates or joint ventures, the proportionate share of the accumulated exchange differences arising on translation of financial statements of foreign operations is reclassified to profit or loss.

## 10. Financial instruments

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the financial instrument.

For financial assets purchased and sold in regular way, the assets to be received or liabilities to be repaid on the settlement date are recognized on the transaction date, or the financial assets and receivables to be delivered on the settlement date are derecognized on the transaction date and the relevant profit or loss is recognized.

The financial assets and liabilities were initially recognized at fair value. For the financial assets and liabilities measured at fair value through profit or loss ("FVTPL"), related transaction expenses are charged to the profit or loss, for other financial assets and liabilities, related transaction expenses are included in the initial recognized amount. When initially recognized by the Group according to the Accounting Standards for Business Enterprises No.14 – Revenue" (the "New Standards for Revenue"), accounts receivable that do not contain a significant financing component or for which the financing component in the contract within 1 year is not considered are initially recognized at the transaction price defined under the New Standards for Revenue.

The effective interest rate method is a method of calculating the amortized cost of a financial asset or a financial liability and of allocating the interest income or interest expense over each accounting period.

The effective interest rate is the rate that exactly discounts estimated future cash flow through the expected life of the financial asset or financial liability to the book balance of a financial asset or to the amortized cost of a financial liability. In determining the effective interest rate, expected cash flow is estimated after taking into account all contract terms of financial assets or financial liabilities, including early repayment, extension, call option or other similar options, without considering expected credit loss.

The amortized cost of financial assets or financial liabilities is calculated by deducting repaid principal amount from initially recognized amount of the financial assets or financial liabilities, adding or subtracting the accumulated amortization amount which is the amortized difference between the initial recognition amount and the amount at the expiry date using the effective interest rate method, then further deducting the accumulated impairment of loss (only applicable to financial assets).

# Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

## (1) Classification, recognition and measurement of financial assets

### (a) Classification of financial assets of the Group

The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. On initial recognition, a financial asset is classified as measured at amortized cost, at fair value through other comprehensive income ("FVTOCI"), or at FVTPL.

If contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, and the financial asset is held within the Group's business model whose objective is to hold financial assets in order to collect contractual cash flows, such asset is classified into financial asset measured at amortized cost. Such financial asset mainly includes cash at bank and in hand, bills receivable, accounts receivable, other receivables and debt investments.

If contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, and the financial asset is held within the Group's business model whose objective is to hold financial assets in order to collect contractual cash flows and sell the financial asset, such asset is classified into financial asset measured at FVTOCI. Such financial asset is presented as other debt investments. The debt investments due within 1 year (inclusive) from the balance sheet date are presented in non-current assets due within one year; other debt investments due within 1 year (inclusive) when they are acquired are presented in other current assets.

On initial recognition, the Group may, on the basis of individual financial asset, irrevocably designate equity instrument investments not held for trading (excluding contingent considerations) recognized in business combination not under common control as financial assets at FVTOCI. Such financial assets are stated as investment in other equity instruments.

Apart from the derivative financial assets presented in financial assets held for trading, financial assets at FVTPL includes financial assets at FVTPL and those designated as at FVTPL. The assets due more than 1 year and expected to be held for more than 1 year are presented in other non-current financial assets.

- Both financial assets fail to qualify as at amortized cost or at FVTOCI are classified into financial assets at FVTPL.
- On initial recognition, the Group may irrevocably designate a financial asset as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch and includes mixed contract conditions of embedded derivatives.

If a financial asset meets one of the following conditions, it is considered that such asset is held by the Group for trading:

- The purpose of obtaining such financial asset is mainly for selling in the near future.
- Such financial asset is part of the identifiable financial instrument portfolio that is centrally managed at initial recognition, and there is objective evidence that short-term profit model exists in the near future.
- Such financial asset is a derivative, except for derivatives that meet the definition given in the financial guarantee contract and derivatives that are designated as effective hedging instruments.

The business model for managing the financial assets refers to how the Group manages its financial assets in order to generate cash flows. That is, the Group's business model determines whether cash flows from managing financial assets will result from collecting contractual cash flows, selling financial assets or both. The Group determines the business model for managing the financial assets according to the facts and based on the specific business objective for managing the financial assets determined by the Group's key management personnel.

In determining whether the contractual cash flows generated from a financial asset on a specific date are solely payments of principal and interest based on the principal amount outstanding, the Group assesses the characteristics of the contractual cash flows of such financial asset. For such purposes, "principal" is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin. The Group also assesses whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

**(b) Subsequent measurement of financial assets of the Group**

– Financial assets at amortized cost

Financial assets at amortized cost adopt the effective interest rate method and subsequently measured at amortized cost. Gains or losses arising from impairment, reclassification or derecognition is recognized in profit or loss.

The Group adopts the effective interest rate method to recognize interest income for financial assets at amortized cost. Interest income is calculated by the carrying amount of financial assets multiplied by effective interest rate, with the following exception:

- a purchased or originated credit-impaired ("POCI") financial asset, whose interest income is calculated since initial recognition by applying the credit-adjusted effective interest rate to its amortized cost.

– Financial assets at FVTOCI

Except for impairment losses or gains of financial assets classified as measured at FVTOCI, and interest income and exchange gains or losses calculated at effective interest rate recognized in profit or loss, the changes in fair value of the financial asset are recognized in the other comprehensive income. When the financial assets are derecognized, the accumulated gains or losses previously included in other comprehensive income shall be transferred from other comprehensive income and included in profit or loss.

After designating equity instrument investments not held for trading as financial assets at FVTOCI, changes in fair value of such financial assets are recognized in other comprehensive income. Upon derecognition, accumulated gains or losses previously recognized in other comprehensive income shall be transferred and included in retained earnings. In the duration of holding such equity instrument investments not held for trading, when the Group's right to receive dividends is established, economic benefits related to dividends are likely to flow into the Group, and the amount of dividends may be reliably measured, dividend income shall be calculated and recognized in profit or loss.

– Financial assets at FVTPL

Financial assets at FVTPL shall be subsequently measured at fair value. Relevant gains or loss as well as dividends and interest income related to such financial assets shall be recognized in profit or loss.

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### (2) Impairment of financial instruments

For financial assets measured at amortized cost, financial assets classified as measured at FVTOCI and contract assets, impairment shall be accounted for on the basis of expected credit loss and loss impairment shall be recognized.

The Group makes a loss allowance against amount of expected credit losses equal to the whole life of the contract assets or accounts receivable that exclude significant financing component or do not consider the financing component in the contract within one year arising from transactions adopting the New Standards for Revenue.

As for other financial instruments, other than purchased or POCI financial assets, the Group assesses the changes in credit risk of such financial instruments since the initial recognition at each balance sheet date. If the credit risk of such financial instrument has significantly increased since initial recognition, the Group shall make loss allowance equivalent to the amount of expected credit loss during its whole life; if the credit risk of such financial instrument has not significantly increased since initial recognition, the Group shall make loss allowance equivalent to the amount of expected credit loss for the next 12 months. Apart from financial assets classified as measured at FVTOCI, increase or reversal of credit loss allowance are recognized in profit or loss as impairment losses or gains. The Group recognizes the credit loss allowance of financial assets classified as measured at FVTOCI, while allowance losses or gains are recognized in profit or loss, without deducting its carrying amount stated in the balance sheet.

The Group has made a loss allowance against amount of expected credit losses equal to the whole life in the prior accounting period. However, at the balance sheet date, the credit risk on a financial instrument has not increased significantly since initial recognition; the Group will measure the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. Reversed amount of loss allowance arising from such circumstances shall be included in profit or loss as impairment gains.

– Significant increase of credit risk

The Group will make use of reasonable and supportable forward-looking information that is available to determine whether credit risk has increased significantly since initial recognition through comparing the risk of a default occurring on the financial instrument on the balance sheet date with the risk of a default occurring on the financial instrument as at the date of initial recognition.

The Group will take the following factors into consideration when assessing whether credit risk has increased significantly:

- Debtor's failure to make payments of principal and interest on their contractually due dates;
- An actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);
- An actual or expected significant deterioration in the operating results of the debtor; and
- Existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

Regardless if the above assessment indicates any significant changes in credit risk, if contractual payment of a financial instrument is over due by 30 days (inclusive), it is considered that the credit risk of such instrument has significantly increased.

– Credit-impaired financial assets

When the Group expected occurrence of one or more events which may cause adverse impact on future cash flows of a financial asset, the financial asset will become a credit-impaired financial asset. Objective evidence that a financial asset is impaired includes the following observable events:

- (a) Significant financial difficulty of the issuer or obligor;
- (b) A breach of contract by the borrower, such as a default or delinquency in interest or principal payments;
- (c) The creditor, for economic or legal reasons relating to the borrower's financial difficulty, granting a concession to the borrower, which would not be made under any other circumstances;
- (d) It becoming probable that the borrower will enter bankruptcy or other financial reorganizations;
- (e) The disappearance of an active market for that financial asset because of financial difficulties of the issuer or the borrower;
- (f) Purchase or originate a financial asset with a large scale of discount, which reflects facts of credit loss incurred.

Based on its internal credit risk management, the Group considers that a default event has occurred when internal advice or externally obtained information indicates that financial instrument debtor is unable to fully repay the creditors including the Group, without consideration of any guarantees obtained by the Group.

Regardless of the results of the above assessment, the Group considers that a default event related to the financial instrument has occurred when contractual payment for such instrument is overdue by 90 days (inclusive).

– Determination of expected credit loss

The Group uses a provision matrix to determine the expected credit losses for relevant financial instruments based on a collective basis of bills receivable, accounts receivable and contract assets. The Group classifies financial instruments into different groups based on common risk characteristics. The common risk characteristics adopted by the Group include: types of financial instrument, credit risk ratings, remaining contract terms and industry in which the debtor operates, etc.

For financial assets, a credit loss is the present value of the difference between the contractual cash flows that are due to the Group under the contract and the cash flows that the Group expects to receive.

The factors reflected in methods of measurement of expected credit losses of financial instruments include an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes; time value of money; reasonable and supportable information about past events, current conditions and forecasts on future economic status at balance sheet date without unnecessary additional costs or efforts.

– Write-down of financial assets

When the Group will no longer reasonably expect that the contractual cash flows of financial assets can be collected in aggregate or in part, the Group will directly write down the carrying amount of the financial asset. Such write-down constitutes derecognition of relevant financial assets.

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### (3) Transfer of financial assets

The Group derecognizes a financial asset if one of the following conditions is satisfied: (1) the contractual rights to the cash flows from the financial asset expire; or (2) the financial asset has been transferred and substantially all the risks and rewards of ownership of the financial asset is transferred to the transferee; or (3) although the financial asset has been transferred, the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset but has not retained control of the financial asset.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership of a financial asset, and it retains control of the financial asset, it recognizes the financial asset to the extent of its continuing involvement in the transferred financial asset and recognizes an associated liability. The Group measures relevant liabilities as follows:

- For the transferred financial asset measured at amortized cost, the carrying amount of relevant liabilities equals to carrying amount of the continuously-involved transferred financial asset less amortized cost of rights retained by the Group (if the Group retains relevant right due to transfer of financial assets) plus amortized costs of the obligation assumed by the Group (if the Group assumes relevant obligation due to transfer of financial assets), relevant liabilities shall not be designated as financial liabilities at FVTPL.
- For the transferred financial asset measured at fair value, the carrying amount of relevant liabilities equals to carrying amount of the continuously-involved transferred financial asset less fair value of rights retained by the Group (if the Group retains relevant right due to transfer of financial assets) plus fair value of the obligation assumed by the Group (if the Group assumes relevant obligation due to transfer of financial assets), the fair value of the right and obligation is fair value measured on stand-alone basis.

For a transfer of a financial asset in its entirety that satisfies the derecognition criteria, the difference between the carrying amount of the financial asset transferred on the date of derecognition and the derecognition-related part of the sum of the consideration received from the transfer and any cumulative gain or loss that has been recognized in other comprehensive income, is recognized in profit or loss. If the financial assets transferred by the Group are equity instrument not held for trading designated as financial assets at FVTOCI, cumulative gain or loss that has been recognized in other comprehensive income should be transferred from other comprehensive income to retained earnings.

If a part of the transferred financial asset qualifies for derecognition, the carrying amount of the transferred financial asset is allocated between the part derecognized and the part that continues to be recognized, based on the respective fair values of those parts on transfer date. The difference between the sum of the consideration received for the part derecognized and any cumulative gain or loss allocated to the part derecognized which has been previously recognized in other comprehensive income and the carrying amount allocated to the part derecognized on derecognition date; and is recognized in profit or loss. If the financial assets transferred by the Group are designated as equity instrument investment not held for trading at FVTOCI, cumulative gains or losses previously recognized in other comprehensive income are transferred to retained earnings.

For a transfer of a financial asset in its entirety that does not satisfy the derecognition criteria, the Group will continuously recognize the transferred financial asset in its entirety. Considerations received due to transfer of assets shall be recognized as a liability upon receipts.

#### (4) Classification of financial liabilities and equity instruments

Financial instruments or its constituent parts issued by the Group are classified into financial liabilities or equity instruments on the basis of the contractual arrangements and the economic substance not only its legal form, together with the definition of financial liability and equity instruments.

##### (a) Classification, recognition and measurement of financial liabilities

On initial recognition, financial liabilities are classified into financial liabilities at FVTPL and other financial liabilities.

– Financial liabilities at FVTPL

Financial liabilities at FVTPL consist of financial liabilities held for trading (including derivatives included in financial liabilities) and those designated as at FVTPL. Other than derivative financial liabilities to be set out separately, financial liabilities at FVTOCI are stated as financial liabilities held for trading.

If a financial liability meets one of the following conditions, it is considered that such liability is held by the Group for trading:

- The financial liability was acquired principally for the purpose of repurchasing in near future.
- The financial liability is part of a portfolio of identifiable financial instruments upon initial recognition, and there is objective evidence that a recent actual pattern of short-term profit-making exists.
- The financial liability is a derivative instrument, except for derivatives meeting the definition of financial guarantee contract, or designated as an effective hedging instrument.

A financial liability may be designated as measured at FVTPL upon initial recognition when one of the following conditions is satisfied: (1) such designation can eliminate or significantly reduce accounting mismatches; (2) conduct management and performance evaluation on groups of financial liabilities or groups of financial assets and financial liabilities on a fair value basis, in accordance with the Group's formally documented risk management or investment strategy, and report to key management personnel on that basis; or (3) qualified mixed financial instrument with embedded derivatives.

Financial liabilities held for trading are subsequently measured at fair value. Any gains or losses arising from changes in the fair value and any dividend or interest expenses paid on the financial liabilities are recognized in profit or loss.

For financial liabilities designated as measured at FVTPL, changes in fair value arising from the Group's own changes in credit risks are recognized in other comprehensive income, while other fair value changes are recognized in profit or loss. Upon derecognition, the cumulative changing amount of fair value arising from the Group's own changes in credit risks shall be transferred to retained earnings. Any dividend or interest expenses paid on the financial liabilities are recognized in profit or loss. If make treatment on effect of the changes in own credit risks by the aforesaid means which may cause or enlarge an accounting mismatch in profit or loss, the Group will recognize all gains or losses (including the affected amount arising from changes in the own credit risk) of the financial liability into profit or loss.

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

– Other financial liabilities

Other financial liabilities, except for financial liabilities arising from transfer of financial assets does not satisfy derecognition criteria or continue involvement of transferred financial assets, are subsequently measured at amortized cost, with gain or loss arising from derecognition or amortization recognized in profit or loss.

In the event that the Group and its counterparty modify or renegotiate the contract does not result in derecognition of a financial liability subsequently measured at amortized cost but result in changes in contractual cash flows, the Group will recalculate the carrying amount of the financial liability, with relevant gain or loss recognized in profit or loss. The Group will determine carrying amount of the financial liability based on the present value of renegotiated or modified contractual cash flows discounted at the financial liability's original effective interest rate. For all costs or expenses arising from modification or renegotiation of the contract, the Group will adjust the modified carrying amount of the financial liability and make amortization during the remaining term of the modified financial liability.

### (b) Derecognition of financial liabilities

The Group derecognizes a financial liability (or part of it) only when the underlying present obligation (or part of it) is discharged. An agreement between the Group (an existing borrower) and an existing lender to replace the original financial liability with a new financial liability with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

When the Group derecognizes a financial liability or a part of it, it recognizes the difference between the carrying amount of the financial liability (or part of the financial liability) derecognized and the consideration paid (including any non-cash assets transferred or new financial liabilities assumed) in profit or loss.

### (c) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued (including refinanced), repurchased, sold and cancelled by the Group are recognized as changes of equity. Change of fair value of equity instruments is not recognized by the Group. Transaction costs related to equity transactions are deducted from equity.

The Group recognizes the distribution to holders of the equity instruments as distribution of profits, and dividends paid do not affect total amount of shareholders' equity.

### (5) Derivatives

Derivative financial instruments include foreign currency forward contracts, currency swap contracts, interest rate swap contracts, etc. Derivatives are initially measured at fair value on the date of signing of such contracts, and subsequently measured at fair value.

### (6) Offsetting financial assets and financial liabilities

Where the Group has a legal right that is currently enforceable to set off the recognized financial assets and financial liabilities, and intends either to settle on a net basis, or to realize the financial asset and settle the financial liability simultaneously, a financial asset and a financial liability shall be offset and the net amount is presented in the balance sheet. Except for the above circumstances, financial assets and financial liabilities shall be presented separately in the balance sheet and shall not be offset.

## 11. Receivables

### (1) Receivables for which bad debt provision is individually assessed:

Reason for individual provision for bad debts	If there exists objective evidence that the credit risk of certain individual receivable is significant, bad debt provision is individually assessed for such receivable.
Method for bad debt provision	To be impaired individually, and the difference between the present value of the estimated future cash flows and its carrying amount is used for bad debt provision.

### (2) Receivables for which bad debt provision is collectively assessed on a portfolio basis by credit risk characteristics:

Other than receivables for which bad debt provision is individually assessed, receivables are grouped based on portfolio with similar credit risk characteristics. The basis for determination and method of determining provision for bad debt of each portfolio are as follows:

Name of portfolio	Basis of determining the portfolio
Portfolio 1	Amount from debtors simultaneously having a long-term cooperation history, no history of bad debt and sound state of operation
Portfolio 2	Receivables other than Portfolio 1

Bad debt provision of above portfolios is made using expected credit loss model:

Aging	Portfolio 1	Portfolio 2
Within 1 year	0.30%	0.30%
1 to 2 years	5.00%	10.00%
2 to 3 years	20.00%	30.00%
3 to 4 years	30.00%	50.00%
4 to 5 years	50.00%	80.00%
Over 5 years	100.00%	100.00%

# Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

## 12. Inventories

### (1) Classification of inventories

The Group's inventories mainly include raw materials, nuclear fuel, spare parts, products in stock, consigned processing materials, reusable materials, etc. Inventories are initially measured at cost. Inventory costs include procurement costs, processing costs and other expenses incurred to enable the inventories to reach the present site and working condition.

### (2) Valuation method of inventories upon delivery

Upon delivery of inventories, actual cost of nuclear fuel is calculated using the specific identification method based on the number of refuelling batches, and included in the production cost by installments at the current and the next refuelling period based on the on-grid power generation. Actual costs of other inventories are calculated using the weighted average method or specific identification method, and are included in the production cost when they are actually consumed.

Reusable materials are materials that can be used repeatedly and still be remained in original condition after gradual transfer of their value but are not recognized as fixed assets, including packaging materials, low-value and short-lived consumables and other turnover materials. Packaging materials, low-value and short-lived consumables and other turnover materials are amortized when they are used.

### (3) Recognition of net realizable value of inventories and provision for inventory impairment

At the balance sheet date, inventories are calculated at the lower of cost and net realizable value. Provision for inventory impairment is made when the net realizable value is lower than the cost. Net realizable value represents the estimated selling price of inventories minus cost estimated to incur upon completion, estimated selling costs and relevant taxes during normal course of business. The net realizable value of inventory is determined based on the actual evidences obtained while the objectives of inventories holding and the impact of post balance sheet date event are also considered.

Provision for decline in value of inventories is made based on the excess of cost of inventory over its net realizable value on an item-by-item basis.

After the provision for decline in value of inventories is made, if the circumstances that previously caused inventories to be written down below cost no longer exist so that the net realizable value of inventories is higher than their cost, the original provision for decline in value is reversed and the reversal is included in profit or loss for the period.

### (4) Inventory count system

The inventory count system shall be on a perpetual basis.

### 13. Held-for-sale assets

When the Group recovers the book value of a non-current asset or disposal group mainly by selling (including the exchange of non-monetary assets with commercial substance) rather than using such non-current asset or disposal group on a continuous basis, the non-current asset or disposal group is classified as held-for-sale.

Non-current assets or disposal groups classified as held-for-sale shall satisfy the following conditions:

- (1) according to the practice of selling such assets or disposal groups in similar transactions, they can be sold immediately in the current condition;
- (2) the sale is highly likely, that is, the Group has made a decision on a sale plan and entered into a legally binding purchase commitment with other parties, and the sale is expected to be completed within one year.

Where the Group has lost control of a subsidiary due to reasons such as disposal of investment in a subsidiary regardless of the Group retaining part of equity investment after the disposal, upon the investment in subsidiary intended to be disposed of satisfying the conditions for classification as held-for-sale, the investment in subsidiary will be generally classified as held-for-sale in the parent's separate financial statements, and all assets and liabilities of the subsidiary is classified as held-for-sale in the consolidated financial statements.

The Group measures held-for-sale non-current assets or disposal groups at the lower of the net amount of the book value and fair value minus the cost of sale. If the book value is higher than the fair value minus the selling expenses, the book value shall be written down to the net amount after the fair value minus the selling expenses. The amount written down shall be recognized as asset impairment loss, and shall be included in the current profit or loss, and the provision for impairment of held-for-sale shall be made. In case of the net increase in the fair value of the held-for-sale non-current assets minus the selling expenses on subsequent statement of balance sheet date, the amount previously written down shall be recovered, and the amount of asset impairment loss recognized after being classified as held-for-sale shall be reversed, and the amount reversed shall be included in the current profit or loss.

Held-for-sale non-current assets or those in the disposal group are not depreciated or amortized, and the interest and other expenses on liabilities in the held-for-sale disposal group continue to be recognized.

The equity investment in associates or joint ventures is classified as held-for-sale assets in whole or in part, and the portion classified as held-for-sale shall be no longer measured under the equity method from the date of being classified as held-for-sale.

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### 14. Long-term equity investments

#### (1) Judgement criterion of determining joint control or significant influence over the investee

Control exists when the investor has power over the investee; is exposed, or has rights, to variable returns from its involvement with the investee; and has the ability to use its power over the investee to affect its returns. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. Significant influence is the power to participate in the financial and operating policy decisions of an enterprise, except to control or jointly control the formulation of such policies together with other parties. In determining whether there is control or significant influence over the investee, potential voting right factors (such as the convertible corporate bonds for the period and the exercisable stock warrants for the period of the investee and other invested units held) were taken into account.

#### (2) Determination of initial investment cost

For a long-term equity investment acquired through a business combination involving enterprises under common control, the initial investment cost of the long-term equity investment is the attributable share of the carrying amount of the shareholders' equity of the acquiree at the date of combination in the consolidated financial statements of the ultimate controlling party. The difference between the initial investment cost and the carrying amount of cash paid, non-cash assets transferred and liabilities assumed is adjusted to capital reserve. If the balance of capital reserve is not sufficient, any excess is adjusted to retained earnings. If the consideration of the combination is satisfied by the issue of equity securities, the initial investment cost of the long-term equity investment is the attributable share of the carrying amount of the shareholders' equity of the acquiree in the consolidated financial statements of the ultimate controlling party. The aggregate face value of the shares issued is accounted for as share capital. The difference between the initial investment cost and the aggregate face value of the shares issued is adjusted to capital reserve. If the balance of capital reserve is not sufficient, any excess is adjusted to retained earnings.

For a long-term equity investment acquired through business combination not involving enterprises under common control, the initial investment cost of the long-term equity investment is the cost of acquisition at the date of combination. For a business combination realized by more than one transaction and ultimately not under common control, different accounting methods are adopted by the criteria of whether those transactions are classified as "a bundle of transactions" or not. If yes, all transactions are deemed as one transaction getting control of the acquirer and are dealt with the relevant accounting method. If no, the Company regards the sum of carrying value of the equity investment of the acquirer plus added cost of investment as the initial cost of investment. For such carrying value of the equity investment, if it is accounted by equity method, then the relevant other comprehensive income is not accounted for the period.

The intermediary fees incurred by the absorbing party or acquirer such as audit, legal, valuation and consulting fees, etc. and other related administrative expenses attributable to the business combination are recognized in profit or loss when they are incurred.

The long-term equity investment acquired otherwise than through a business combination is initially measured at cost. When the entity is able to exercise significant influence or joint control (but not control) over an investee due to additional investment, the cost of long-term equity investments is the sum of the fair value of previously-held equity investments determined in accordance with the Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments, and the additional investment cost.

### (3) Method for subsequent measurement and profit or loss recognition

- Long-term equity investments accounted for using the cost method

Long-term equity investments in subsidiaries are accounted for using the cost method in the financial statements of the parent company. A subsidiary is an investee that is controlled by the Group.

Under the cost method, a long-term equity investment is measured at initial investment cost. When additional investment is made or the investment is recouped, the cost of the long-term equity investment is adjusted accordingly. Investment income is recognized in the period in accordance with the attributable share of cash dividends or profit distributions declared by the investee.

- Long-term equity investments accounted for using the equity method

Except for all or part of the investment in associates and joint ventures classified as assets held for sale, the Group accounts for investment in associates and joint ventures using the equity method. An associate is an entity over which the Group has significant influence; a joint venture is a joint arrangement whereby the Group has rights to the net assets of the arrangement.

Under the equity method, where the initial investment cost of a long-term equity investment exceeds the Group's share of the fair value of the investee's identifiable net assets at the time of acquisition, no adjustment is made to the initial investment cost. Where the initial investment cost is less than the Group's share of the fair value of the investee's identifiable net assets at the time of acquisition, the difference is recognized in profit or loss for the period, and the cost of the long-term equity investment is adjusted accordingly.

Under the equity method, the Group recognizes its share of the net profit or loss and other comprehensive income made by the investee as investment income and other comprehensive income respectively, and adjust the carrying amount of the long-term equity investment accordingly; the carrying amount of the investment is reduced by the portion of any profit distributions or cash dividends declared by the investee that is distributed to the Group; the share of the changes in owners' equity of the investee other than those arising from net profit or loss, other comprehensive income and profit distribution are recognized in the capital reserve and the carrying amount of the long-term equity investment is adjusted accordingly. The Group recognizes its share of the investee's net profit or loss after making appropriate adjustments based on the fair value of the investee's individual separately identifiable assets, etc. at the acquisition date. Where the accounting policies and accounting period adopted by the investee are not consistent with those of the Group, the Group shall adjust the financial statements of the investee to conform to its own accounting policies and accounting period, and recognize investment income and other comprehensive income based on the adjusted financial statements.

For the Group's transactions with its associates and joint ventures where assets contributed or sold does not constitute a business, unrealized intra-group profits or losses are recognized as investment income or loss to the extent that those attributable to the Group's proportionate share of interest are eliminated. However, unrealized losses resulting from the Group's transactions with its associates and joint ventures which represent impairment losses on the transferred assets are not eliminated.

If the assets transfer made by the Group is classified as a business transaction, fair value of the asset transferred are recognized as initial cost of the additional long-term equity investment, and the difference between initial cost of investment and carrying value of asset transferred are taken in full amount into the current profit or loss, if the investor obtained long-term equity investment but not control over the investee. If the disposal of assets made by the Group is classified as a business transaction, the difference between consideration of assets sold and carrying value of the asset are taken in full amount into the current profit or loss. If assets purchased from associates and joint ventures are classified as business transactions, then full amount of profit or loss relating to the transaction are recognized, according to the requirements under the Accounting Standards for Business Enterprise No. 20 – Business Combination.

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

The Group discontinues recognizing its share of net losses of the investee after the carrying amount of the long-term equity investment and any long-term interest that in substance forms part of the Group's net investment in the investee is reduced to zero, except to the extent that the Group has an obligation to assume additional losses, in which case, the expected liability shall be recognized at the obligation to be assumed and be included in investment loss incurred during the current periods. Where net profits are subsequently made by the investee, the Group resumes recognizing its share of those profits only after its share of the profits equals the share of losses not recognized.

### (4) Disposal of long-term equity investments

On disposal of a long-term equity investment, the difference between the proceeds actually received and the carrying amount is recognized in profit or loss for the period. For long-term equity investments accounted for using the equity method, if the remaining interest after disposal is still accounted for using the equity method, other comprehensive income previously recognized for using the equity method is accounted for on the same basis as would have been required if the investee had directly disposed of related assets or liabilities, and transferred to profit or loss for the period on a pro rata basis; owners' equity recognized due to changes in other owners' equity of the investee (other than net profit or loss, other comprehensive income and profit distribution) is transferred to profit or loss for the period on a pro rata basis. For long-term equity investments accounted for using the cost method, if the remaining interest after disposal is still accounted for using the cost method, other comprehensive income previously recognized for using the equity method or in accordance with the standards for the recognition and measurement of financial instruments before obtaining the control over the investee, is accounted for on the same basis as would have been required if the investee had directly disposed of related assets or liabilities, and transferred to profit or loss for the period on a pro rata basis; changes in other owners' equity in the investee's net assets recognized under the equity method (other than net profit or loss, other comprehensive income and profit distribution) is transferred to profit or loss for the period on a pro rata basis.

For the remaining share equity after partial disposal which causes the Group to lose full control over the investee, equity method will be used to account and adjust for the remaining share equity as if they are accounted by the same method upon acquisition, if such equity enables the Group to exercise joint control or significant influences over the investee. If not, the difference between the fair value upon the date of losing control and the carrying value will be taken into the current profit or loss, according to the regulations of financial instrument recognition and measurement. For the other comprehensive income recognized by equity method or by financial instruments recognition and measurement before the Group takes control of the investee, the same basis the investee while disposing relative asset or liability will be adopted for accounting when the Group loses control over the investee, changes to shareholders' equity in the net asset of investee recognized by equity method, other than net profit or loss, other comprehensive income and profit distribution will be carried forward to the current profit or loss. Meanwhile, other comprehensive income and other shareholders' equity will be carried proportionately if the remaining share equity is accounted by equity method; and will be carried in full amount if the remaining share equity is accounted by financial instrument recognition and measurement.

The remaining share equity after partial disposal that causes the Group to lose joint control or significant influences over the investee are accounted by the Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments, difference between the fair value of such equity upon the date of losing control or significant influence and the carrying value will be taken into the current profit or loss. Other comprehensive income recognized using equity method for the previous share equity investment will be accounted using the same basis as the investee while disposing relative asset or liability, full amount of shareholders' equity recognized by other change to shareholders' equity other than net profit or loss, other comprehensive income or profit distribution will be taken into return on investment for the period when equity method stops being adopted.

## 15. Investment properties

Investment property refers to real estate held to earn rentals or for capital appreciation, or both, including leased land use rights, land use rights held and provided for transferring after appreciation and leased buildings, etc.

Investment property is initially measured at cost. Subsequent expenditures related to an investment property shall be included in cost of investment property only when the economic benefits associated with the asset will likely flow to the Group and its cost can be measured reliably. All other subsequent expenditures shall be included in profit or loss for the current period when incurred.

The Group adopts cost method for subsequent measurement of investment property, which is depreciated or amortized using the same policy as that for buildings and land use rights. An investment property is depreciated over its useful life using the straight-line method since the month subsequent to the one in which it is ready for intended use. The useful life, estimated net residual value rate and annual depreciation rate of investment property are as follows:

Category	Useful life	Estimated net residual value rate	Annual depreciation rate
Buildings and structures	20 – 50 years	5%	1.90% – 4.75%

When an investment property is sold, transferred, retired or damaged, the amount of proceeds on disposal of the property net of the carrying amount and related taxes is recognized in profit or loss for the current period.

## 16. Fixed assets

### (1) Conditions for recognition of fixed assets

Fixed assets are tangible assets that are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and have a useful life of more than one accounting period. Fixed assets are only recognized when their related economic benefits are likely to flow to the Group and their cost can be reliably measured. Fixed assets are initially measured at cost and the effect of any expected costs of abandoning the asset at the end of its use is considered.

A fixed asset that is ready for its intended use but before the final account for completed project is stated at cost and depreciated based on estimated value, which will be adjusted based on actual cost upon the final account for completed project without adjustment to the depreciation already made.

NPP decommissioning cost is recognized in the initial cost of fixed assets based on the discounted amount of the expected decommissioning expense. Two-third of the initial nuclear fueling costs as necessary expenses before the NPP is ready for its intended use are recognized in the construction cost of the NPP, and its depreciation is provided under the same method as the NPP. The remaining initial nuclear fueling costs are recognized in the inventory, and are included in the production cost by installments at the period between the initial fueling and the next refueling based on the on-grid power generation.

Subsequent expenditures incurred for the fixed asset are included in the cost of the fixed asset if it is probable that economic benefits associated with the asset will flow to the Group and the subsequent expenditures can be measured reliably. Meanwhile, the carrying amount of the replaced part is derecognized. Other subsequent expenditures are recognized in profit or loss in the period in which they are incurred.

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### (2) Method for depreciation of different fixed assets

Fixed assets of the Group include nuclear power facilities and non-nuclear power facilities.

– Method for depreciation of nuclear power facilities

Method for classification and depreciation, estimated useful life and estimated net residual value of nuclear power facilities are as follows:

Except for the decommissioning costs of nuclear power facilities that are separately accounted for, other nuclear power facilities are classified into two categories: (I) the nuclear islands, regular islands and auxiliary systems, and (II) machinery, electricity, instruments, buildings and structures. Nuclear power facilities are depreciated using the units of production method, except for the buildings and structures that are depreciated using the straight-line method, since the month subsequent to the one in which it is ready for intended use. The net residual value rate of machineries of regular islands and auxiliary system is 5%, and the net residual value rate of other fixed-assets categorized as nuclear power facilities is zero.

The estimated useful lives of the nuclear power facilities of the Group are as follows:

Category	Nuclear islands	Regular islands	Auxiliary systems
Machinery	30 – 60 years	20 – 30 years	20 – 30 years
Electricity	15 – 20 years	15 – 20 years	15 – 20 years
Instruments	10 – 15 years	10 – 15 years	10 – 15 years
Buildings	40/60 years	30 years	30 years
Structures	25 – 60 years	25 years	25 years
Decommissioning costs of nuclear power facilities	40/60 years	N/A	N/A

Calculations of depreciation by the units of production method are as follows:

Current depreciation rate=current actual on-grid power generation ÷ (current actual on-grid power generation + estimated on-grid power generation during remaining useful life)

Current depreciation amount=[cost of fixed assets as at the end of the period x (1 – estimated net residual value rate) – depreciated amount as at the beginning of the period – provision of fixed assets impairment] x current depreciation rate

- Method for depreciation of non-nuclear power facilities

Non-nuclear power facilities are depreciated over its useful life using the straight-line method since the month subsequent to the one in which it is ready for intended use. The useful life, estimated net residual value rate and annual depreciation rate of fixed assets of non-nuclear power facilities are as follows:

Category	Useful life	Estimated net residual value rate	Annual depreciation rate
Building and structure for administration purpose	20 – 50 years	5%	1.90% – 4.75%
Machinery and equipment	5 – 15 years	5%	6.33% – 19.00%
Transportation vehicles	5 years	5%	19.00%
Electronic equipment and office facilities	5 years	5%	19.00%
Vessels	25 years	5%	3.80%

Estimated net residual value of a fixed asset is the estimated amount that the Group would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the asset was already of the stage and in the condition expected at the end of its useful life.

### (3) Other explanations

If a fixed asset is upon disposal or no future economic benefits are expected to be generated from its use or disposal, the fixed asset is derecognized. When a fixed asset is sold, transferred, retired or damaged, the amount of any proceeds on disposal of the asset net of the carrying amount and related taxes is recognized in profit or loss for the current period.

The Group reviews the useful life and estimated net residual value of a fixed asset and the depreciation method applied at least once at each financial year-end, and account for any change as a change in an accounting estimate.

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### 17. Construction in progress

Construction in progress is measured based on the actual cost, including all expenditures incurred for construction projects, capitalized borrowing costs for the construction in progress before it is ready for its intended use, and other related expenses during the construction period. A construction in progress is not depreciated and is transferred to fixed assets when it is ready for its intended use.

When a company sells products or by-products produced before fixed assets reaching their intended use, the related revenues and costs shall be accounted for separately and included in the profit or loss for the period in accordance with the Accounting Standards for Business Enterprises No. 14 – Revenue, the Accounting Standards for Business Enterprises No. 1 – Inventories and other requirements.

### 18. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying asset are capitalized when expenditures for such asset and borrowing costs are incurred and activities relating to the acquisition, construction or production of the asset that are necessary to prepare the asset for its intended use or sale have commenced. Capitalization of borrowing costs ceases when the qualifying asset being acquired, constructed or produced becomes ready for its intended use or sale. If acquisition, construction or production of assets qualifying capitalization is interrupted abnormally for a continuous period of more than 3 months, the capitalization of borrowing costs should be ceased until the assets resume acquisition, construction or production. Other borrowing costs are recognized as an expense in the period in which they are incurred.

Where funds are borrowed under a specific-purpose borrowing, the amount of interest to be capitalized is the actual interest expense incurred on that borrowing for the period less any bank interest earned from depositing the borrowed funds before being used on the asset or any investment income on the temporary investment of those funds. Where funds are borrowed under general-purpose borrowings, the Group determines the amount of interest to be capitalized on such borrowings by applying a capitalization rate to the weighted average of the excess of cumulative expenditures on the asset over the amounts of specific-purpose borrowings. The capitalization rate is the weighted average of the interest rates applicable to the general-purpose borrowings. During the capitalization period, exchange differences related to a specific-purpose borrowing denominated in foreign currency are all capitalized. Exchange differences in connection with general-purpose borrowings are recognized in profit or loss in the period in which they are incurred.

## 19. Intangible assets

### (1) Intangible assets

An intangible asset is measured initially at cost. When an intangible asset with a finite useful life is available for use, its original cost less net residual value and any accumulated impairment losses is amortized over its estimated useful life using the straight-line method. An intangible asset with an indefinite useful life is not amortized. The years of useful life of intangible assets are as follows:

Category	Useful life
Land use rights	20 – 50 years
Computer software	5 – 10 years
Patent rights	10 – 20 years
Non-patented technology	5 – 10 years
Sea area use rights	50 years
Others	5 – 37 years

The estimated net residual values of intangible assets are zero. The Group shall review the finite useful life of an intangible asset and the amortization method applied at the end of the period and make adjustments when necessary.

### (2) Internal R&D expenditure

Expenditure arising from the research phase is accounted for in profit or loss for the current period when incurred.

Expenses incurred during the development stage that satisfy the following conditions are recognized as intangible assets, while those that do not satisfy the following conditions are accounted for in the profit or loss for the current period:

- it is technically feasible that the intangible asset can be used or sold upon completion;
- there is intention to complete the intangible asset for use or sale;
- the intangible asset can produce economic benefits, including there is evidence that the products produced using the intangible asset has a market or the intangible asset itself has a market; if the intangible asset is for internal use, there is evidence that there is usage for the intangible asset;
- there is sufficient support in terms of technology, financial resources and other resources in order to complete the development of the intangible asset, and there is capability to use or sell the intangible asset;
- the expenses attributable to the development stage of the intangible asset can be measured reliably.

If the expenses incurred during the research stage and the development stage cannot be distinguished separately, all R&D expenses incurred are accounted for in the profit or loss for the current period.

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### 20. Impairment of long-term assets

The Group assesses at each balance sheet date whether there is any indication that any long-term equity investments, investment properties, fixed assets, construction in progress, right-of-use assets and intangible assets with a finite useful life may be impaired. If there is any evidence indicating that an asset may be impaired, the recoverable amount shall be estimated for the individual asset. The intangible assets with infinite useful life and intangible assets that are not ready for intended use are tested for impairment yearly, regardless of any indication of impairment.

The recoverable amount should be estimated of the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the Group shall determine the recoverable amount of the asset group to which the asset belongs. The recoverable amount of an asset is determined at the higher of the net amount after deducting the disposal expenses from the assets' fair value and the current value of the assets' estimated future cash flow.

If the recoverable amount of an asset is less than its carrying amount, a provision for impairment loss of the asset will be made for the reduction and is charged to profit or loss for the current period.

Goodwill is tested for impairment yearly. When conducting the impairment test for goodwill, the test is conducted through combination with its related asset group or portfolio of asset group. That is, the carrying amount of goodwill is reasonably allocated to the related asset group or each of asset group expected to benefit from the synergies of the combination from the acquisition date. If the recoverable amount of asset group or portfolio of asset group containing the allocated goodwill is lower than its carrying value, relevant impairment loss is recognized. The amount of impairment loss is first written down and allocated to the carrying amount of the goodwill of that asset group or portfolio of asset group, and is then written down to the carrying value of all other types of assets proportionally according to the weighting of the carrying value of all other types of assets other than goodwill within asset group or portfolio of asset group.

When recognizing the impairment loss of contractual costs related assets, other assets in relation to contractual costs that are recognized pursuant to other relevant corporate accounting standards shall take priority. For contractual costs related assets, the Group shall make provisions and recognize an impairment loss to the extent that the carrying amount of an asset exceeds: (1) the remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the asset relates; (2) the estimated costs that relate to providing those goods or services.

Except for the impairment loss related to contractual costs, an impairment loss once recognized shall not be reversed in a subsequent period. The Group shall, after the impairment of contractual costs has been provided, recognized in profit or loss a reversal of the impairment loss previously recognized when the impairment conditions no longer exist or have improved. However, the increased carrying amount of the asset shall not exceed the carrying amount that would have been determined if no impairment loss had been recognized previously.

## 21. Long-term deferred expenses

Long-term deferred expenses are expenses which have incurred but shall be amortized over the current year and subsequent years of more than one year. Long-term deferred expenses are amortized evenly over the estimated benefit period.

## 22. Employee benefits

### (1) Accounting treatment of short-term employee benefits

In the accounting period in which employees have rendered services, the Group shall recognize the short-term employee benefits that actually occurred as liability, and charged to profit or loss for the current period or cost of relevant assets. The Group shall recognize the amount of employee welfare that actually occurred and charged to profit or loss for the current period or cost of relevant assets. If the employee welfare expense is non-monetary welfare, it shall be measured according to its fair value.

During the accounting periods which employees rendered service, the Group makes contribution to medical insurance, work-related injury insurance, maternity insurance and other social security contributions and housing provident fund, and extracts for labor union funds and employees' education expenses as stipulated. Based on the required accrual basis and proportions in order to determine the appropriate amount of employee benefits, such employee benefits shall be recognized as corresponding liabilities, and charged to profit or loss during current period or cost of relevant assets.

### (2) Accounting treatment of post-employment benefits

Post-employment benefits are classified into defined contribution plans and defined benefit plans.

For defined contribution plans, during the accounting periods which employees rendered service, the contribution payable to the plans shall be recognized as liability in profit or loss during current period or as relevant asset cost.

For defined benefit plans, the Group assigns the welfare obligation generated from the defined benefit plans to the period of rendering services using the formula determined by the projected unit credit method, and includes it in the current profit or loss or related asset costs. Employee benefit costs generated from the defined benefit plans are categorized as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest of net liabilities or net assets of defined benefit plans (including interest income of planned assets, interest expenses of defined benefit plan liabilities and effect of asset ceiling); and
- Remeasurement of changes in net liabilities or net assets of defined benefit plans.

Service cost and net interest of net liabilities or net assets of defined benefit plans are included in the current profit or loss or related asset costs. Remeasurement of changes in net liabilities or net assets of defined benefit plans (including actuarial gains or losses, return on plan assets excluding the amount included in the net interest of net liabilities or net assets of defined benefit plans, and changes to the asset ceiling excluding the amount included in the net interest of net liabilities or net assets of defined benefit plans) is included in other comprehensive income.

Deficit or surplus generated from the present value of the obligation of defined benefit plan less the fair value of defined benefit plan asset is recognized as a net liability or a net asset of defined benefit plan.

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### (3) Accounting treatment of termination benefits

When the Group provides termination benefits to employees, employee benefit liabilities are recognized for termination benefits, with a corresponding charge to the profit or loss for the period at the earlier of: when the Group cannot unilaterally withdraw the offer of termination benefits because of the termination plan or a curtailment proposal; or when the Group recognizes costs or expenses related to restructuring that involves the payment of termination benefits.

### (4) Accounting treatment of other long-term benefits

For other long-term benefits, when meeting the determined conditions for withdrawal and deposit plan, the Group will conduct accounting treatment according to the determined withdrawal and deposit plan. For net liabilities and net assets of other long-term benefits apart from the above, the Group will conduct accounting treatment according to the determined benefit plan. As at the end of the reporting period, employee welfare cost of other long-term employee welfare are recognized as service cost, net interest of net liabilities or net assets of other long-term employee welfare and remeasurement of changes in net liabilities or assets of other long-term employee welfare, and the total amount of which is recognized in profit or loss or as relevant asset cost.

## 23. Provisions

Provisions are recognized when the Group has a present obligation related to a contingency, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be measured reliably.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account factors pertaining to a contingency such as the risks, uncertainties and time value of money. Where the effect of the time value of money is material, the best estimate of provision is determined by discounting the related future cash outflows.

Where all or some of the expenditure required to settle a provision is expected to be reimbursed by a third party, the reimbursement is recognized as a separate asset only when it is virtually certain that reimbursement will be received, and the amount of reimbursement recognized does not exceed the carrying amount of the provision.

The Group's provisions primarily consist of provision for NPP decommissioning and provision for low and medium level radioactive waste management.

### (1) Provision for NPP decommissioning

Provision for NPP decommissioning is the expenses expected to be incurred in the process of the Group putting nuclear reactor systems out of service safely and permanently when they reach the end of their service lives, in order to ensure staff, the public and surrounding ecological environment being not subject to the hazards of the remaining radioactive substance and other potential risks. Provision for NPP decommissioning is estimated on the basis of best estimate, and the discounted amount shall be included in the initial cost of fixed assets.

### (2) Provision for low and medium level radioactive waste management

Provision for low and medium level radioactive waste management is the expenses expected to be incurred in respect of disposal of low and intermediate level radioactive waste from NPP. Provision for low and medium level radioactive waste management shall be made on the basis of best estimate by adopting the accrual-basis principle.

## 24. Share-based payment

The share-based payments of the Group are transactions that grant equity instruments or assume equity-instrument based liabilities for receiving services rendered by employees. The share-based payments of the Company are cash-settled share-based payments.

### (1) Cash-settled share-based payments

Cash-settled share-based payment is measured at the fair value of liabilities determined on the basis of shares or other equity instruments of the Group. As to a cash-settled share-based payment, if the right may be exercised immediately after the grant, relevant costs and expenses shall be included on the date of the grant, and the liabilities shall be increased accordingly. On each balance sheet date within the vesting period, the services obtained in the current period shall, based on the best estimate of the information about the exercisable right, be included in the relevant costs or expenses and the corresponding liabilities at the fair value of the liability undertaken by the Group. Fair values of the liabilities are remeasured and the changes are stated in profit or loss of the period on each balance sheet date and settlement date before settlement of relevant liabilities.

### (2) Accounting treatment of the implementation, modification and termination of share-based payments

If fair value of the granted equity instrument is increased by the Group's modifications to the share-based payment plans, the increase in fair value shall be accordingly recognized in the increase in service obtained. If the quantity of the granted equity instruments is increased by such modifications, the increase in fair value shall be accordingly recognized in the increase in service obtained. Increase in the fair value of equity instrument is the difference between such fair value on the date of modification before and after the modification. If aggregate fair value of share-based payments are reduced by the modification, or that terms and conditions of share-based plan is otherwise modified to the disadvantage of the employees, it is considered that such modification never took place and accounting treatment shall continue to be made for services obtained, unless the granted equity instrument is partially or entirely cancelled by the Group.

If employees or other parties can choose to fulfil the non-vesting conditions but have not fulfilled them during the vesting period, then the equity-settled share-based payments are dealt with as cancelled.

## 25. Specific reserve

The safe production expenses provided by the Group in accordance with national regulations are recognized in the cost of relevant products or profit or loss and included in specific reserve.

When the Group uses the specific reserve, if it is related to revenue expenditures, specific reserve is directly offset. Where fixed assets are formed with the safe production expenses provided, the expenses incurred under the "construction in progress" will be recognized as fixed assets when the safety projects are completed and reaches the working condition for their intended use. Meanwhile, special reserves are written down based on costs of fixed asset formed, and accumulated depreciation of the same amount shall be recognized. No further provision for depreciation shall be made for such fixed assets in subsequent period.

# Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

## 26. Revenue recognition

The Group's revenue sources mainly include the following businesses:

- sales of electricity;
- construction, installation and design services;
- provision of labor services;
- sales of goods and others.

When the Group has implemented the performance obligation in the contract, namely, when the customer acquires controls over relevant goods or services, revenues will be recognized as per transaction prices allocated to such performance obligation. Performance obligation represents the Group's commitment to transfer distinct goods or services to the customer in the contract. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties and amounts expected to be refunded to a customer.

For performance obligations to be satisfied over time, the Group recognizes revenue over time by measuring the progress towards completion if one of the following criteria are met: (1) the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; (2) the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; (3) the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date. Otherwise, the Group recognizes revenue when the customer obtains control of the related goods or services.

For performance obligations to be satisfied at a certain point in time, the Group recognizes revenue at the time of acquiring control of such goods. In judging if the customer has acquired control of the goods, the Group takes into consideration: (1) the Group has a present right to payment for the goods, as in the customer has a present obligation to payment for the goods; (2) the Group has transferred the legal ownership of the good to the customer, as in the customer has acquired the legal ownership of the good; (3) the Group has transferred physical possession of the good to the customer, as in the customer is in possession of the physical good; (4) the Group has transferred the major risks and rewards of the ownership of the good to the customer, as in the customer has acquired the major risks and rewards of the ownership of the good to the customer; (5) the customer has accepted the good; and (6) other indications that the customer has acquired control of the good.

For each performance obligation satisfied over time, the Group recognizes revenue over time by measuring the progress towards completion, except when progress cannot be reasonably determined. In determination of the progress towards completion in satisfying such obligations, the Group adopts the input method or output method based on the nature of business. When the performance progress cannot be determined, the Group is expected to be reimbursed for the costs already incurred and recognize the revenue based on the costs already incurred until the performance progress can be reasonably determined.

A contract asset is the Group's right to consideration in exchange for goods or services that it has transferred to a customer when that right is conditional on something other than the passage of time. Accounts receivable is the Group's right to consideration that is unconditional (only the passage of time is required).

For sales with quality assurance clause, if an individual service is rendered to the customer under such clause beyond providing the customer with goods or services meeting the established criteria, the quality assurance clause shall constitute a single performance obligation. Otherwise, accounting treatments shall be made according to the quality assurance liability under the Accounting Standards for Business Enterprises No.13 – Contingencies.

The Group judges its status as the main responsible party or proxy in a transaction based on whether the Group had control over the good or service prior to transferring to the customer. Where the Group had control over the good or service prior to transferring to the customer, the Group is the main responsible party, and total received or receivable consideration shall be recognized as revenue; otherwise, the Group is the proxy, and the commission or fee expected to receive shall be recognized as revenue, which is determined by deducting net payable to other parties from the total received or receivable consideration.

For receipt in advance from customers for the provision of good or service, the amount shall initially be recognized as liability, and converted into revenue when relevant performance obligations are satisfied. When it is unnecessary for the Group to return the receipt in advance and the customer may forfeit all or part of his/her contractual rights, and that the Group is entitled to the amount in respect of the contractual rights forfeited by the customer, such amount shall be recognized as revenue in proportion to the pattern of rights exercised by the customer. Otherwise, the Group only recognizes such balance of the above liability as revenue when it becomes highly unlikely that customers would demand the fulfilling of the remaining performance obligation.

#### **(1) Revenue from sales of electricity**

Revenue from sales of electricity is the primary component of revenue from sales of goods of the Group. Revenue is recognized when electricity of the Group is transferred to the grids stipulated in the electricity sales contracts, as in when the customer acquires control of the electricity.

#### **(2) Revenue from construction, installation and design services**

The Group adopts the input method to appropriately determine the progress to completion of satisfying performance obligation for construction, installation and design services. Input method is a way to determine the progress to satisfying the performance obligation based on the Group's input, for which the Group adopts costs incurred as the indicator of input. Revenue is recognized at the amount calculated by total transaction price under the contract at the date of balance sheet multiplied by progress in satisfying the performance obligation, and further deducting recognized revenue from prior accounting periods. When progress cannot be reasonably determined and the incurred costs are expected to be compensated, revenue is recognized according to costs already incurred until the reasonable determination of progress becomes practicable.

#### **(3) Provision of labor services**

The Group adopts the output method to appropriately determine the progress to completion of satisfying performance obligation for the provision of labor services. Output method is a way to determine the progress to satisfying the performance obligation based on the value of goods transferred to the customer, for which the Group adopts milestones reached as the indicator of output. Revenue is recognized at the amount calculated by total transaction price under the contract at the date of balance sheet multiplied by progress in satisfying the performance obligation, and further deducting recognized revenue from prior accounting periods. If the result of labor transaction cannot be reliably estimated, labor revenue is recognized at labor costs already incurred or that which can be compensated, and the labor costs incurred shall be stated as current expense. Labor costs already incurred not expected to be compensated shall not be recognized as revenue.

#### **(4) Sale of goods**

Revenue is recognized when the goods of the Group are delivered to the venue of the customer and the customer has accepted such goods, as in when the customer acquires control of the goods.

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### 27. Government grants

Government grants are transfer of monetary assets and non-monetary assets from the government to the Group at no consideration. Government grants are recognized when prescribed conditions are satisfied and they will be received without uncertainties.

If a government grant is in the form of a transfer of a monetary asset, it is measured at the amount received or receivable. If a government subsidy is a non-monetary asset, it should be measured at its fair value. If its fair value cannot be obtained in a reliable way, it should be measured at its nominal amount. Government grants measured at nominal amount are directly recognized in profit or loss.

#### (1) Determination basis and accounting treatment of government grants related to assets

A government grant related to an asset is recognized as deferred income, and evenly amortized to current profit or loss over the useful life of the related asset.

#### (2) Determination basis and accounting treatment of government grants related to income

For a government grant related to income, if the grant is a compensation for related expenses or losses to be incurred in subsequent periods, the grant is recognized as deferred income, and recognized in profit or loss over the period in which the related costs or loss are recognized. If the grant is a compensation for related expenses or losses already incurred, the grant is recognized immediately in profit or loss for the current period. If the nature of the government grants is difficult to differentiate, such grants are wholly classified under government grants related to income.

A government grant related to Group's business activities, is recognized as other income based on the substance of economic activities. A government grant non-related to the Group's business activities, is recognized as non-operating income.

For the repayment of a government grant already recognized, if there is any balance of related deferred income, the repayment shall be written-off against the book balance of deferred income, and any excess shall be recognized in profit or loss for the period.

### 28. Deferred tax assets/deferred tax liabilities

Income tax expenses include current income tax and deferred income tax.

#### (1) Current income tax

At the balance sheet date, current income tax liabilities (or assets) for the current and prior periods shall be measured at the amount expected to be paid (or recovered) according to the requirements of tax laws.

#### (2) Deferred tax assets and deferred tax liabilities

For temporary differences between the carrying amounts of certain assets or liabilities and their tax base, or between the nil carrying amount of those items that are not recognized as assets or liabilities and their tax base that can be determined according to tax laws, deferred tax assets and liabilities are recognized using the balance sheet liability method.

Deferred tax is generally recognized for all temporary differences. Deferred tax assets for deductible temporary differences are recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilized.

For deductible losses and tax credits that can be carried forward, deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the deductible losses and tax credits can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

At the balance sheet date, deferred tax assets and liabilities are measured at the tax rates, according to tax laws, that are expected to apply in the period in which the asset is realized or the liability is settled. If a single transaction is not a business combination, the transaction affects neither accounting profit nor taxable income (or deductible losses), and the assets and liabilities initially recognized do not result in an equal amount of taxable temporary differences and deductible losses, then the temporary differences arising from such transaction will not generate deferred income tax. Temporary differences caused by the initial recognition of goodwill will not generate relevant deferred income tax as well.

Current and deferred tax expenses or income are recognized in profit or loss for the period, except when they arise from transactions or events that are directly recognized in other comprehensive income or in shareholders' equity, in which case they are recognized in other comprehensive income or in shareholders' equity; and when they arise from business combinations, in which case they adjust the carrying amount of goodwill.

At the balance sheet date, the carrying amount of deferred tax assets is reviewed and reduced if it is no longer probable that sufficient taxable profits will be available in the future to allow the benefit of deferred tax assets to be utilized. Such reduction in amount is reversed when it becomes probable that sufficient taxable profits will be available.

### (3) Offsetting of income tax

When the Group has a legal right to settle on a net basis and intends either to settle on a net basis or to realize the assets and settle the liabilities simultaneously, current tax assets and current tax liabilities of the Group are offset and presented on a net basis.

When the Group has a legal right to settle current tax assets and liabilities on a net basis, and deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax assets and liabilities on a net basis or to realize the assets and liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be reversed, deferred tax assets and deferred tax liabilities are offset and presented on a net basis.

## 29. Leases

A lease refers to a contract in which a lessor assigns the right to use an asset to a lessee within a certain period of time to obtain consideration.

At the commencement date of a contract, the Group evaluates whether the contract is a lease or contains a lease. Unless the contract terms and conditions change, the Group does not reassess whether the contract is a lease or contains a lease.

# Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

## (1) The Group as a lessee

### (a) Allocation of leases

For a contract that contains one or more lease component and non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component and the aggregate standalone price of the non-lease components.

### (b) Right-of-use assets

Except for short-term leases and leases of low value assets, the Group recognizes right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset provided by the lessor is available for use by the Group). The right-of-use asset is initially measured at cost. This cost includes:

- the initial measurement amount of the lease liabilities;
- any lease payments made at or before the commencement date of the lease, less any lease incentives received;
- any initial direct costs incurred by the Group;
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

The Group makes provisions for depreciation of right-of-use assets according to the relevant depreciation requirements in the Accounting Standards for Business Enterprises No. 4 – Fixed Assets. Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term is depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated over the shorter of its estimated useful life and the lease term.

The Group determines whether a right-of-use asset has been impaired in accordance with the Accounting Standards for Business Enterprises No. 8 – Asset Impairment and accounts for the identified impairment losses.

### (c) Lease liabilities

At the commencement date of a lease, the Group initially measures the lease liabilities at the present value of lease payments that are unpaid at that date, except for short-term leases and low-value asset leases. In calculating the present value of lease payments, the Group uses the interest rate implicit in the lease as the discount rate. If the interest rate implicit in the lease is not readily determinable, the incremental borrowing rate is used as the discount rate.

Lease payment refers to the amount paid by the Group to the lessor relating to the right to use an underlying asset during the lease term, including:

- fixed payments and in-substance fixed payments less any lease incentives receivable;
- variable lease payments that depend on an index or a rate;
- the exercise price of a purchase option reasonably certain to be exercised by the Group;
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate;
- amounts expected to be paid under residual value guarantees.

After the commencement date of the lease term, the Group calculates the interest expense of the lease liabilities for each period of the lease term based on a fixed periodic interest rate, and included it in the current profit or loss or the cost of underlying assets.

After the commencement date of the lease term, the Group re-measures the lease liabilities and adjusts the corresponding right-of-use asset in the following circumstances. If the carrying value of the right-of-use asset has been reduced to zero, but the lease liability still needs to be further reduced, the Group will calculate the difference into the current profit or loss:

- The Group re-measures the lease liabilities based on the present value of the post-change lease payments and the revised discount rate as a result of changes in the lease term or changes in the purchase option;
- The Group re-measures the lease liabilities based on the present value of the changed lease payments and the original discount rate, based on the amount of the amount payable or the index or proportion used to determine the lease payments.

#### **(d) Short-term leases and leases of low-value assets**

The Group decides not to recognize right-of-use assets and lease liabilities for short-term leases and leases of low-value assets. Short-term leases are leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. A lease of low-value asset refers to a single lease asset, when new, is of low value. Lease payments on short-term leases and leases of low-value assets are recognized in the current period profit or loss or the cost of underlying assets on a straight-line basis over the lease term.

#### **(e) Lease modifications**

The Group accounts for as a separate lease when the lease changes and the following conditions are met at the same time:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets;
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For lease changes that are not accounted for as a separate lease, the Group will reallocate the consideration of the contract after the change on the effective date of the lease change, and re-determine the lease term, and the lease liability shall be remeasured at the present value calculated based on the changed lease payment amount and the revised discount rate.

If the modification of lease results in a narrower scope of lease or a shorter lease term, the Group reduces the carrying value of the right-of-use assets to reflect the partial or complete termination of the lease. The Group recognizes the gain or loss relevant to the partial or complete termination of the leases in the current profit or loss. For other modification of lease, the Group adjusts the carrying value of the right-of-use assets accordingly.

## **(2) The Group as a lessor**

### **(a) Allocation of leases**

Where the contract includes both the lease and non-lease components, the Group apportions the contract consideration according to the provisions of the Accounting Standards for Business Enterprises No. 14 – Revenue on the transaction price allocation. The basis of the apportionment is the individual selling price of the leased part and the non-lease part.

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### (b) Classification of leases

A lease that substantially transfers almost all the risks and rewards related to the ownership of leased assets is a financial lease. Leases other than finance leases are operating leases.

- The Group records the operating lease business as a lessor

During each period of the lease term, the Group recognizes the lease payments from operating leases as rental income using the straight-line method. The initial direct expenses incurred by the Group in relation to the operating leases are capitalized and allocated in the current period profit or loss by instalments during the lease term on the same basis as the recognition of rental income.

The variable lease payments received by the Group in connection with the operating leases that are not included in the lease payments are recognized in profit or loss in the period in which they are incurred.

## 30. Major accounting estimates and judgments

The preparation of the consolidated financial statements requires the management of the Group to make estimates and assumptions that affect the application of accounting policies and the amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Key assumptions of the estimates and judgments of uncertainties are reviewed on an ongoing basis by the management of the Group. The effects of changes in accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

Except for the accounting estimates in relation to the depreciation and amortization of assets such as investment properties, fixed assets, intangible assets, long-term deferred expenses and right-of-use assets (see Notes (III) 15, 16, 19, 21 and 29) and the impairment of various assets (see Notes (V) 3, 5, 6, 7, 10, 12, 13, 14, 15, 16 and 18, and Notes (XV) 1, 2 and 5), the other major accounting estimates are as follows:

- (a) Revenue recognition—As stated in Note (III) 26, the Group recognizes the revenue related to the construction, installation and design services and provision of labor services over a period of time. The recognition of the relevant revenue and profits depends on the Group's estimates of the contract results and the performance progress. If the total revenue and total cost actually incurred are higher or lower than the estimated value of the management, it will affect the amount of revenue and profit to be recognized by the Group in the future.
- (b) Note (V) 20 – Recognition of deferred tax assets;
- (c) Note (V) 34 – Post-employment benefits of defined benefit plan;
- (d) Note (V) 35 – Provisions;
- (e) Note (IX) – Disclosure of fair value; and
- (f) Note (XI) – Share-based payment.

### 31. Changes in significant accounting policies

#### (1) Changes in accounting policies and reasons thereof

In 2023, the Group implemented the related requirements and guidelines under the CASBE issued by the Ministry of Finance in recent years, which mainly include:

- Requirement of the “Accounting Treatment for Initial Recognition Not Applicable to Deferred Tax related to Assets and Liabilities Arising from a Single Transaction” in Interpretation No. 16 of the Accounting Standards for Business Enterprises (Cai Kuai [2022] No. 31) 《企業會計準則解釋第 16 號》(財會[2022]31 號)) (“Interpretation No. 16”);

#### Accounting Treatment for Initial Recognition Not Applicable to Deferred Tax related to Assets and Liabilities Arising from a Single Transaction

According to the requirements of Interpretation No. 16, for single transaction that is not a business combination, does not affect accounting profits nor taxable profits (or deductible losses) on the date of transaction, and does not incur equivalent taxable temporary differences and deductible temporary differences as a result of the initial recognition of assets and liabilities, the requirement of waiver regarding initial recognition of deferred tax liabilities and deferred tax assets under the Accounting Standards for Business Enterprises No. 18 – Income Tax is not applicable. For taxable temporary differences and deductible temporary differences arising from initial recognition of assets and liabilities under such transaction, the Group recognizes respective deferred tax liabilities and deferred tax assets on the date of transaction according to relevant requirements under the Accounting Standards for Business Enterprises No. 18 – Income Tax.

The Group made retrospective adjustments in accordance with the above requirement for single transaction applicable to such requirement that occurred between January 1, 2022 and the date of initial adoption. For taxable temporary differences and deductible temporary differences arising from recognition of lease liabilities and right-of-use assets for single transaction applicable to such requirement that occurred as at January 1, 2022, the Group adjusted the opening retained earnings for the earliest financial reporting period and other relevant items in the financial statements against the cumulative affected amount in accordance with such requirement and the Accounting Standards for Business Enterprises No. 18 – Income Tax.

(i) Impacts of the change on the financial statements for the period

The impacts of the above change in the accounting policy on each item in the consolidated balance sheet and the balance sheet of the parent company as of June 30, 2023 are summarized as follows:

	(Decrease)/increase in the amount of statement items after the adoption of the change in the accounting policy	
	The Group	The Company
Assets:		
Long-term equity investments	(697,114.50)	(128,355.72)
Deferred tax assets	(3,099,097.04)	–
Liabilities:		
Deferred tax liabilities	(119,414.31)	–
Shareholders’ equity:		
Retained earnings	(4,501,549.64)	(128,355.72)
Non-controlling interests	824,752.41	–

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

The impacts of the above change in the accounting policy on each item in the consolidated income statement and the income statement of the parent company for the period from January 1, 2023 to June 30, 2023 are summarized as follows:

	(Decrease)/Increase in the amount of statement items after the adoption of the change in the accounting policy	
	The Group	The Company
Investment income	(303,700.97)	(352,517.47)
Total profit	(303,700.97)	(352,517.47)
Less: Income tax expenses	6,385,462.06	-
Net profit	(6,689,163.03)	(352,517.47)
Including: Net profit attributable to shareholders of the parent company	(3,121,471.26)	-
Non-controlling interests	(3,567,691.77)	-

(ii) Impacts of the change on the comparative financial statements

The impacts of the above change in the accounting policy on net profit for the period from January 1, 2022 to June 30, 2022 and shareholders' equity at the beginning and the end of 2022 are summarized as follows:

	Net profit/(loss) for the period from January 1, 2022 to June 30, 2022	The Group	
		Shareholders' equity at the end of 2022	Shareholders' equity at the beginning of 2022
Net profits and shareholders' equity before adjustment	8,852,108,295.44	157,929,921,850.14	150,950,296,902.06
Impact of initial recognition not applicable to deferred tax related to assets and liabilities arising from a single transaction	(2,360,339.61)	3,012,365.80	5,713,860.65
Net profits and shareholders' equity after adjustment	8,849,747,955.83	157,932,934,215.94	150,956,010,762.71

	Net profit/(loss) for the period from January 1, 2022 to June 30, 2022	The Company	
		Shareholders' equity at the end of 2022	Shareholders' equity at the beginning of 2022
Net profits and shareholders' equity before adjustment	3,666,187,638.58	109,052,434,448.49	104,909,784,091.14
Impact of initial recognition not applicable to deferred tax related to assets and liabilities arising from a single transaction	(168,413.48)	224,161.75	240,040.57
Net profits and shareholders' equity after adjustment	3,666,019,225.10	109,052,658,610.24	104,910,024,131.71

The impacts of the above change in the accounting policy on each item in the consolidated balance sheet and the balance sheet of the parent company as of December 31, 2022 are summarized as follows:

	Before adjustment	The Group Adjusted amount	After adjustment
Assets:			
Long-term equity investments	13,657,597,890.59	(393,413.53)	13,657,204,477.06
Deferred tax assets	2,407,719,951.15	727,969.21	2,408,447,920.36
Liabilities:			
Deferred tax liabilities	1,388,885,150.91	(2,677,810.12)	1,386,207,340.79
Shareholders' equity:			
Retained earnings	39,038,911,600.23	(1,380,078.38)	39,037,531,521.85
Non-controlling interests	50,902,255,957.77	4,392,444.18	50,906,648,401.95

	Before adjustment	The Company Adjusted amount	After adjustment
Assets:			
Long-term equity investments	86,604,309,314.03	224,161.75	86,604,533,475.78
Shareholders' equity:			
Retained earnings	21,443,389,507.84	224,161.75	21,443,613,669.59

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

The impacts of the above change in the accounting policy on each item in the consolidated income statement and the income statement of the parent company for the period from January 1, 2022 to June 30, 2022 are summarized as follows:

	Before adjustment	The Group Adjusted amount	After adjustment
Investment income	691,775,521.79	(257,304.46)	691,518,217.33
Total profit	10,602,788,980.92	(257,304.46)	10,602,531,676.46
Less: Income tax expenses	1,750,680,685.48	2,103,035.15	1,752,783,720.63
Net profit	8,852,108,295.44	(2,360,339.61)	8,849,747,955.83
Including: Net profit attributable to shareholders of the parent company	5,904,498,333.83	(2,522,958.41)	5,901,975,375.42
Non-controlling interests	2,947,609,961.61	162,618.80	2,947,772,580.41

	Before adjustment	The Company Adjusted amount	After adjustment
Investment income	4,235,320,492.32	(168,413.48)	4,235,152,078.84
Total profit	3,666,187,638.58	(168,413.48)	3,666,019,225.10
Net profit	3,666,187,638.58	(168,413.48)	3,666,019,225.10

- (iii) The impacts of the above change in the accounting policy on each item in the consolidated balance sheet and the balance sheet of the parent company as of January 1, 2022 are summarized as follows:

	(Decrease)/increase in the amount of statement items after the adoption of the change in the accounting policy	
	The Group	The Company
Assets:		
Long-term equity investments	(377,534.71)	240,040.57
Deferred tax assets	6,796,114.31	-
Liabilities:		
Deferred tax liabilities	704,718.95	-
Shareholders' equity:		
Retained earnings	906,177.98	240,040.57
Non-controlling interests	4,807,682.67	-

## (IV) TAXATION

### 1. Main tax categories and tax rates

	Taxation basis	Tax rate/charge rate
Value-added tax (VAT)	(Note 1)	Exempted, 3%, 5%, 6%, 9%, 13%
Education surcharges	Paid-in VAT	3%
Local education surcharges	Paid-in VAT	2%
Urban maintenance and construction tax	Paid-in VAT	1%, 5%, 7%
Real estate tax	Tax basis under relevant tax law (Note 2)	1.2% or 12%
Enterprise income tax	Taxable income	25%, 20%, 15%

Note 1: VAT payable is output tax minus deductible input tax, and the output tax is calculated based on sales and applicable VAT tax rate as determined by relevant tax law.

The revenue from sales of electricity of the subsidiaries of the Company, namely Guangdong Nuclear Power Investment Co., Ltd. ("GNIC"), GNPJVC, Fujian Ningde Nuclear Power Co., Ltd. (福建寧德核電有限公司) ("Ningde Nuclear"), Ling'ao Nuclear Power Co., Ltd. (嶺澳核電有限公司) ("Ling'ao Nuclear"), Lingdong Nuclear Power Co., Ltd. (嶺東核電有限公司) ("Lingdong Nuclear"), Yangjiang Nuclear Power Co., Ltd. (陽江核電有限公司) ("Yangjiang Nuclear"), Taishan Nuclear Power Joint Venture Co., Ltd. (台山核電合營有限公司) ("Taishan Nuclear"), Guangxi Fangchenggang Nuclear Power Co., Ltd. (廣西防城港核電有限公司) ("Fangchenggang Nuclear"), Guangxi Fanghe Power Sales Co., Ltd. (廣西防核售電有限公司), CGN Power Sales Co., Ltd. (中廣核電力銷售有限公司) ("Power Sales Company") and Fujian Ninghe Power Sales Co., Ltd. (福建寧核售電有限公司), was subject to VAT. The revenue from sales of goods or equipment of the subsidiaries of the Company, namely China Nuclear Power Technology Research Institute (中廣核研究院有限公司) ("CNPRI"), Suzhou Nuclear Power Research Institute (蘇州熱工研究院有限公司) ("SNPI"), China Nuclear Power Engineering Co., Ltd. (中廣核工程有限公司) ("CGN Engineering"), China Nuclear Power Design Co., Ltd. (Shenzhen) (深圳中廣核工程設計有限公司) ("CGN Design"), GNPJVC, Ningde Nuclear, Ling'ao Nuclear, Lingdong Nuclear, Yangjiang Nuclear, Taishan Nuclear, Fangchenggang Nuclear, CGN Inspection Technology Co., Ltd. (中廣核檢測技術有限公司) ("Inspection Company"), China Nuclear Power (Shenzhen) Operational Technology and Radiation Monitoring Co., Ltd. (中廣核(深圳)運營技術與輻射監測有限公司) ("Radiation Monitoring Company"), Worldwide Engineering CGNPC AREVA Nuclear Co., Ltd. (中珽國際核能工程有限公司) ("Worldwide Engineering") and CGN Import & Export Co., Ltd. (中廣核進出口有限公司) ("Import & Export Company"), was subject to VAT. Revenue from repair service of China Nuclear Power Operations Co., Ltd. (中廣核核電運營有限公司) ("CGN Operations"), a subsidiary of the Company, was subject to VAT. Except for certain export sales of electricity of GNPJVC are applicable to VAT exemption, deduction and refund, the applicable VAT tax rate of the revenue from aforesaid business was 13%.

Revenue from newspaper and magazine publication of SNPI, a subsidiary of the Company, was subject to VAT at 9% using the general tax calculation method. Revenue from leasing offshore wind power installation platforms of CGN Engineering, a subsidiary of the Company, was subject to VAT at 9% using the general tax calculation method. The real estate rental income of Ling'ao Nuclear, Lingdong Nuclear, Fangchenggang Nuclear and GNPJVC and certain real estate rental income of Yangjiang Nuclear and SNPI was subject to VAT at 9% using the general tax calculation method. The real estate rental income of the subsidiaries of the Company, namely Inspection Company, GNIC, Ningde Nuclear, CNPRI and CGN Engineering and certain real estate rental income of Yangjiang Nuclear and SNPI, was subject to VAT at 5% using a simple tax computation method.

Revenue from technical service of the subsidiaries of the Company, namely CNPRI, SNPI, Radiation Monitoring Company, Inspection Company, CGN Engineering, CGN Design, Worldwide Engineering, CGN Nanfang Technology Co., Ltd. (中廣核南方科技有限公司), Guangdong Daya Bay Nuclear Power Environment Protection Company Co., Ltd. (廣東大亞灣核電環保有限公司) ("Daya Bay Nuclear Power Environment Protection") and CGN Operations, was subject to VAT. Entrusted loan interest income of the subsidiaries of the Company, namely Fangchenggang Nuclear, Taishan Nuclear, CGN Engineering, CGN Design, Ningde Nuclear, Ling'ao Nuclear, Lingdong Nuclear, Yangjiang Nuclear, SNPI, CNPRI, CGN Nanfang Technology Co., Ltd. (中廣核南方科技有限公司), GNIC, Radiation Monitoring Company, CGN Operations, Inspection Company, Power Sales Company, Guangxi Fangchenggang CGN Nuclear Power Industry Investment Co., Ltd. (廣西防城港中廣核核電產業投資有限公司) ("Fangchenggang Investment"), Guangxi Fangchenggang Third Nuclear Power Co., Ltd. (廣西防城港第三核電有限公司), GNPJVC, CGN Lufeng Nuclear Power Co., Ltd. (中廣核陸豐核電有限公司) ("Lufeng Nuclear"), Shandong Zhaoyuan Nuclear Power Co., Ltd. (山東招遠核電有限公司) ("Zhaoyuan Nuclear"), Daya Bay Nuclear Power Environment Protection, Shenzhen Hepeng Project Supervision Co., Ltd. (深圳市核鵬工程監理有限責任公司) ("Hepeng Supervision Company"), Import & Export Company and Guangxi Fanghe Power Sales Co., Ltd. (廣西防核售電有限公司), was subject to VAT. Revenue from outages service of the subsidiaries of the Company, namely Daya Bay Nuclear Power Operations and Management Co., Ltd. (大亞灣核電運營管理有限責任公司) ("DNMC") and CGN Operations, was subject to VAT. Revenue from training of the subsidiaries of the Company, namely DNMC, CGN Operations, Yangjiang Nuclear, Ningde Nuclear and Fangchenggang Nuclear, was subject to VAT. Revenue from human resources services of DNMC, a subsidiary of the Company, was subject to VAT. Revenue from import and export agency service fee of Import & Export Company, a subsidiary of the Company, was subject to VAT. Revenue from supervision of Hepeng Supervision Company, a subsidiary of the Company, was subject to VAT. Revenue from accommodation service of the subsidiaries of the Company, namely Fangchenggang Nuclear, Ningde Nuclear and Yangjiang Nuclear, was subject to VAT. Revenue from entrusted operation and management services of Fangchenggang Nuclear, a subsidiary of the Company, was subject to VAT. The applicable VAT tax rate of the revenue from aforesaid business was 6%.

# Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

Revenue from construction contracts provided by way of projects with self-supplying materials and old construction projects of CGN Engineering, a subsidiary of the Company, was subject to VAT at 3% using a simple tax computation method, while revenue from other construction contracts of CGN Engineering, CGN Design and SNPI was subject to tax rate at 9% using the general tax calculation method.

The subsidiaries of the Company, namely CGN Ninghe Investment Co., Ltd. (中廣核寧核投資有限公司) and CGN Nuclear Power Investment Co., Ltd. (中廣核核電投資有限公司), were subject to VAT at 3% of taxable income of small-scale taxpayers under the tax law.

Note 2: Self-occupied properties are subject to tax at 1.2% per year, with residual value after a one-time deduction of 10%-30% as tax basis; the properties located in Shenzhen, Guangdong Province are subject to tax at 1.2% per year, with residual value after a one-time deduction of 10%-30% as tax basis, while the remaining properties are subject to tax at 12% per year, with the real estate lease income as tax basis.

## 2. Tax preference

### VAT “levy first, refund later” policy

Pursuant to the Circular on Relevant Issues Concerning Taxation in Nuclear Power Industry (Cai Shui [2008] No. 38) (《關於核電行業稅收政策有關問題的通知》(財稅[2008]38 號)) issued by the Ministry of Finance and State Administration of Taxation, sales of electrical products of the Company’s subsidiaries, namely Lingdong Nuclear, Yangjiang Nuclear, Ningde Nuclear, Fangchenggang Nuclear and Taishan Nuclear, were entitled to the VAT “levy first, refund later” policy within 15 years from the second month to the commencement of commercial production of their power generating units, with the refund ratio gradually decreasing in three phases. Within 5 years from the second month to the commencement of commercial production, refund ratio is 75% of deposited tax; between 6th to 10th years from the second month to the commencement of commercial production, refund ratio is 70% of deposited tax; and between 11th to 15th years from the second month to the commencement of commercial production, refund ratio is 55% of deposited tax. After 15 years from the second month to the commencement of commercial production, the “levy first, refund later” policy is no longer applicable.

The stages of VAT “levy first, refund later” policy applicable to each generating unit are as follows:

Applicable generating unit	75% tax refund	70% tax refund	55% tax refund
Lingdong Unit 1	October 2010-September 2015	October 2015-September 2020	October 2020-September 2025
Lingdong Unit 2	September 2011-August 2016	September 2016-August 2021	September 2021-August 2026
Yangjiang Unit 1	April 2014-March 2019	April 2019-March 2024	April 2024-March 2029
Yangjiang Unit 2	July 2015-June 2020	July 2020-June 2025	July 2025-June 2030
Yangjiang Unit 3	February 2016-January 2021	February 2021-January 2026	February 2026-January 2031
Yangjiang Unit 4	April 2017-March 2022	April 2022-March 2027	April 2027-March 2032
Yangjiang Unit 5	August 2018-July 2023	August 2023-July 2028	August 2028-July 2033
Yangjiang Unit 6	August 2019-July 2024	August 2024-July 2029	August 2029-July 2034
Ningde Unit 1	May 2013-April 2018	May 2018-April 2023	May 2023-April 2028
Ningde Unit 2	June 2014-May 2019	June 2019-May 2024	June 2024-May 2029
Ningde Unit 3	July 2015-June 2020	July 2020-June 2025	July 2025-June 2030
Ningde Unit 4	August 2016-July 2021	August 2021-July 2026	August 2026-July 2031
Fangchenggang Unit 1	February 2016-January 2021	February 2021-January 2026	February 2026-January 2031
Fangchenggang Unit 2	November 2016-October 2021	November 2021-October 2026	November 2026-October 2031
Fangchenggang Unit 3	April 2023-March 2028	April 2028-March 2033	April 2033-March 2038
Taishan Unit 1	January 2019-December 2023	January 2024-December 2028	January 2029-December 2033
Taishan Unit 2	October 2019-September 2024	October 2024-September 2029	October 2029-September 2034

## Income tax incentives

Pursuant to the PRC Enterprise Income Tax Law, the subsidiaries or generating units of the Group enjoying preferential enterprise income tax policies are as follows:

Name of company or generating unit	Preferential tax rate applicable for the current period	Preferential tax rate applicable for the corresponding period of previous year	Reason for tax incentives
Yangjiang Unit 4	N/A	12.50%	Operating income tax preferential treatment in relation to investment in public infrastructure projects as supported strategically by the nation
Yangjiang Unit 5	12.50%	12.50%	Operating income tax preferential treatment in relation to investment in public infrastructure projects as supported strategically by the nation
Yangjiang Unit 6	12.50%	12.50%	Operating income tax preferential treatment in relation to investment in public infrastructure projects as supported strategically by the nation
Fangchenggang Unit 1 and Unit 2	15.00%	15.00%	Western development enterprise income tax preferential policy (2016-2030)
Fangchenggang Unit 3	Exempted	N/A	Western development enterprise income tax preferential policy (2016-2030) and operating income tax preferential treatment in relation to investment in public infrastructure projects as supported strategically by the nation
Taishan Unit 1	12.50%	12.50%	Operating income tax preferential treatment in relation to investment in public infrastructure projects as supported strategically by the nation
Taishan Unit 2	12.50%	12.50%	Operating income tax preferential treatment in relation to investment in public infrastructure projects as supported strategically by the nation
GNPJVC	15.00%	15.00%	Preferential tax policy for high-tech enterprises
Ling'ao Nuclear	15.00%	15.00%	Preferential tax policy for high-tech enterprises
Lingdong Nuclear	15.00%	15.00%	Preferential tax policy for high-tech enterprises
CNPRI	15.00%	15.00%	Preferential tax policy for high-tech enterprises
SNPI	15.00%	15.00%	Preferential tax policy for high-tech enterprises
Inspection Company	15.00%	15.00%	Preferential tax policy for high-tech enterprises
Radiation Monitoring Company	15.00%	15.00%	Preferential tax policy for high-tech enterprises
CGN Engineering	15.00%	15.00%	Preferential tax policy for high-tech enterprises
CGN Design	15.00%	15.00%	Preferential tax policy for high-tech enterprises
CGN Operations	15.00%	15.00%	Preferential tax policy for high-tech enterprises

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

Name of company or generating unit	Preferential tax rate applicable for the current period	Preferential tax rate applicable for the corresponding period of previous year	Reason for tax incentives
Sansha Advanced Energy Co., Ltd. (三沙先進能源有限公司)	20.00%	20.00%	Preferential enterprise income tax policy for small profit-making enterprises
Daya Bay Nuclear Power Environment Protection Import & Export Company	20.00%	20.00%	Preferential enterprise income tax policy for small profit-making enterprises
Fujian Ninghe Power Sales Co., Ltd. (福建寧核售電有限公司)	N/A	20.00%	Preferential enterprise income tax policy for small profit-making enterprises
Guangxi Fanghe Power Sales Co., Ltd. (廣西防核售電有限公司)	20.00%	N/A	Preferential enterprise income tax policy for small profit-making enterprises

Note: Pursuant to the requirements of the PRC Enterprise Income Tax Law and the Announcement of the State Administration of Taxation on Matters Concerning the Implementation of Preferential Income Tax Policies for Supporting the Development of Small Profit-making Enterprises and Individual Industrial and Commercial Businesses (Cai Shui [2021] No. 8) 《國家稅務總局關於落實支持小型微利企業和個體工商戶發展所得稅優惠政策有關事項的公告》(財稅[2021]8號)), for the portion of annual taxable income less than RMB1.00 million, 12.5% of the amount will be reduced, and the EIT will be at the tax rate of 20%. The preferential tax policy was terminated on December 31, 2022. According to the requirements of the Announcement of the Ministry of Finance and the State Administration of Taxation on Further Implementing the Preferential Income Tax Policies for Small and Micro Enterprises (Cai Shui [2022] No. 13) 《財政部稅務總局關於進一步實施小微企業所得稅優惠政策的公告》(財稅[2022]13號)), for the portion of annual taxable income exceeding RMB1.00 million but not exceeding RMB3.00 million, 25% of the amount will be reduced, and the EIT will be at the tax rate of 20%. The implementation period of the announcement is from January 1, 2022 to December 31, 2024.

### Other tax preferential policies

Pursuant to the Notice on Levy of and Exemption from Urban Land Use Tax for Land of Nuclear Power Station (Cai Shui [2007] No. 124) 《關於核電站用地徵免城鎮土地使用稅的通知》(財稅[2007]124號)) issued by the Ministry of Finance and the State Administration of Taxation, other than nuclear islands, regular islands, auxiliary plants, land for communication facilities (excluding land for underground lines) and land for living and office, other land for NPPs are exempt from urban land use tax. Taxable land of NPPs is subject to half of the urban land use tax during infrastructure construction period.

## (V) Notes to Items in the Consolidated Financial Statements

### 1. Cash at bank and in hand

Item	June 30, 2023	December 31, 2022
Cash at bank	16,771,221,002.44	14,689,825,716.70
– Deposits with CGN Finance	16,587,063,904.93	14,430,272,164.33
– Deposits with CGNPC Huasheng Investment Limited (中廣核華盛投資有限公司)	116,598,055.79	121,617,978.22
– Deposits with banks	67,559,041.72	137,935,574.15
Other cash at bank and in hand	123,533,731.61	150,949,683.76
Total	16,894,754,734.05	14,840,775,400.46
Include: Total amount deposited overseas	123,824,233.52	122,957,388.86
Total amount subject to restrictions in its use due to pledges, mortgages or freezes	123,533,731.61	150,949,683.76

As at June 30, 2023 and December 31, 2022, the other cash at bank and in hand as mentioned above were various deposits, land reclamation deposits, restricted and frozen deposits by the Group, as a supplier, in accordance with the purchase and sales contracts, and their uses were restricted (please see Note (V) 62).

As at June 30, 2023 and December 31, 2022, the Group's fixed deposits of more than three months amounted to RMB5,123,675,135.71 and RMB7,129,488,016.07, respectively.

### 2. Bills receivable

#### (1) Bills receivable disclosed by category

Item	June 30, 2023	December 31, 2022
Bank acceptance bills	5,230,000.00	3,605,535.11

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### (2) Bills receivable discounted but outstanding at the balance sheet date

Item	Derecognized amount at the end of the period	Not-yet derecognized amount at the end of the period
Bank acceptance bills	33,635,130.00	–

There was no bills receivable which were endorsed but outstanding at the balance sheet date. The bills receivable which were discounted but outstanding at the balance sheet date and did not meet the conditions of derecognition amounted to RMB0.00 (December 31, 2022: RMB0.00).

- (3) All of the bills receivable are due within one year, and the aging are counted starting from the date when bills receivable are recognized.
- (4) As at June 30, 2023 and December 31, 2022, the Group had no bills transferred to accounts receivable due to non-performance of the issuers.
- (5) The Group considers that the acceptors of its bank bills have high credit ratings and there is no significant credit risk.

## 3. Accounts receivable

### (1) Accounts receivable disclosed by category

Category	June 30, 2023					December 31, 2022				
	Carrying balance		Bad debt provisions		Carrying value	Carrying balance		Bad debt provisions		Carrying value
	Amount	Percentage	Amount	Provisions percentage		Amount	Percentage	Amount	Provisions percentage	
Accounts receivable for which provision for bad debts has been individually made	74,259,091.80	0.51%	74,259,091.80	100.00%	–	74,259,091.80	0.49%	74,259,091.80	100.00%	–
Accounts receivable for which provision for bad debts has been made	14,382,111,257.96	99.49%	301,988,815.15	2.10%	14,080,122,442.81	15,176,127,425.73	99.51%	238,566,307.06	1.57%	14,937,561,118.67
– Group 1	14,008,113,398.21	96.90%	224,268,860.95	1.60%	13,783,844,537.26	13,907,734,857.26	91.20%	163,697,613.72	1.18%	13,744,037,243.54
– Group 2	373,997,859.75	2.59%	77,719,954.20	20.78%	296,277,905.55	1,268,392,568.47	8.31%	74,868,693.34	5.90%	1,193,523,875.13
<b>Total</b>	<b>14,456,370,349.76</b>	<b>100.00%</b>	<b>376,247,906.95</b>	<b>2.60%</b>	<b>14,080,122,442.81</b>	<b>15,250,386,517.53</b>	<b>100.00%</b>	<b>312,825,398.86</b>	<b>2.05%</b>	<b>14,937,561,118.67</b>

As part of the Group's credit risk management, the Group uses the age of accounts receivable to assess the impairment loss by grouping of accounts receivable with the same risk characteristics. The credit risk and expected credit loss of each group of accounts receivable are as follows:

Group 1:

Aging	June 30, 2023				December 31, 2022			
	Expected credit loss rate	Carrying balance	Bad debt provisions	Carrying value	Expected credit loss rate	Carrying balance	Bad debt provisions	Carrying value
Within 1 year	0.30%	12,152,530,643.01	36,457,591.93	12,116,073,051.08	0.30%	12,267,515,735.02	36,802,547.20	12,230,713,187.82
1 to 2 years	5.00%	1,226,321,102.97	61,316,055.15	1,165,005,047.82	5.00%	1,340,991,719.56	67,049,585.98	1,273,942,133.58
2 to 3 years	20.00%	622,832,817.89	124,566,563.58	498,266,254.31	20.00%	299,227,402.68	59,845,480.54	239,381,922.14
3 to 4 years	30.00%	6,428,834.34	1,928,650.29	4,500,184.05	30.00%	-	-	-
<b>Total</b>		<b>14,008,113,398.21</b>	<b>224,268,860.95</b>	<b>13,783,844,537.26</b>		<b>13,907,734,857.26</b>	<b>163,697,613.72</b>	<b>13,744,037,243.54</b>

Group 2:

Aging	June 30, 2023				December 31, 2022			
	Expected credit loss rate	Carrying balance	Bad debt provisions	Carrying value	Expected credit loss rate	Carrying balance	Bad debt provisions	Carrying value
Within 1 year	0.30%	222,723,877.90	668,171.63	222,055,706.27	0.30%	1,098,602,753.67	3,295,808.25	1,095,306,945.42
1 to 2 years	10.00%	49,187,231.15	4,918,723.13	44,268,508.02	10.00%	62,107,324.38	6,210,732.44	55,896,591.94
2 to 3 years	30.00%	11,924,695.05	3,577,408.52	8,347,286.53	30.00%	18,458,308.19	5,537,492.46	12,920,815.73
3 to 4 years	50.00%	18,951,938.88	9,475,969.44	9,475,969.44	50.00%	43,450,858.27	21,725,429.14	21,725,429.13
4 to 5 years	80.00%	60,652,176.43	48,521,741.14	12,130,435.29	80.00%	38,370,464.56	30,696,371.65	7,674,092.91
More than 5 years	100.00%	10,557,940.34	10,557,940.34	-	100.00%	7,402,859.40	7,402,859.40	-
<b>Total</b>		<b>373,997,859.75</b>	<b>77,719,954.20</b>	<b>296,277,905.55</b>		<b>1,268,392,568.47</b>	<b>74,868,693.34</b>	<b>1,193,523,875.13</b>

Accounts receivable for which provision for bad debts has been individually made:

Aging	June 30, 2023				December 31, 2022			
	Expected credit loss rate	Carrying balance	Bad debt provisions	Carrying value	Expected credit loss rate	Carrying balance	Bad debt provisions	Carrying value
More than 5 years	100.00%	74,259,091.80	74,259,091.80	-	100.00%	74,259,091.80	74,259,091.80	-

The aging analysis is counted starting from the date when accounts receivable are recognized.

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

Disclosed by aging

Aging	June 30, 2023 Carrying balance	December 31, 2022 Carrying balance
Within 1 year (including 1 year)	12,375,254,520.91	13,366,118,488.69
1 to 2 years	1,275,508,334.12	1,403,099,043.94
2 to 3 years	634,757,512.94	317,685,710.87
More than 3 years	170,849,981.79	163,483,274.03
– 3 to 4 years	25,380,773.22	43,450,858.27
– 4 to 5 years	60,652,176.43	38,370,464.56
– More than 5 years	84,817,032.14	81,661,951.20
Total	14,456,370,349.76	15,250,386,517.53

### (2) Changes in provisions for bad debts of accounts receivable

	June 30, 2023	December 31, 2022
Opening balance	312,825,398.86	179,655,853.45
Provisions made during the period/year	142,309,700.96	179,440,187.55
Recovered or reversed during the period/year	(78,735,981.30)	(45,983,345.48)
Impact of disposal of subsidiaries	–	(456,059.12)
Exchange differences arising on translation of financial statements	(151,211.57)	168,762.46
Closing balance	376,247,906.95	312,825,398.86

### (3) Top five debtors with the largest closing balances of accounts receivable

Name of entity	Carrying balance	Percentage to total accounts receivable	Closing balance of provisions for bad debts
Guangdong Power Grid Co., Ltd. (廣東電網有限責任公司)	3,419,575,484.50	23.66%	10,258,726.46
CGNPC New Energy Offshore Wind Power (Shanwei) Co., Ltd. (中廣核新能源海上風電(汕尾)有限公司)	2,417,596,593.64	16.72%	36,445,890.99
CGN Shanwei New Energy Co., Ltd. (中廣核汕尾新能源有限公司)	1,882,893,222.14	13.02%	5,648,679.67
Fujian Electric Grid Co., Ltd. (國網福建省電力有限公司)	1,131,192,235.18	7.83%	3,393,576.71
CGN New Energy (Huizhou) Co., Ltd. (中廣核新能源(惠州)有限公司)	1,042,034,975.96	7.21%	6,570,971.71
Total	9,893,292,511.42	68.44%	62,317,845.54

## 4. Prepayments

### (1) Prepayments by aging

Aging	June 30, 2023		December 31, 2022	
	Amount	Percentage	Amount	Percentage
Within 1 year	10,478,942,118.61	57.46%	9,845,027,771.20	56.24%
1 to 2 years	3,983,285,035.73	21.84%	4,232,784,754.65	24.18%
2 to 3 years	1,808,836,588.61	9.92%	1,703,814,248.03	9.73%
More than 3 years	1,965,953,727.08	10.78%	1,725,164,135.45	9.85%
<b>Total</b>	<b>18,237,017,470.03</b>	<b>100.00%</b>	<b>17,506,790,909.33</b>	<b>100.00%</b>

Description of the reasons for the non-timely settlement of prepayments aged over 1 year and in significant amount: Prepayments in significant amount and aged over 1 year are mainly prepayments for construction projects made to CGN Engineering and prepayments for nuclear fuel procurement made to nuclear power companies, which have not yet been settled with the other party due to the long cycle of the projects and long processing cycle of nuclear fuel components.

### (2) Top five entities with the largest closing balances of prepayments

Name of entity	Amount	Percentage to total prepayments
CGNPC Uranium Resources Co., Ltd.	8,652,739,687.18	47.45%
China Construction Second Engineering Bureau Ltd.	2,415,377,513.71	13.24%
China Nuclear Industry Huaxing Construction Co., Ltd. (中國核工業華興建設有限公司)	1,656,516,055.63	9.08%
China Nuclear Industry Second and Third Construction Co., Ltd. (中國核工業二三建設有限公司)	463,001,727.01	2.54%
Dongfang Electric Corporation	402,369,895.61	2.21%
<b>Total</b>	<b>13,590,004,879.14</b>	<b>74.52%</b>

## 5. Other receivables

Item	June 30, 2023	December 31, 2022
Dividends receivable	–	288,734,975.09
Others	49,681,922.91	46,192,529.37
<b>Total</b>	<b>49,681,922.91</b>	<b>334,927,504.46</b>

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### (1) Dividends receivable

#### (a) Dividends receivable

Investee	June 30, 2023	December 31, 2022
CGN Industry Investment Fund Phase I Co., Ltd. (中廣核一期產業投資基金有限公司) ("CGN Fund Phase I")	–	271,730,900.00
China Nuclear Industry Second and Third Construction Co., Ltd. (中國核工業二三建設有限公司)	–	17,055,240.81
Total	–	288,786,140.81
Less: Bad debt provision	–	51,165.72
Carrying value	–	288,734,975.09

#### (b) Determining provision for bad debt

Item	June 30, 2023			Total
	Phase 1 Expected credit losses within 12 months	Phase 2 Expected credit losses during the whole life (no credit impairment occurred)	Phase 3 Expected credit losses during the whole life (credit impairment occurred)	
January 1, 2023	51,165.72	–	–	51,165.72
Provisions for the period	–	–	–	–
Recovered or reversed for the period	(51,165.72)	–	–	(51,165.72)
June 30, 2023	–	–	–	–

Item	December 31, 2022			Total
	Phase 1 Expected credit losses within 12 months	Phase 2 Expected credit losses during the whole life (no credit impairment occurred)	Phase 3 Expected credit losses during the whole life (credit impairment occurred)	
January 1, 2022	31,688.80	–	–	31,688.80
Provisions for the year	51,165.72	–	–	51,165.72
Recovered or reversed for the year	(31,688.80)	–	–	(31,688.80)
December 31, 2022	51,165.72	–	–	51,165.72

## (2) Other receivables

### (a) Other receivables by nature

Nature of other receivables	June 30, 2023	December 31, 2022
Related party payments	15,267,976.73	20,763,638.52
Employee borrowings and petty cash fund	9,000,768.53	9,595,589.68
Others	44,975,187.10	38,897,214.64
<b>Total</b>	<b>69,243,932.36</b>	<b>69,256,442.84</b>
Less: Bad debt provision	19,562,009.45	23,063,913.47
<b>Carrying value</b>	<b>49,681,922.91</b>	<b>46,192,529.37</b>

### (b) Disclosed by aging

Aging	June 30, 2023 Carrying balance	December 31, 2022 Carrying balance
Within 1 year	45,443,657.73	42,200,399.23
1 to 2 years	4,204,491.24	3,270,475.65
2 to 3 years	893,384.59	714,648.64
More than 3 years	18,702,398.80	23,070,919.32
– 3 to 4 years	190,192.73	425,955.25
– 4 to 5 years	221,817.77	3,073,862.99
– More than 5 years	18,290,388.30	19,571,101.08
<b>Total</b>	<b>69,243,932.36</b>	<b>69,256,442.84</b>

### (c) Other receivables disclosed by category

Category	June 30, 2023					December 31, 2022				
	Carrying balance		Bad debt provisions			Carrying balance		Bad debt provisions		
	Amount	Percentage	Amount	Provisions percentage	Carrying value	Amount	Percentage	Amount	Provisions percentage	Carrying value
Receivables for which provision for bad debts has been individually made	350,000.00	0.50%	350,000.00	100.00%	-	350,000.00	0.51%	350,000.00	100.00%	-
Receivables for which provision for bad debts has been made by group	68,893,932.36	99.50%	19,212,009.45	27.89%	49,681,922.91	68,906,442.84	99.49%	22,713,913.47	32.96%	46,192,529.37
– Group 1	17,441,155.62	25.19%	12,764,483.82	73.19%	4,676,671.80	22,642,045.95	32.69%	12,784,957.07	56.47%	9,857,088.88
– Group 2	51,452,776.74	74.31%	6,447,525.63	12.53%	45,005,251.11	46,264,396.89	66.80%	9,928,956.40	21.46%	36,335,440.49
<b>Total</b>	<b>69,243,932.36</b>	<b>100.00%</b>	<b>19,562,009.45</b>	<b>28.25%</b>	<b>49,681,922.91</b>	<b>69,256,442.84</b>	<b>100.00%</b>	<b>23,063,913.47</b>	<b>33.30%</b>	<b>46,192,529.37</b>

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### (d) Changes in bad debt provisions for other receivables

Item	June 30, 2023			Total
	Phase 1 Expected credit losses within 12 months	Phase 2 Expected credit losses during the whole life (no credit impairment occurred)	Phase 3 Expected credit losses during the whole life (credit impairment occurred)	
Opening balance	383,897.77	22,330,015.70	350,000.00	23,063,913.47
– Transferred to phase 2	(10,921.76)	10,921.76	–	–
Provisions for the period	695,011.61	7,733,054.14	–	8,428,065.75
Recovered or reversed for the period	(376,993.27)	(11,601,530.04)	–	(11,978,523.31)
Exchange differences arising on translation of financial statements	4,017.26	44,536.28	–	48,553.54
Closing balance	695,011.61	18,516,997.84	350,000.00	19,562,009.45

### (e) Top five debtors with the largest closing balances

Name of entity	Nature	Amount	Aging	Percentage to total other receivables	Closing balance of provisions for bad debts
CGN Services Group Co., Ltd. (中廣核服務集團有限公司) ("CGN Services Group")	Related party payments	12,789,169.45	Within 1 year and more than 5 years	18.47%	12,763,113.25
Guangdong Meiya Business Travel Technology Co., Ltd. (廣東美亞商旅科技有限公司)	Payments	4,750,000.00	Within 1 year	6.86%	14,250.00
Customs of Fangchenggang	Customs deposit	3,820,571.97	Within 1 year	5.52%	11,461.72
Shenzhen Pengjinsheng Investment Development Co., Ltd. (深圳市鵬錦生投資發展有限公司)	Lease deposit	2,723,520.55	More than 5 years	3.93%	2,723,520.55
Shenzhen Xingbangde Investment Development Co., Ltd. (深圳市興邦德投資發展有限公司)	Lease deposit	2,273,220.00	Within 1 year	3.28%	6,819.66
Total		26,356,481.97		38.06%	15,519,165.18

## 6. Inventories

### (1) Inventories by category

Item	June 30, 2023			December 31, 2022		
	Carrying balance	Provision for decline in value	Carrying value	Carrying balance	Provision for decline in value	Carrying value
Nuclear fuel	9,349,965,576.67	-	9,349,965,576.67	9,955,234,183.49	-	9,955,234,183.49
Spare parts	7,916,406,736.02	597,655,544.42	7,318,751,191.60	7,503,678,235.70	590,330,593.17	6,913,347,642.53
Consigned processing materials	1,462,841,488.68	-	1,462,841,488.68	892,886,264.86	-	892,886,264.86
Raw materials	11,204,200.72	-	11,204,200.72	13,187,701.22	-	13,187,701.22
Goods on hand	659,751.97	-	659,751.97	802,528.96	-	802,528.96
<b>Total</b>	<b>18,741,077,754.06</b>	<b>597,655,544.42</b>	<b>18,143,422,209.64</b>	<b>18,365,788,914.23</b>	<b>590,330,593.17</b>	<b>17,775,458,321.06</b>

### (2) Provision for decline in value of inventories

Inventory categories	Additions during the period			Deductions during the period		
	January 1, 2023	Provision	Exchange differences arising on translation of financial statements	Reversal or write-backs	Write-offs	June 30, 2023
Spare parts	590,330,593.17	-	7,324,951.25	-	-	597,655,544.42

### (3) Description of the inventory balance containing the capitalized borrowing costs

One-third of the initial nuclear fueling costs is recognized in the inventory, and is included in the production cost by installments at the period between the initial fueling and the next refuelling based on the on-grid power generation. As at June 30, 2023, the initial nuclear fueling costs in the Group's inventory included capitalized borrowing cost amounting to RMB23,099,264.10 (December 31, 2022: RMB0.00).

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### 7. Contract assets

#### (1) Contract assets

Item	June 30, 2023			December 31, 2022		
	Carrying balance	Impairment provision	Carrying value	Carrying balance	Impairment provision	Carrying value
Completed but unsettled assets resulting from construction contracts	3,720,723,959.98	203,175,670.62	3,517,548,289.36	3,056,278,958.03	203,170,102.96	2,853,108,855.07
Guarantee deposits	9,343,684.21	222,517.41	9,121,166.80	7,982,933.42	218,251.06	7,764,682.36
Total	3,730,067,644.19	203,398,188.03	3,526,669,456.16	3,064,261,891.45	203,388,354.02	2,860,873,537.43

The impairment provision made for contract assets of the Group mainly came from Mengzi Zhongneng New Energy Co., Ltd. (蒙自中能新能源有限公司). The reason for the provision was that the recoverable amount was lower than the carrying value of the onshore wind power project entered into by the Group and Mengzi Zhongneng New Energy Co., Ltd. (蒙自中能新能源有限公司). As at June 30, 2023, the accumulated impairment provision made for such contract assets amounted to RMB197,796,089.10 (December 31, 2022: RMB197,796,089.10).

#### (2) Impairment provision made for contract assets for the period

Item	January 1, 2023	Provisions for the period	Reversal for the period	June 30, 2023
Completed but unsettled assets resulting from construction contracts	203,170,102.96	5,567.66	–	203,175,670.62
Guarantee deposits	218,251.06	11,306.00	7,039.65	222,517.41
Total	203,388,354.02	16,873.66	7,039.65	203,398,188.03

#### (3) Qualitative analysis of contract assets

The amount associated with construction contracts is CGN Engineering's right to consideration in exchange for construction services that it has transferred to customers when that right is conditional on something other than the passage of time. The Group firstly recognizes the completed construction as a contract asset and reclassifies the recognized contract assets to accounts receivable upon obtaining the right to unconditionally collect the consideration of contracts from the customer.

## 8. Other current assets

Item	June 30, 2023	December 31, 2022
VAT input tax credit	1,981,837,632.39	2,212,427,308.90
Others	20,150,459.81	32,490,459.67
<b>Total</b>	<b>2,001,988,092.20</b>	<b>2,244,917,768.57</b>

## 9. Debt investment

Item	June 30, 2023			December 31, 2022		
	Carrying balance	Impairment provision	Carrying value	Carrying balance	Impairment provision	Carrying value
Others	54,568,690.91	-	54,568,690.91	48,917,096.53	-	48,917,096.53

# Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

## 10. Long-term equity investments

Investee	Balance at January 1, 2023 (Restated)	Changes in the period					Balance at June 30, 2023	Closing balance of impairment provisions
		Additional investment	Reduced investment	Investment gains/losses recognized under the equity method	Adjustment of other comprehensive income	Declared cash dividends or profits		
<b>Associates</b>								
Hongyanhe Nuclear	7,530,281,625.69	-	-	546,896,935.46	-	8,439,094.46	-	8,085,617,655.61
Fujian Ningde Second Nuclear Power Co., Ltd. (福建寧德第二核電有限公司) ("Ningde Second Nuclear")	318,632,261.80	-	-	-	-	-	-	318,632,261.80
CGN Fund Phase I	3,509,591,499.05	-	-	289,767,274.16	-	2,455,554.71	-	3,801,814,327.92
China Nuclear Industry Second and Third Construction Co., Ltd. (中國核工業二三建設有限公司)	739,494,843.59	-	-	57,456,376.82	(206,724.16)	13,668,663.69	-	810,413,159.94
CGN Finance Co., Ltd. (中廣核財務有限責任公司) ("CGN Finance")	1,433,891,532.42	-	-	75,385,123.50	(707,790.00)	12.75	-	1,508,568,878.67
CECC Engineering Company Limited (中諮工程有限公司)	35,656,092.39	-	-	3,204,830.06	-	-	-	38,860,922.45
Xiong'an Xingrong Nuclear Power Innovation Center Co., Ltd. (雄安興融核電創新中心有限公司)	20,000,000.00	-	-	-	-	-	-	20,000,000.00
Gansu Longjue Environmental Protection Technology Co., Ltd. (甘肅龍和環保科技有限公司)	9,656,622.12	-	-	1,117,183.34	-	(625,000.00)	-	10,248,805.46
Huizhou Zhongdong Energy Storage and Power Generation Co., Ltd. (惠州中洞蓄能發電有限公司)	60,000,000.00	60,000,000.00	-	-	-	-	-	120,000,000.00
<b>Total</b>	13,657,204,477.06	60,000,000.00	-	973,827,723.34	(914,514.16)	24,563,325.61	(625,000.00)	14,714,156,011.85

## 11. Other investment in equity instruments

### (1) Other investment in equity instruments

Item	June 30, 2023	December 31, 2022
Chinergy Co., Ltd. (中核能源科技有限公司)	110,000,000.00	110,000,000.00
China Nuclear Industry Huaxing Construction Co., Ltd. (中國核工業華興建設有限公司)	512,690,500.00	437,756,200.00
Fujian Power Exchange Center Co., Ltd. (福建電力交易中心有限公司)	10,960,113.30	10,960,113.30
Guangxi Power Exchange Center Co., Ltd. (廣西電力交易中心有限責任公司)	2,607,256.83	2,607,256.83
Gansu Solar Thermal Power Generation Co., Ltd. (甘肅光熱發電有限公司)	8,500,000.00	8,500,000.00
<b>Total</b>	<b>644,757,870.13</b>	<b>569,823,570.13</b>

### (2) Investment in other equity instruments measured at fair value

Item	Reason for designated as at FVTOCI	Dividend income recognized for the period	Accumulated gains or losses included in other comprehensive income	Amount of other comprehensive income transferred to the retained earnings	Reason for other comprehensive income transferred to the retained earnings
Chinergy Co., Ltd. (中核能源科技有限公司)	Not intended to hold for recent sale or short-term profit	-	-	-	-
China Nuclear Industry Huaxing Construction Co., Ltd. (中國核工業華興建設有限公司)	Not intended to hold for recent sale or short-term profit	-	230,897,164.84	-	-
Fujian Power Exchange Center Co., Ltd. (福建電力交易中心有限公司)	Not intended to hold for recent sale or short-term profit	-	-	-	-
Guangxi Power Exchange Center Co., Ltd. (廣西電力交易中心有限責任公司)	Not intended to hold for recent sale or short-term profit	-	-	-	-
Gansu Solar Thermal Power Generation Co., Ltd. (甘肅光熱發電有限公司)	Not intended to hold for recent sale or short-term profit	-	-	-	-
<b>Total</b>		<b>-</b>	<b>230,897,164.84</b>	<b>-</b>	<b>-</b>

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### 12. Investment properties

#### (1) Investment properties measured at cost

Investment properties	
Item	Buildings and structures
For the period from January 1 to June 30, 2023	
I. Original carrying value	
1. Opening balance	501,788,360.86
2. Additions during the period	375,816.50
(1) Exchange differences arising on translation of financial statements	375,816.50
3. Closing balance	502,164,177.36
II. Accumulated depreciation and accumulated amortization	
1. Opening balance	321,313,930.09
2. Additions during the period	18,022,607.71
(1) Provisions	17,802,560.02
(2) Exchange differences arising on translation of financial statements	220,047.69
3. Closing balance	339,336,537.80
III. Impairment provision	
1. Opening balance	-
2. Closing balance	-
IV. Carrying value	
1. Closing carrying value	162,827,639.56
2. Opening carrying value	180,474,430.77

#### (2) Undiscounted future lease receipts after the balance sheet date

Maturity analysis of undiscounted operating future lease receipts	June 30, 2023	December 31, 2022
The first year after the balance sheet date	30,490,361.60	24,472,297.14
The second year after the balance sheet date	29,656,601.25	24,824,547.01
The third year after the balance sheet date	20,624,307.16	20,355,977.94
The fourth year after the balance sheet date	20,358,349.98	20,358,349.98
The fifth year after the balance sheet date	20,419,124.29	20,765,509.82
After the sixth year after the balance sheet date	140,583,841.31	141,828,444.74
Total	262,132,585.59	252,605,126.63

## 13. Fixed assets

### (1) Fixed assets

Item	Buildings and structures	Machinery and equipment	Transportation vehicles	Electronic equipment and office facilities	Cost of NPP decommissioning	Vessels	Total
For the period from January 1 to June 30, 2023							
I. Original carrying value							
1. Opening balance	69,999,631,465.95	260,308,954,058.63	182,117,598.34	3,427,820,756.84	2,742,928,491.00	420,686,049.15	337,082,138,419.91
2. Additions during the period	5,634,073,545.88	18,183,422,626.40	2,217,064.67	68,755,435.36	139,196,804.44	-	24,027,665,476.75
(1) Acquisition	544,540.26	171,631,251.23	1,927,900.98	28,235,829.87	-	-	202,339,522.34
(2) Transfer from construction in progress	5,433,888,231.47	17,118,693,593.69	-	36,986,331.46	-	-	22,589,568,156.62
(3) Increase in cost of NPP decommissioning	-	-	-	-	132,348,764.28	-	132,348,764.28
(4) Exchange differences arising on translation of financial statements	199,640,774.15	893,097,781.48	289,163.69	3,533,274.03	6,848,040.16	-	1,103,409,033.51
3. Deductions during the period	1,363,841.32	203,793,663.03	1,390,583.76	60,006,537.84	-	-	266,554,625.95
(1) Disposal	1,363,841.32	203,793,663.03	1,390,583.76	60,006,537.84	-	-	266,554,625.95
4. Closing balance	75,632,341,170.51	278,288,583,022.00	182,944,079.25	3,436,569,654.36	2,882,125,295.44	420,686,049.15	360,843,249,270.71
II. Accumulated depreciation							
1. Opening balance	20,109,205,586.89	81,121,146,522.44	140,152,537.64	2,306,136,958.62	545,949,770.42	58,596,350.11	104,281,187,726.12
2. Additions during the period	1,319,337,699.78	4,755,188,088.77	5,310,983.84	123,130,571.97	45,950,307.23	7,993,485.84	6,256,911,137.43
(1) Provisions	1,140,165,455.46	3,952,022,078.99	5,089,412.47	120,133,654.11	40,709,164.17	7,993,485.84	5,266,113,251.04
(2) Exchange differences arising on translation of financial statements	179,172,244.32	803,166,009.78	221,571.37	2,996,917.86	5,241,143.06	-	990,797,886.39
3. Deductions during the period	558,954.42	149,172,931.84	1,322,254.57	57,398,848.68	-	-	208,452,989.51
(1) Disposal	558,954.42	149,172,931.84	1,322,254.57	57,398,848.68	-	-	208,452,989.51
4. Closing balance	21,427,984,332.25	85,727,161,679.37	144,141,266.91	2,371,868,681.91	591,900,077.65	66,589,835.95	110,329,645,874.04
III. Impairment provisions							
1. Opening balance	1,452,141.69	35,982,462.72	-	-	-	-	37,434,604.41
2. Additions during the period	-	173,471.70	-	-	-	-	173,471.70
(1) Exchange differences arising on translation of financial statements	-	173,471.70	-	-	-	-	173,471.70
3. Closing balance	1,452,141.69	36,155,934.42	-	-	-	-	37,608,076.11
IV. Carrying value							
1. Closing carrying value	54,202,904,696.57	192,525,265,408.21	38,802,812.34	1,064,700,972.45	2,290,225,217.79	354,096,213.20	250,475,995,320.56
2. Opening carrying value	49,888,973,737.37	179,151,825,073.47	41,965,060.70	1,121,683,798.22	2,196,978,720.58	362,089,699.04	232,763,516,089.38

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

(2) As at June 30, 2023 and December 31, 2022, the Group had no idle fixed assets.

(3) Fixed assets under operating leases are as follows:

Item	Buildings and structures	Machinery and equipment	Total
For the period from January 1 to June 30, 2023			
I. Original carrying value			
1. Opening balance	82,136,051.69	2,354,494.64	84,490,546.33
2. Additions during the period	15,324,233.58	–	15,324,233.58
3. Closing balance	97,460,285.27	2,354,494.64	99,814,779.91
II. Accumulated depreciation			
1. Opening balance	36,163,813.34	2,236,769.90	38,400,583.24
2. Additions during the period	9,204,148.26	–	9,204,148.26
(1) Provisions	9,204,148.26	–	9,204,148.26
3. Closing balance	45,367,961.60	2,236,769.90	47,604,731.50
III. Impairment provisions			
1. Opening balance	–	–	–
2. Closing balance	–	–	–
IV. Carrying value			
1. Closing carrying value	52,092,323.67	117,724.74	52,210,048.41
2. Opening carrying value	45,972,238.35	117,724.74	46,089,963.09

(4) As at June 30, 2023 and December 31, 2022, the carrying values of the properties held by the Group for which the application of title certificates was still in progress amounted to RMB729,169,358.86 and RMB613,317,864.79, respectively. The Group believed that the ongoing application for the above title certificates will not affect the use of the properties.

## 14. Construction in progress

(1) Construction in progress

Name of project	June 30, 2023			December 31, 2022		
	Carrying balance	Impairment provision	Carrying value	Carrying balance	Impairment provision	Carrying value
Fangchenggang Nuclear Phase II Project	17,283,398,671.22	–	17,283,398,671.22	37,532,113,962.29	–	37,532,113,962.29
Lufeng Nuclear Project	24,742,003,334.72	–	24,742,003,334.72	23,295,718,589.79	–	23,295,718,589.79
Baolong Industrial Park project	1,853,122,890.23	–	1,853,122,890.23	1,644,089,561.58	–	1,644,089,561.58
Others	6,069,663,293.48	–	6,069,663,293.48	5,827,483,328.12	–	5,827,483,328.12
Total	49,948,188,189.65	–	49,948,188,189.65	68,299,405,441.78	–	68,299,405,441.78

## (2) Changes in major construction in progress

Name of project	Budget amount	January 1, 2023	Additions during the period	Transfer to fixed assets	Other deductions (Note 3)	June 30, 2023	Proportion of investment to budget	Project Progress	Accumulated capitalized interest	Including capitalized interest for the period	Ratio of capitalized interest amount for the period	Sources of fund
Fangchenggang Nuclear Phase II Project	37,489,790,000.00	37,532,113,962.29	1,751,424,805.18	21,608,786,580.13	391,353,516.12	17,283,398,671.22	101.25%	95.69%	2,017,591,403.51	400,639,424.55	3.45%	Self-owned funds, loans
Lufeng Nuclear Phase I Project (Note 1)	N/A	20,686,410,381.00	402,958,669.37	-	103,643,872.30	20,985,725,178.07	N/A	N/A	4,533,531,718.21	266,099,796.33	3.22%	Self-owned funds, loans
Lufeng Nuclear Phase II Project (Note 2)	41,279,080,000.00	2,603,308,208.79	1,146,969,947.86	-	-	37,562,781,566.65	14.00%	14.00%	163,034,532.07	56,613,307.19	3.22%	Self-owned funds, loans
Baolong Industrial Park project	2,985,010,000.00	1,644,089,561.58	209,033,328.65	-	-	1,853,122,890.23	62.08%	62.08%	94,732,094.69	16,574,213.04	3.50%	Self-owned funds, loans
Total		62,471,922,113.66	3,510,386,751.06	21,608,786,580.13	494,997,388.42	43,878,524,896.17			6,808,889,748.48	739,926,741.11	-	

Note 1: According to the approval letter in relation to the launch of preliminary work of Lufeng Phase I from the General Office of the NDRC 《國家發改委辦公廳關於同意廣東陸豐核電一期工程開展前期工作的函》, the preliminary work of the Lufeng Nuclear Phase I Project launched by CGN Lufeng Nuclear Power Co., Ltd. ("Lufeng Nuclear") has been pursuing approval, and there is no investment budget at present.

Note 2: Currently, Lufeng Unit 5 and Unit 6 of the Lufeng Nuclear Phase II Project have been approved by the State Council in April 2022. The "Permit for the Construction of Guangdong Lufeng Unit 5" and the "Permit for the Construction of Guangdong Lufeng Unit 6" were obtained in September 2022, and Lufeng Unit 5 entered the civil construction phase in September 2022.

Note 3: Other deductions included RMB345,149,586.36 transferred to inventories, RMB111,742,692.88 transferred to intangible assets, and RMB338,105,109.18 transferred to long-term deferred expenses.

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### 15. Right-of-use assets

#### (1) Right-of-use assets

Item	Buildings and structures	Machinery and equipment	Total
For the period from January 1 to June 30, 2023			
I. Original carrying value			
1. Opening balance	2,087,949,751.60	2,693,261.20	2,090,643,012.80
2. Additions during the period	53,081,482.17	–	53,081,482.17
(1) Additions	51,508,503.05	–	51,508,503.05
(2) Exchange differences arising on translation of financial statements	1,572,979.12	–	1,572,979.12
3. Deductions during the period	96,871,411.17	–	96,871,411.17
(1) Deductions due to expiry of contracts	96,871,411.17	–	96,871,411.17
4. Closing balance	2,044,159,822.60	2,693,261.20	2,046,853,083.80
II. Accumulated depreciation			
1. Opening balance	1,047,576,710.42	1,146,973.89	1,048,723,684.31
2. Additions during the period	148,708,946.72	200,380.65	148,909,327.37
(1) Provisions	147,421,112.35	200,380.65	147,621,493.00
(2) Exchange differences arising on translation of financial statements	1,287,834.37	–	1,287,834.37
3. Deductions during the period	96,871,411.17	–	96,871,411.17
(1) Deductions due to expiry of contracts	96,871,411.17	–	96,871,411.17
4. Closing balance	1,099,414,245.97	1,347,354.54	1,100,761,600.51
III. Impairment provisions			
1. Opening balance	–	–	–
2. Closing balance	–	–	–
IV. Carrying value			
1. Closing carrying value	944,745,576.63	1,345,906.66	946,091,483.29
2. Opening carrying value	1,040,373,041.18	1,546,287.31	1,041,919,328.49

#### (2) Amounts recognized in profit or loss

	For the period from January 1 to June 30, 2023	For the period from January 1 to June 30, 2022
Buildings and structures, machinery and equipment		
Depreciation expenses of right-of-use assets (Note 1)	147,472,949.08	133,125,041.30
Interest expenses on the lease liabilities (Note 2)	19,101,921.28	23,291,416.52
Short-term lease expenses	19,316,389.00	24,317,833.01

Note 1: For the period from January 1 to June 30, 2023, the capitalized depreciation expense of right-of-use assets amounted to RMB148,543.92.

Note 2: For the period from January 1 to June 30, 2023, the capitalized interest expense on the lease liabilities amounted to RMB106,337.23.

#### (3) For the period from January 1 to June 30, 2023, the total cash outflow of the Group's leases (including the short-term lease expenses under simplified accounting treatment) amounted to RMB169,485,739.36.

## 16. Intangible assets

### (1) Intangible assets

Item	Land use rights	Computer software	Patent rights	Non-patented technology	Sea area use right	Others	Total
For the period from January 1 to June 30, 2023							
I. Original carrying value							
1. Opening balance	4,543,408,636.99	2,655,781,874.89	1,191,325,735.09	868,761,920.18	263,676,952.00	88,114,126.18	9,611,069,245.33
2. Additions during the period	117,959,339.01	133,883,924.58	3,593,407.24	129,721,161.73	8,098,820.58	-	393,256,653.14
(1) Acquisition	-	10,455,501.73	-	589,727.18	-	-	11,045,228.91
(2) Transfer from construction in progress	103,643,872.30	20,855,806.43	-	-	8,098,820.58	-	132,598,499.31
(3) Transfer from development cost	-	94,234,723.35	3,593,407.24	129,131,434.55	-	-	226,959,565.14
(4) Exchange differences arising on translation of financial statements	14,315,466.71	8,337,893.07	-	-	-	-	22,653,359.78
3. Deductions during the period	-	3,439,525.65	-	-	-	-	3,439,525.65
(1) Disposal or retirement	-	3,439,525.65	-	-	-	-	3,439,525.65
4. Closing balance	4,661,367,976.00	2,786,226,273.82	1,194,919,142.33	998,483,081.91	271,775,772.58	88,114,126.18	10,000,886,372.82
II. Accumulated amortization							
1. Opening balance	1,236,211,081.67	2,116,581,146.00	572,721,840.03	398,397,538.40	41,050,273.30	40,787,059.72	4,405,748,939.12
2. Additions during the period	75,446,386.96	137,463,948.70	53,288,664.05	31,626,255.83	1,494,518.73	856,253.46	300,176,027.73
(1) Provisions	64,131,664.37	129,477,902.24	53,288,664.05	31,626,255.83	1,494,518.73	856,253.46	280,875,258.68
(2) Exchange differences arising on translation of financial statements	11,314,722.59	7,986,046.46	-	-	-	-	19,300,769.05
3. Deductions during the period	-	3,439,525.65	-	-	-	-	3,439,525.65
(1) Disposal or retirement	-	3,439,525.65	-	-	-	-	3,439,525.65
4. Closing balance	1,311,657,468.63	2,250,605,569.05	626,010,504.08	430,023,794.23	42,544,792.03	41,643,313.18	4,702,485,441.20
III. Impairment provisions							
1. Opening balance	-	-	-	-	-	-	-
2. Closing balance	-	-	-	-	-	-	-
IV. Carrying value							
1. Closing carrying value	3,349,710,507.37	535,620,704.77	568,908,638.25	568,459,287.68	229,230,980.55	46,470,813.00	5,298,400,931.62
2. Opening carrying value	3,307,197,555.32	539,200,728.89	618,603,895.06	470,364,381.78	222,626,678.70	47,327,066.46	5,205,320,306.21

As at June 30, 2023 and December 31, 2022, the Group's intangible assets from internal R&D accounted for 26.37% and 25.08% of the carrying value of intangible assets, respectively.

### (2) Right-of-use assets without proper title certificates

As at June 30, 2023 and December 31, 2022, the Group had no right-of-use assets without proper title certificates.

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### 17. Development cost

Item	January 1, 2023	Increase during the period	Decrease during the period		June 30, 2023
			Transfer to intangible asset during the period	Transfer to profit or loss during the period	
AP1000	449,907,584.15	–	1,101,603.77	–	448,805,980.38
HPR/ACPR 1000	365,110,412.42	71,962,076.38	75,433,962.26	–	361,638,526.54
Others	4,216,069,408.34	357,884,103.00	150,423,999.11	647,288.39	4,422,882,223.84
<b>Total</b>	<b>5,031,087,404.91</b>	<b>429,846,179.38</b>	<b>226,959,565.14</b>	<b>647,288.39</b>	<b>5,233,326,730.76</b>

### 18. Goodwill

Item	June 30, 2023	December 31, 2022
Original carrying value		
China Daya Bay Nuclear Power Technology Research Institute Co., Ltd. (中國大亞灣核電技術研究院有限公司)	–	7,048,000.00
Ningde Nuclear	419,242,673.32	419,242,673.32
<b>Subtotal</b>	<b>419,242,673.32</b>	<b>426,290,673.32</b>
Impairment provision		
China Daya Bay Nuclear Power Technology Research Institute Co., Ltd.	–	7,048,000.00
<b>Subtotal</b>	<b>–</b>	<b>7,048,000.00</b>
<b>Total</b>	<b>419,242,673.32</b>	<b>419,242,673.32</b>

### 19. Long-term deferred expenses

Item	January 1, 2023	Increase during the period	Amortization for the period	Exchange differences arising on translation of financial statements	June 30, 2023
Nuclear power production preparation staff training fee (Note 1)	1,151,219,460.39	42,021,778.40	339,367.57	–	1,192,901,871.22
Emergency passages (Note 2)	296,200,945.72	–	14,628,013.05	–	281,572,932.67
Others	116,187,519.07	40,092,897.67	8,530,967.41	517,965.22	148,267,414.55
<b>Total</b>	<b>1,563,607,925.18</b>	<b>82,114,676.07</b>	<b>23,498,348.03</b>	<b>517,965.22</b>	<b>1,622,742,218.44</b>

Note 1: The expenses incurred during the training of nuclear power production preparation staff shall be accounted as long-term deferred expenses of the Group, and shall be amortized according to the remaining working years as stipulated in the labor contract or training agreement from the conclusion of the training, and recognized in the cost of the related assets or profit or loss for the period.

Note 2: The emergency passages were constructed under funding by Ling'ao Nuclear, Lingdong Nuclear, Yangjiang Nuclear, Fangchenggang Nuclear and Ningde Nuclear. It was accounted as long-term deferred expenses by the Group, amortized based on the estimated useful life from the date of completion and recognized in cost of the related assets or the profit or loss for the period.

## 20. Deferred tax assets/deferred tax liabilities

### (1) Deferred tax assets and deferred tax liabilities

Item	June 30, 2023		December 31, 2022	
	Deductible or taxable temporary differences	Deferred tax assets/liabilities	Deductible or taxable temporary differences	Deferred tax assets/liabilities
Deferred tax assets:				
Unrealized profit arising from internal transactions	8,793,494,128.00	2,198,373,532.00	8,701,035,957.77	2,176,457,299.77
Asset impairment provisions	842,176,055.42	132,226,632.19	833,034,181.66	134,034,248.58
Lease liabilities	869,389,190.07	146,483,099.12	1,019,616,640.31	180,186,431.70
Deferred income	405,060,009.99	60,759,001.50	406,518,310.01	61,122,576.50
Expected credit losses	383,156,186.32	56,804,272.66	328,924,523.37	50,048,150.33
Others	614,536,855.50	99,395,260.39	476,690,550.16	72,248,479.19
Subtotal	11,907,812,425.30	2,694,041,797.86	11,765,820,163.28	2,674,097,186.07
Offsetting amount	(1,535,507,876.50)	(248,019,330.98)	(1,585,542,472.32)	(265,649,265.71)
Offsetting balance	10,372,304,548.80	2,446,022,466.88	10,180,277,690.96	2,408,447,920.36
Deferred tax liabilities:				
Depreciation of fixed assets	5,564,901,988.64	1,395,419,720.14	5,305,656,492.02	1,326,390,612.00
Right-of-use assets	865,567,652.14	147,279,136.92	994,708,007.17	174,983,186.89
Revaluation gain of assets for business combinations involving entities not under common control	494,521,763.16	123,630,440.79	508,353,511.52	127,088,377.88
Others	230,897,164.80	34,634,574.72	155,962,864.84	23,394,429.73
Subtotal	7,155,888,568.74	1,700,963,872.57	6,964,680,875.55	1,651,856,606.50
Offsetting amount	(1,535,507,876.50)	(248,019,330.98)	(1,585,542,472.32)	(265,649,265.71)
Offsetting balance	5,620,380,692.24	1,452,944,541.59	5,379,138,403.23	1,386,207,340.79

### (2) Unrecognized deferred tax assets

Item	June 30, 2023	December 31, 2022
Deductible temporary differences	539,331,176.00	478,919,691.67
Deductible losses	7,694,765,366.38	6,967,719,686.28
Total	8,234,096,542.38	7,446,639,377.95

Note: As it is uncertain for the Company and certain subsidiaries to obtain sufficient taxable income in the future, the above deductible temporary differences and deductible losses are not recognized as deferred tax assets.

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### (3) Maturity of deductible losses that are not recognized as deferred tax assets

Year	June 30, 2023	December 31, 2022
2023	210,866,408.12	214,235,794.11
2024	1,137,311,404.62	1,137,311,404.62
2025	823,810,172.64	887,587,362.62
2026	1,577,793,762.84	1,599,861,571.65
2027	3,118,151,953.80	3,128,723,553.28
2028	826,831,664.36	–
Total	7,694,765,366.38	6,967,719,686.28

## 21. Other non-current assets

Item	June 30, 2023	December 31, 2022
VAT input tax credit	4,093,549,143.90	4,425,769,418.59
Prepayment for engineering equipment	3,941,650,791.09	2,696,325,481.69
Others	198,471,255.18	199,928,346.12
Total	8,233,671,190.17	7,322,023,246.40

## 22. Short-term loans

### (1) Short-term loans by category

Item	June 30, 2023	December 31, 2022
Credit loans	12,246,975,559.23	11,921,386,787.04
Short-term loans interest payable	11,669,051.31	9,095,258.87
Total	12,258,644,610.54	11,930,482,045.91

(2) As at June 30, 2023 and December 31, 2022, the Group had no overdue and unsettled short-term loans.

## 23. Bills payable

### (1) Bills payable by category

Item	June 30, 2023	December 31, 2022
Bank acceptance bills	4,577,101,770.22	5,094,227,695.25

As at June 30, 2023 and December 31, 2022, the Group had no overdue and unsettled bills payable.

## 24. Accounts payable

### (1) Accounts payable by aging

Aging	June 30, 2023	December 31, 2022
Within 1 year	15,389,992,513.17	15,429,335,596.47
1 to 2 years	2,488,342,515.24	2,667,755,529.73
2 to 3 years	1,821,072,616.91	2,424,836,499.10
More than 3 years	2,364,238,264.70	2,445,774,146.62
Total	22,063,645,910.02	22,967,701,771.92

The aging analysis is counted starting from the date when accounts payable are recognized.

### (2) Significant accounts payable with aging of over 1 year

June 30, 2023

Name of creditors	Amount	Reason for outstanding or not transfer
Mingyang Smart Energy Group Limited (明陽智慧能源集團股份公司)	1,579,895,441.04	Not yet settled
Zhongtian Technology Submarine Cable Co., Ltd. (中天科技海纜股份有限公司)	283,712,145.99	Not yet settled
CCCC Third Harbor Engineering Co., Ltd. (中交第三航務工程局有限公司)	227,043,751.18	Not yet settled
China Construction Eighth Engineering Division Corp., Ltd. (中國建築第八工程局有限公司)	137,875,272.94	Not yet settled
China Energy Engineering Group Guangdong Thermal Power Engineering Co., Ltd. (中國能源建設集團廣東火電工程有限公司)	130,492,799.23	Not yet settled
Total	2,359,019,410.38	

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### 25. Contract liabilities

#### (1) Contract liabilities

Item	June 30, 2023	December 31, 2022
Settled payments of uncompleted construction, installation and design service contracts	2,924,304,332.80	2,643,370,071.45
Payments of sales, technical services and construction, installation and design services received in advance	59,399,726.85	70,136,224.95
Total	2,983,704,059.65	2,713,506,296.40

#### (2) Qualitative analysis of contract liabilities

The contract liabilities associated with the construction, installation and design service contracts are the balances generated when a specific milestone payment exceeds the revenue recognized as a result of the performance. The related revenue will be recognized after the Group fulfills the performance obligations.

For revenue on goods sold, it is recognized when the control right of the product is transferred to the customer. When the customer purchases a product and prepays to the Group, the Group recognizes the transaction price received as the contract liabilities until the control right of the product is transferred to the customer.

Revenue generated from rendering of services is recognized over a period of time. The Group recognizes the contract liabilities when it initially receives the service payment and transfers it to revenue during the service period.

### 26. Employee benefits payable

#### (1) Employee benefits payable

Item	January 1, 2023	Increase during the period	Decrease during the period	June 30, 2023
I. Short-term employee benefits payable	51,178,291.27	4,475,532,763.49	4,464,132,052.39	62,579,002.37
II. Post-employment benefits – defined contribution plan	6,111,367.46	572,770,796.20	568,814,026.69	10,068,136.97
III. Dismissal benefits	–	150,947.35	150,947.35	–
Total	57,289,658.73	5,048,454,507.04	5,033,097,026.43	72,647,139.34

## (2) Short-term employee benefits

Item	January 1, 2023	Increase during the period	Decrease during the period	June 30, 2023
1. Salaries, bonuses, allowances and subsidies	-	3,431,573,910.88	3,431,573,910.88	-
2. Staff welfare	-	378,334,779.61	378,334,779.61	-
3. Social insurance premiums	1,874,932.31	240,681,757.67	228,394,226.20	14,162,463.78
Including: Medical insurance	1,476,734.75	220,097,665.86	207,838,982.99	13,735,417.62
Work-related injury insurance	160,145.94	9,396,906.60	9,428,856.39	128,196.15
Maternity insurance	238,051.62	11,114,250.86	11,053,452.47	298,850.01
Others	-	72,934.35	72,934.35	-
4. Housing provident funds	308,765.60	316,966,344.99	314,963,045.15	2,312,065.44
5. Labor union expenditures and employees' education expenses	47,767,633.93	76,764,811.41	96,170,419.76	28,362,025.58
6. Other short-term employee benefits	1,226,959.43	31,211,158.93	14,695,670.79	17,742,447.57
<b>Total</b>	<b>51,178,291.27</b>	<b>4,475,532,763.49</b>	<b>4,464,132,052.39</b>	<b>62,579,002.37</b>

## (3) Post-employment benefits – defined contribution plan

Item	January 1, 2023	Increase during the period	Decrease during the period	June 30, 2023
1. Basic pension insurance	5,965,619.25	346,677,551.96	343,223,067.29	9,420,103.92
2. Unemployment insurance	98,630.72	4,860,567.17	4,858,917.57	100,280.32
3. Corporate annuity contribution	47,117.49	221,232,677.07	220,732,041.83	547,752.73
<b>Total</b>	<b>6,111,367.46</b>	<b>572,770,796.20</b>	<b>568,814,026.69</b>	<b>10,068,136.97</b>

The Group participates in pension insurance and unemployment insurance schemes established by the government as required, pursuant to which, the Group contributes a stipulated proportion to pension insurance and unemployment insurance schemes respectively. In addition, according to the Group's corporate annuity management system, the Group is required to pay the corporate annuity contribution which is a fixed proportion to the Company's annual salary standard of previous year. Other than the above, the Group has no further payment responsibility. The corresponding expenses are recognized in profit or loss for the period or the cost of related assets when incurred.

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### 27. Taxes payable

Item	June 30, 2023	December 31, 2022
Enterprise income tax	1,204,057,533.76	1,357,452,823.33
VAT	510,655,117.54	496,934,427.17
Individual income tax	46,676,479.37	159,700,012.09
Urban maintenance and construction tax	41,313,177.31	39,681,512.11
Education surcharges	29,552,078.74	28,386,324.97
Real estate tax	45,935,074.86	4,407,101.14
Duty stamp	5,916,318.26	6,545,277.72
Others	5,778,236.61	6,179,746.39
<b>Total</b>	<b>1,889,884,016.45</b>	<b>2,099,287,224.92</b>

### 28. Other payables

Item	June 30, 2023	December 31, 2022
Dividends payable	6,201,294,443.04	1,138,782,200.00
Others	3,952,554,245.01	5,617,800,782.51
<b>Total</b>	<b>10,153,848,688.05</b>	<b>6,756,582,982.51</b>

#### (1) Dividends payable

Name of entity	June 30, 2023	December 31, 2022
CGNPC	2,538,367,799.63	-
H-share shareholders	971,235,375.00	-
Guangdong Energy Group Co., Ltd. (廣東省能源集團有限公司)	746,796,517.91	204,000,000.00
CLP Nuclear Power (Yangjiang) Limited	746,796,517.91	204,000,000.00
A-share shareholders	439,337,915.70	-
CGN Fund Phase I	307,504,448.55	730,782,200.00
Guangdong Hengjian Investment Holdings Co., Ltd. (廣東恒健投資控股有限公司)	298,280,587.50	-
CNNC	146,157,487.88	-
China Energy Construction Group Guangdong Electric Power Design and Research Institute Co. Ltd. (中國能源建設集團廣東省電力設計研究院有限公司)	6,817,792.96	-
<b>Total</b>	<b>6,201,294,443.04</b>	<b>1,138,782,200.00</b>

Note: As at June 30, 2023 and December 31, 2022, the Group had no dividends payable for more than 1 year.

## (2) Other payables

### (a) Other payables by nature

Item	June 30, 2023	December 31, 2022
Spent fuel management fund	1,664,610,463.75	3,293,349,544.70
Related party payments	1,694,997,336.36	1,807,994,051.36
Others	592,946,444.90	516,457,186.45
Total	3,952,554,245.01	5,617,800,782.51

### (b) Other payables aged over one year with significant amount

Item	June 30, 2023	December 31, 2022	Reason for outstanding or not transfer
CGNPC	10,870,158.36	42,029,242.20	Not yet settled

## 29. Non-current liabilities due within one year

Item	June 30, 2023	December 31, 2022
Long-term loans due within one year (Note (V) 31)	16,975,131,478.00	16,682,623,230.22
Long-term loans interest payable	193,963,573.47	233,861,779.59
Bonds payable due within one year (Note (V) 32)	4,498,870,754.26	3,996,403,438.97
Bonds payable interests payable	117,221,138.01	172,034,716.01
Post-employment benefit scheme liabilities due within one year (Note (V) 34)	4,370,909.83	4,065,909.85
Lease liabilities due within one year (Note (V) 33)	330,896,426.78	281,454,453.09
Total	22,120,454,280.35	21,370,443,527.73

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### 30. Other current liabilities

Item	June 30, 2023	December 31, 2022
Short-term bonds payable (1)	1,820,771,506.85	2,814,282,739.72
Pending output tax	163,354,442.29	328,181,084.68
<b>Total</b>	<b>1,984,125,949.14</b>	<b>3,142,463,824.40</b>

(1) Changes in short-term bonds payable:

Name of bonds	Face value	Issue date	Term	Issue amount	Opening Balance	Accrued interest		Amortization		Closing balance
						Issue during the period	based on the face value	of premiums or discounts	Repayment during the period	
22 CGN Power SCP005	1,000,000,000.00	June 30, 2022	252 days	1,000,000,000.00	1,009,578,082.19	-	3,539,726.03	-	1,013,117,808.22	-
22 CGN Power SCP006	1,800,000,000.00	November 8, 2022	270 days	1,800,000,000.00	1,804,704,657.53	-	16,066,849.32	-	-	1,820,771,506.85
<b>Total</b>	<b>2,800,000,000.00</b>			<b>2,800,000,000.00</b>	<b>2,814,282,739.72</b>	<b>-</b>	<b>19,606,575.35</b>	<b>-</b>	<b>1,013,117,808.22</b>	<b>1,820,771,506.85</b>

### 31. Long-term loans

#### (1) Long-term loans by category

Item	June 30, 2023	December 31, 2022
Credit loans	84,966,897,823.89	49,937,703,288.16
Pledged loans (Note 1)	91,434,593,554.98	126,587,969,848.03
Secured loans (Note 2)	-	231,900,000.00
<b>Total</b>	<b>176,401,491,378.87</b>	<b>176,757,573,136.19</b>
Less: Long-term loans due within one year (Note (V) 29)	16,975,131,478.00	16,682,623,230.22
<b>Long-term loans due after one year</b>	<b>159,426,359,900.87</b>	<b>160,074,949,905.97</b>

Notes for classification of long-term loans:

Note 1: Pledged loans are pledged by the Group with its interests under sales agreements of electricity, insurance contracts and equity interest held. As at June 30, 2023, GNIC, Taishan Investment and the Company pledged their equity interests in Taishan Nuclear to obtain the long-term loans, and GNIC, the Company and CGN Nuclear Power Investment Co., Ltd. pledged their equity interests in Lingdong Nuclear to obtain such long-term loans. For details of other pledges of the aforesaid pledged loans of the Group, please refer to Note (V) 62.

Note 2: Secured loans are secured by the Company's subsidiary CGN Engineering with equipment. As at June 30, 2023, such loans have been fully repaid.

	For the period from January 1 to June 30, 2023	For the period from January 1 to June 30, 2022
Range of annual interest rates of the above loans	2.30% – 5.90%	2.70% – 5.30%

## 32. Bonds payable

### (1) Bonds payable

Category	June 30, 2023	December 31, 2022
Medium-term notes (Note 1)	6,994,594,449.04	8,488,470,172.49
Total	6,994,594,449.04	8,488,470,172.49
Less: Bonds payable due within one year (Note (V) 29)	4,498,870,754.26	3,996,403,438.97
Bonds payable due after one year	2,495,723,694.78	4,492,066,733.52

Note 1: The Group issued 20 CGN Power MTN001, 21 CGN Power MTN001, 21 CGN Power MTN002 and 22 CGN Power MTN001 on August 24, 2020, April 12, 2021, June 15, 2021 and February 21, 2022, respectively. These medium-term notes, with nominal values amounting to RMB2,500,000,000.00, RMB2,000,000,000.00, RMB1,500,000,000.00 and RMB2,500,000,000.00, respectively, and a total cost of issuance of RMB24,000,000.00, will become due and payable in August 2023, April 2024, June 2023 and February 2025, respectively. Among which, 21 CGN Power MTN002 has been due and paid in June 2023.

### (2) Changes in bonds payable

For the period from January 1 to June 30, 2023

Name of bonds	Face value	Issue date	Term	Issue amount	January 1, 2023	Issue during the period	Accrued interest based on the face value	Amortization of premiums or discounts	Repayment during the period	June 30, 2023
20 CGN Power MTN001	2,500,000,000.00	August 24, 2020	3 years	2,500,000,000.00	2,498,503,097.86	-	45,250,000.00	1,361,623.20	-	2,499,864,721.06
21 CGN Power MTN001	2,000,000,000.00	April 12, 2021	3 years	2,000,000,000.00	1,997,548,187.71	-	34,900,000.00	1,457,845.49	-	1,999,006,033.20
21 CGN Power MTN002	1,500,000,000.00	June 15, 2021	2 years	1,500,000,000.00	1,497,900,341.11	-	22,714,520.55	2,099,658.89	1,500,000,000.00	-
22 CGN Power MTN001	2,500,000,000.00	February 21, 2022	3 years	2,500,000,000.00	2,494,518,545.81	-	36,625,000.00	1,205,148.97	-	2,495,723,694.78
Total	8,500,000,000.00			8,500,000,000.00	8,488,470,172.49	-	139,489,520.55	6,124,276.55	1,500,000,000.00	6,994,594,449.04
Including: Bonds payable due within one year					3,996,403,438.97					4,498,870,754.26
Bonds payable due after one year					4,492,066,733.52					2,495,723,694.78

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### 33. Lease liabilities

#### (1) Lease liabilities

Item	June 30, 2023	December 31, 2022
Lease liabilities	848,525,174.74	932,745,917.70
Less: Lease liabilities due within one year (Note (V) 29)	330,896,426.78	281,454,453.09
Lease liabilities due after one year	517,628,747.96	651,291,464.61

#### (2) Term of lease liabilities

Item	June 30, 2023	December 31, 2022
Within 1 year	330,896,426.78	281,454,453.09
1 to 2 years (including 2 years)	113,837,979.09	201,638,270.87
2 to 5 years (including 5 years)	175,974,554.52	168,098,840.14
More than 5 years	227,816,214.35	281,554,353.60
Total	848,525,174.74	932,745,917.70

## 34. Long-term employee benefits payable

### (1) Long-term employee benefits payable

Item	June 30, 2023	December 31, 2022
Post-employment benefits – net liabilities of defined benefit plan	49,812,909.83	48,835,909.85
Cash-settled share-based payment	14,537,789.34	16,013,521.25
Total	64,350,699.17	64,849,431.10
Less: Liabilities of post-employment benefits due within one year (Note (V) 29)	4,370,909.83	4,065,909.85
Net amount	59,979,789.34	60,783,521.25

### (2) Changes in defined benefit plan

The present value of obligations under the defined benefit plan:

Item	During the period from January 1 to June 30, 2023	During the period from January 1 to June 30, 2022
I. Opening balance	48,835,909.85	57,011,233.28
II. Defined benefit cost included in profit or loss	3,013,000.00	(4,554,000.00)
1. Past service cost	2,359,000.00	(5,372,000.00)
2. Net interest	654,000.00	818,000.00
III. Defined benefit cost included in other comprehensive income	2,740,000.00	(1,951,000.00)
1. Actuarial gains/(losses)	2,740,000.00	(1,951,000.00)
IV. Other changes	(4,776,000.02)	(4,377,233.91)
1. Paid benefits	(4,776,000.02)	(4,377,233.91)
V. Closing balance	49,812,909.83	46,128,999.37

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

The Group applies the following discount rate and growth rate actuarial assumptions for the above results of the defined benefit plan:

Item	During the period from January 1 to June 30, 2023	During the period from January 1 to June 30, 2022
Discount rate		
Discharge benefit plan	/	2.52%
Retirement benefit plan	2.66%	2.83%
Growth rate		
Discharge benefit plan	/	1.90%
Retirement benefit plan	2.60%	2.50%

The defined benefit plan usually exposes the Group to interest rate risk and longevity risk:

Interest rate risk: Rising discount rate will lead to a reduction in planned liabilities;

Longevity risk: As at June 30, 2023 and June 30, 2022, the life table used in the defined benefit plan is the experience life table of the pension business in China's life insurance industry (CL (2010-2013)).

Other explanation:

The Group provides supplementary retirement benefit plans for some resigned and retired employees. According to the plan, the supplementary retirement benefits paid by the Group include nursing recuperation fees, holiday fees, travel expenses, medical examination and vaccination fees and annually paid supplementary medical insurance in accordance with policies, and the benefits will be paid until their death.

The Group engaged China Life Pension Company Limited to estimate the present value of the retirement benefit plan obligations above in an actuarial manner based on the expected cumulative welfare unit method. The plan estimates future cash outflows based on inflation and mortality assumptions and determines its present value at a discount rate. The discount rate is determined according to the government bond market yield rate corresponding to the planned duration on the balance sheet date and the evaluation date of the defined benefit plan obligation and currency. The Group recognizes its liabilities based on the actuarial results. The relevant actuarial gains or losses are recognized in other comprehensive income and will not be reversed to profit or loss in subsequent accounting periods. Past service costs are recognized through profit or loss for the current period in which the plan is revised. The net interest is determined by multiplying the defined benefit plan net liabilities or net assets by the appropriate discount rate.

## 35. Provisions

Item	June 30, 2023	December 31, 2022	Reason
Provision for NPP decommissioning	5,721,973,395.90	5,372,623,933.88	Note 1
Provision for low and medium level radioactive waste disposals	546,202,507.86	587,251,360.22	Note 2
<b>Total</b>	<b>6,268,175,903.76</b>	<b>5,959,875,294.10</b>	

Note 1: It is the discounted value of the best estimate of the expected cost of processing the NPP decommissioning of the Group.

Note 2: It is the best estimate of the expected disposal cost of low and medium level radioactive waste generated by NPPs.

## 36. Deferred income

Item	January 1, 2023	Increase during the period	Amortization amount of the period	Exchange differences arising on translation of financial statements	June 30, 2023
Government grants	2,325,356,501.66	37,393,444.65	(59,300,491.89)	15,562,474.52	2,319,011,928.94

### (1) Items related to government grants

Item	January 1, 2023	Increase in grants during the period	Amount recognized in other gains for the period	Exchange differences arising on translation of financial statements	June 30, 2023
Government grants related to asset	1,886,806,376.30	29,057,537.90	(53,588,012.73)	15,562,474.52	1,877,838,375.99
Government grants related to income	438,550,125.36	8,335,906.75	(5,712,479.16)	-	441,173,552.95
<b>Total</b>	<b>2,325,356,501.66</b>	<b>37,393,444.65</b>	<b>(59,300,491.89)</b>	<b>15,562,474.52</b>	<b>2,319,011,928.94</b>

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### (2) Details

Item	January 1, 2023	Increase in grants during the period	Amount recognized in other gains for the period	Exchange differences arising on translation of financial statements	June 30, 2023	Related to asset/related to income
CGN Engineering Project 1	49,437,000.00	-	(2,746,500.00)	-	46,690,500.00	Related to asset
CNPRI Project 1	74,620,000.00	760,000.00	-	-	75,380,000.00	Related to asset
GNPJVC Project 1	399,259,607.10	-	(11,333,000.96)	15,562,474.52	403,489,080.66	Related to asset
CNPRI Project 3	62,427,800.00	-	-	-	62,427,800.00	Related to asset
CNPRI Project 4	46,970,000.00	-	-	-	46,970,000.00	Related to asset
Taishan Nuclear Project 1	66,706,121.45	-	(1,298,158.90)	-	65,407,962.55	Related to asset
CNPRI Project 5	29,346,333.34	-	-	-	29,346,333.34	Related to asset
CNPRI Project 6	344,150,000.00	-	(450,000.00)	-	343,700,000.00	Related to asset
CNPRI Project 7	271,520,000.00	-	(2,160,000.00)	-	269,360,000.00	Related to asset
CGN Engineering Project 2	220,900,000.00	-	-	-	220,900,000.00	Related to asset
Other government grants related to income	438,550,125.36	8,335,906.75	(5,712,479.16)	-	441,173,552.95	Related to income
Other government grants related to assets	321,469,514.41	28,297,537.90	(35,600,352.87)	-	314,166,699.44	Related to asset
Total	2,325,356,501.66	37,393,444.65	(59,300,491.89)	15,562,474.52	2,319,011,928.94	

## 37. Share capital

	June 30, 2023	December 31, 2022
Unrestricted shares		
Domestic shares (A shares)	39,334,986,100.00	39,334,986,100.00
Including: CGNPC	29,176,641,375.00	29,176,641,375.00
Guangdong Hengjian Investment Holdings Co., Ltd. (廣東恒健投資控股有限公司)	3,428,512,500.00	3,428,512,500.00
Other domestic shares	6,729,832,225.00	6,729,832,225.00
Overseas listed foreign shares (H shares)	11,163,625,000.00	11,163,625,000.00
Including: CGNPC and its subsidiaries	570,235,000.00	570,235,000.00
Other foreign shares	10,593,390,000.00	10,593,390,000.00
Total	50,498,611,100.00	50,498,611,100.00

CGNPC and its subsidiaries have increased their holdings of H shares of the Company since March 26, 2020, and increased their holdings of H shares of the Company during the periods from March 26, 2020 to March 25, 2021 and from April 26, 2021 to April 25, 2022 by 194,286,000 shares and 334,016,000 shares, respectively (the "Previous Shareholding Increases").

On November 1, 2022, CGNPC and its subsidiaries increased their holdings of H shares of the Company by a total of 10,000,000 shares (the "Current Shareholding Increase"), and planned to continue to increase their holdings of H shares of the Company within 12 months since the Current Shareholding Increase, and the cumulative increase in shareholding would not exceed 5% of the total number of issued H shares of the Company as of November 1, 2022 (including the shares acquired in the Current Shareholding Increase). From November 1, 2022 to December 31, 2022, CGNPC and its subsidiaries increased their holdings of H shares of the Company by 41,933,000 shares in aggregate via the Shenzhen-Hong Kong Stock Connect of the SZSE. CGNPC and its subsidiaries did not increase their holdings of shares of the Company from January 1, 2023 to June 30, 2023. As at June 30, 2023, CGNPC and its subsidiaries increased their holdings of H shares of the Company by 570,235,000 shares in aggregate (including those acquired in the Previous Shareholding Increases).

### 38. Capital reserve

Item	January 1, 2023	Increase during the period	June 30, 2023
Share premium	32,850,594,313.25	-	32,850,594,313.25
– Share capital contributed by owners	36,594,105,123.18	-	36,594,105,123.18
– Business combination involving entities under common control	(4,009,274,475.26)	-	(4,009,274,475.26)
– Others	265,763,665.33	-	265,763,665.33
Restructuring valuation adjustment	(27,701,479,836.62)	-	(27,701,479,836.62)
Other capital reserve	5,658,696,346.50	22,688,158.82	5,681,384,505.32
<b>Total</b>	<b>10,807,810,823.13</b>	<b>22,688,158.82</b>	<b>10,830,498,981.95</b>

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### 39. Other comprehensive income

Item	Balance as at January 1, 2023	Amount incurred for the period			Balance as at June 30, 2023
		Incurred amount before income tax for the period	Less: Income tax expenses	Attributable to the shareholders of parent company, after-tax	
I. Other comprehensive income that will not be reclassified to profit or loss	121,311,675.95	71,279,785.84	11,240,145.00	60,135,390.84	181,447,066.79
1. Change arising from remeasurement of defined benefit plan	(9,838,941.11)	(2,740,000.00)	-	(2,644,250.00)	(12,483,191.11)
2. Other comprehensive income that cannot be transferred to profit or loss under the equity method	(1,417,818.06)	(914,514.16)	-	(914,514.16)	(2,332,332.22)
3. Change in fair value of investments in other equity instruments	132,568,435.12	74,934,300.00	11,240,145.00	63,694,155.00	196,262,590.12
II. Other comprehensive income that may be reclassified to profit or loss	620,451,106.97	215,563,490.86	-	161,672,618.17	782,123,725.14
1. Other comprehensive income that can be transferred to profit or loss under the equity method	(1,833,294.26)	-	-	-	(1,833,294.26)
2. Translation differences arising from translation of foreign currency financial statements	622,284,401.23	215,563,490.86	-	161,672,618.17	783,957,019.40
Total other comprehensive income	741,762,782.92	286,843,276.70	11,240,145.00	221,808,009.01	963,570,791.93

## 40. Specific reserve

Item	January 1, 2023	Increase during the period	Decrease during the period	June 30, 2023
Safe production expenses	200,139,433.39	358,833,228.54	326,676,063.28	232,296,598.65

Note: During the period, pursuant to the Administrative Measures for the Collection and Utilization of Enterprise Work Safety Funds (Cai Zi [2022] No. 136) (財資[2022]136 號《企業安全生產費用提取和使用管理辦法》) jointly published by the Ministry of Finance and the Ministry of Emergency Management on November 21, 2022, CGN Engineering, Taishan Nuclear, GNPJVC, Ling'ao Nuclear, Lingdong Nuclear, Ningde Nuclear, Yangjiang Nuclear and Fangchenggang Nuclear provided for safe production expenses which were recognized in the cost of relevant products or profit or loss and included in specific reserve.

## 41. Surplus reserve

Item	January 1, 2023	Transfer to surplus reserve during the period	Decrease during the period	June 30, 2023
Statutory surplus reserves	5,740,430,152.70	–	–	5,740,430,152.70

## 42. Retained earnings

Item	During the period from January 1 to June 30, 2023	During the period from January 1 to June 30, 2022 (Restated)
Retained earnings at the end of the previous period before adjustment	39,038,911,600.23	34,156,472,714.58
Total adjustment to retained earnings at the beginning of the period	(1,380,078.38)	906,177.98
Retained earnings at the beginning of the period after adjustment	39,037,531,521.85	34,157,378,892.56
Add: Net profit attributable to shareholders of the parent company for the period	6,958,915,466.46	5,901,975,375.42
Distributable profits for shareholders	45,996,446,988.31	40,059,354,267.98
Less: Dividends payable for ordinary shares (Note 1)	4,393,379,165.71	4,243,773,173.32
Retained earnings at the end of the period (Note 2)	41,603,067,822.60	35,815,581,094.66

Note 1: On May 25, 2023, a profit distribution plan was considered and approved at the general meeting of the Company, which proposed to distribute cash dividends of RMB0.087 (tax inclusive) per share based on total shares of 50,498,611,100 shares to all shareholders in order to distribute cash dividends from the accumulated retained earnings for 2022 of RMB4,393,379,165.71 to shareholders. As of June 30, 2023, the cash dividends have not yet been paid. As of June 30, 2023, pursuant to the Company's dividend distribution policy, payment of an interim dividend for the six months ended June 30, 2023 is not recommended.

Note 2: As at June 30, 2023 and June 30, 2022, the balance of retained earnings of the Group included the surplus reserves used by subsidiaries which were RMB10,156,351,532.62 and RMB9,333,307,491.60, respectively.

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### 43. Operating revenue and operating costs

Item	During the period from January 1 to June 30, 2023		During the period from January 1 to June 30, 2022	
	Revenue	Costs	Revenue	Costs
From principal operations	39,157,078,062.53	22,432,617,667.55	36,338,804,915.90	21,683,525,067.61
Of which: Sales of electricity	30,923,922,833.90	14,460,859,650.86	27,803,471,487.59	13,280,570,460.79
Construction, installation and design services	7,499,506,996.11	7,449,789,460.48	7,850,551,666.86	7,793,409,158.17
Rendering of services	573,407,981.43	391,167,826.84	611,681,071.82	543,939,564.56
Sales of goods and others	160,240,251.09	130,800,729.37	73,100,689.63	65,605,884.09
From other operations	118,746,260.36	69,866,245.31	283,288,568.92	264,585,784.64
Total	39,275,824,322.89	22,502,483,912.86	36,622,093,484.82	21,948,110,852.25

- (1) For the details of operating revenue, please refer to Note (XIV)1(2).
- (2) As at June 30, 2023, the transaction price attributable to outstanding (or partially outstanding) performance obligation and the estimated time of revenue recognition:

Item	For the period from July 1, to			After January 1, 2026	Total
	December 31, 2023	2024	2025		
Construction, installation and design services	7,076,640,517.20	12,564,437,250.44	14,685,156,084.40	1,850,498,976.18	36,176,732,828.22
Rendering of services	308,136,757.15	261,371,570.04	266,923,002.96	1,486,534,766.44	2,322,966,096.59
Sales of goods and others	211,902,474.22	195,083,604.21	125,949,376.08	105,652,854.03	638,588,308.54
Total	7,596,679,748.57	13,020,892,424.69	15,078,028,463.44	3,442,686,596.65	39,138,287,233.35

- (3) As at June 30, 2023, there was no significant variable consideration in the transaction price of the Group.

#### 44. Taxes and surcharges

Item	During the period from January 1 to June 30, 2023	During the period from January 1 to June 30, 2022
City maintenance and construction tax	195,364,697.60	166,324,011.99
Education surcharges	139,613,328.29	118,856,551.62
Real estate tax	68,600,534.42	60,802,887.40
Stamp duty	21,266,929.90	21,586,333.19
Others	2,954,874.04	5,470,780.14
<b>Total</b>	<b>427,800,364.25</b>	<b>373,040,564.34</b>

#### 45. Selling expenses

Item	During the period from January 1 to June 30, 2023	During the period from January 1 to June 30, 2022
Employees' remuneration	14,086,099.07	13,441,971.24
Others	6,129,188.30	7,670,098.01
<b>Total</b>	<b>20,215,287.37</b>	<b>21,112,069.25</b>

#### 46. Administrative expenses

Item	During the period from January 1 to June 30, 2023	During the period from January 1 to June 30, 2022
Employees' remuneration	552,031,578.74	654,021,196.82
Depreciation and amortization	292,819,759.29	265,909,285.14
Information technology expenses	76,812,096.05	59,394,402.44
Logistics service expenses	80,157,047.02	52,607,165.81
Labor technical service fees	47,491,868.61	54,758,896.20
Office expenses	5,578,469.38	3,980,376.42
Travelling expenses	13,458,807.20	4,034,054.96
Other expenses	85,084,427.85	81,980,107.21
<b>Total</b>	<b>1,153,434,054.14</b>	<b>1,176,685,485.00</b>

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### 47. R&D expenses

Item	During the period from January 1 to June 30, 2023	During the period from January 1 to June 30, 2022
Commissioning fees paid for R&D outsourcing, cooperation and others	187,483,194.70	37,442,020.58
Employees' remuneration	175,990,947.53	156,337,033.38
Inspection expenses	197,842,696.14	199,382,328.70
Depreciation and amortization	84,048,457.02	29,197,825.43
Others	32,162,697.60	25,669,358.61
Total	677,527,992.99	448,028,566.70

### 48. Finance costs

Item	During the period from January 1 to June 30, 2023	During the period from January 1 to June 30, 2022
Interest expenses	3,404,995,793.21	4,083,052,559.89
Less: Capitalized interest expenses	753,886,817.32	895,579,721.61
Less: Interest income	138,856,976.35	80,432,534.75
Exchange losses/(gains)	245,765,053.40	(36,624,006.59)
Less: Capitalized exchange losses	799,861.78	131,479.26
Finance costs on the provision for NPP decommissioning	167,715,999.64	153,343,433.36
Interest expenses on the lease liabilities	19,101,921.28	23,291,416.52
Bank charges and others	7,490,784.18	10,922,754.11
Total	2,951,525,896.26	3,257,842,421.67

## 49. Other gains

Item	2023		2022	
	During the period from January 1 to June 30, 2023	Of which: Amount included in non-recurring profit or loss	During the period from January 1 to June 30, 2022	Of which: Amount included in non-recurring profit or loss
Value-added tax refunds (Note)	616,400,233.20	-	392,111,799.64	-
Other government grants	67,285,936.19	67,285,936.19	117,259,476.69	117,259,476.69
Individual income tax refund	12,396,683.76	-	7,511,406.30	-
<b>Total</b>	<b>696,082,853.15</b>	<b>67,285,936.19</b>	<b>516,882,682.63</b>	<b>117,259,476.69</b>

Note: For the VAT refunds received by the Group's subsidiaries that satisfied the preferential VAT "levy first, refund later" policy, the Group adopted the VAT "levy first, refund later" policy in respect of its sale of electricity to grid companies generated by Lingdong Nuclear, Yangjiang Nuclear, Ningde Nuclear, Fangchenggang Nuclear and Taishan Nuclear. For details, please see Note (IV) 2.

## 50. Investment income

### Details of investment income

Item	During the period from January 1 to June 30, 2023	During the period from January 1 to June 30, 2022 (Restated)
Income from long-term equity investments accounted for using the equity method	964,365,859.88	649,285,373.56
Investment income from disposal of long-term equity investments	-	52,357,622.15
Investment losses from disposal of derivative financial assets	-	(9,972,695.05)
Others	6,411,221.91	(152,083.33)
<b>Total</b>	<b>970,777,081.79</b>	<b>691,518,217.33</b>

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### 51. (Losses)/gains from changes in fair value

Item	During the period from January 1 to June 30, 2023	During the period from January 1 to June 30, 2022
(Losses)/gains from changes in fair value arising from derivative financial instruments	(682,446.62)	2,072,930.03
(Losses)/gains from changes in fair value arising from cash-settled share-based payments	(4,107,744.22)	56,547,790.00
Total	(4,790,190.84)	58,620,720.03

### 52. Losses from credit impairment

Item	During the period from January 1 to June 30, 2023	During the period from January 1 to June 30, 2022
Bad debts losses of accounts receivable	(63,573,719.66)	(47,909,394.28)
Reversal of bad debts of other receivables	3,601,623.28	381,404.31
Total	(59,972,096.38)	(47,527,989.97)

### 53. Asset impairment (losses)/reversal

Item	During the period from January 1 to June 30, 2023	During the period from January 1 to June 30, 2022
(Losses)/reversal of impairment of contract assets	(9,834.01)	524.48

## 54. Gains from disposal of assets

Item	During the period from January 1 to June 30, 2023	During the period from January 1 to June 30, 2022
Gains from early termination of leases	–	1,555,764.32
Gains from disposal of fixed assets	3,017,244.01	605,085.27
<b>Total</b>	<b>3,017,244.01</b>	<b>2,160,849.59</b>

## 55. Non-operating income

Item	During the period from January 1 to June 30, 2023	Including: Amount included in non-recurring gains and losses	During the period from January 1 to June 30, 2022	Including: Amount included in non-recurring gains and losses
Others	5,737,502.26	5,737,502.26	13,835,357.02	13,835,357.02

## 56. Non-operating expenses

Item	During the period from January 1 to June 30, 2023	Including: Amount included in non-recurring gains and losses	During the period from January 1 to June 30, 2022	Including: Amount included in non-recurring gains and losses
Donations	22,288,246.18	22,288,246.18	16,999,274.31	16,999,274.31
Losses on retirement of damaged non-current assets	53,805,885.97	53,805,885.97	13,020,062.08	13,020,062.08
Others	7,003,184.83	7,003,184.83	212,873.87	212,873.87
<b>Total</b>	<b>83,097,316.98</b>	<b>83,097,316.98</b>	<b>30,232,210.26</b>	<b>30,232,210.26</b>

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### 57. Income tax expenses

Item	During the period from January 1 to June 30, 2023	During the period from January 1 to June 30, 2022 (Restated)
Current income tax expenses	2,157,793,603.54	1,801,014,419.03
Deferred income tax expenses	17,922,509.28	(63,805,184.38)
Adjustment of differences in final settlement	(14,854,958.38)	15,574,485.98
Total	2,160,861,154.44	1,752,783,720.63

#### (1) Reconciliation of income tax expenses to accounting profits

Item	During the period from January 1 to June 30, 2023	During the period from January 1 to June 30, 2022 (Restated)
Accounting profits	13,070,582,058.02	10,602,531,676.46
Income tax calculated at tax rate of 25%	3,267,645,514.51	2,650,632,919.12
Adjustment of differences in final settlement	(14,854,958.38)	15,574,485.98
Tax effect of non-taxable income	(169,649,388.61)	(93,718,361.50)
Tax effect of non-deductible expenses	31,609,902.77	13,313,895.44
Tax effect of utilization of unrecognized deductible losses and deductible temporary differences in previous years	(5,935,985.96)	(12,781,778.54)
Tax effect of unrecognized deductible losses and deductible temporary differences	202,800,277.07	231,296,875.65
The effect of the inconsistency between income tax rate applicable to the current period and the income tax rate when measuring the deferred income tax	(2,435,202.23)	(1,681,691.58)
Tax effect of tax incentives	(805,743,938.05)	(846,440,734.48)
Tax effect of tax-free income	(241,091,464.97)	(162,385,669.51)
Additional deduction for R&D costs	(93,675,927.19)	(44,652,129.25)
Others	(7,807,674.52)	3,625,909.30
Income tax expenses	2,160,861,154.44	1,752,783,720.63

## 58. Calculation of basic earnings per share

### (1) Basic earnings per share

Basic earnings per share are calculated by dividing the consolidated net profit attributable to shareholders of ordinary shares of the Company by the weighted average number of ordinary shares of the Company in issue:

	During the period from January 1 to June 30, 2023	During the period from January 1 to June 30, 2022 (Restated)
Consolidated net profit attributable to shareholders of ordinary shares of the Company	6,958,915,466.46	5,901,975,375.42
Weighted average number of ordinary shares of the Company in issue	50,498,611,100.00	50,498,611,100.00
Basic earnings per share (RMB/share)	0.138	0.117

For the periods from January 1, 2023 to June 30, 2023 and from January 1, 2022 to June 30, 2022 the Group did not have any dilutive potential ordinary shares. Therefore, diluted earnings per share was the same as the basic earnings per share.

## 59. Government grants

As at June 30, 2023, the summary of government grants of the Group included in profit or loss is as follows:

	During the period from January 1 to June 30, 2023	During the period from January 1 to June 30, 2022
Government grants		
VAT refunds	616,400,233.20	392,111,799.64
GNPJVC Project 1	11,333,000.96	12,343,815.28
CNPRI Project 29	7,226,200.00	1,500,000.00
SNPI Project 2	5,545,078.26	3,309,666.36
CNPRI Project 19	5,030,800.00	2,050,000.00
CNPRI Project 26	832,000.00	5,030,800.00
CNPRI Project 17	275,471.70	2,165,867.54
CGN Operations Project 3	–	25,103,894.69
CNPRI Project 11	–	5,943,000.00
CGN Engineering Project 9	–	2,746,500.00
Others	37,043,385.27	57,065,932.82
Total	683,686,169.39	509,371,276.33

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### 60. Cash flow statements items

#### (1) Cash received from other operating activities

Item	During the period from January 1 to June 30, 2023	During the period from January 1 to June 30, 2022
Guarantee deposit and deposit	549,170,815.20	644,876,979.93
Service payments received from related parties and engineering payments received from related parties	113,419,936.99	71,372,879.32
Government grants related to asset	29,057,537.90	59,954,164.76
Government grants related to income	15,904,181.94	382,889.00
Bank settlement and interest	122,346,996.65	65,420,307.84
Liquidated damages, refunds and advances	10,520,197.66	18,020,555.50
Rental, consulting and other services income	22,218,113.02	8,635,461.87
Others	188,197,570.26	126,749,310.57
<b>Total</b>	<b>1,050,835,349.62</b>	<b>995,412,548.79</b>

#### (2) Cash paid to other operating activities

Item	During the period from January 1 to June 30, 2023	During the period from January 1 to June 30, 2022
Guarantee deposit and deposit	633,273,516.77	616,375,762.75
Service payments to related parties and engineering payments received in advance	310,085,826.09	245,492,682.49
Travelling expenses and other expenses reimbursement	132,284,073.08	106,268,208.26
Collection and payment of social security and provident fund	38,683,382.13	39,406,528.13
Transportation service fees	30,188,268.25	29,826,132.45
Consulting and other services expenses	24,657,845.47	36,773,987.18
Insurance	23,369,168.70	10,467,837.13
Others	212,226,382.21	183,030,156.90
<b>Total</b>	<b>1,404,768,462.70</b>	<b>1,267,641,295.29</b>

### (3) Cash received from other investing activities

Item	During the period from January 1 to June 30, 2023	During the period from January 1 to June 30, 2022
Recovery of fixed deposits with maturities of more than three months	3,461,214,158.51	2,434,417,864.97
Others	1,264,790.61	958,245.69
Total	3,462,478,949.12	2,435,376,110.66

### (4) Cash paid to other investing activities

Item	During the period from January 1 to June 30, 2023	During the period from January 1 to June 30, 2022
Deposit of fixed deposits with maturities of more than three months	1,429,646,442.60	1,809,602,000.00
Settlement of derivative financial instruments	–	9,188,000.00
Others	706,442.89	1,222,741.49
Total	1,430,352,885.49	1,820,012,741.49

### (5) Cash received from other financing activities

Item	During the period from January 1 to June 30, 2023	During the period from January 1 to June 30, 2022
Lease deposit recovered	–	148,050.00

### (6) Cash paid to other financing activities

Item	During the period from January 1 to June 30, 2023	During the period from January 1 to June 30, 2022
Payment of cash related to leases	157,282,379.10	138,194,359.12
Liquidation payments to other shareholders by a subsidiary	106,380,438.58	–
Others	9,800,090.28	6,354,676.55
Total	273,462,907.96	144,549,035.67

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### 61. Supplementary information to cash flow statements

#### (1) Supplementary information to cash flow statements

Supplementary information	During the period from January 1 to June 30, 2023	During the period from January 1 to June 30, 2022 (Restated)
<b>(a) Reconciliation of net profit to cash flows from operating activities:</b>		
Net profit	10,909,720,903.58	8,849,747,955.83
Add: Losses from credit impairment	59,972,096.38	47,527,989.97
Asset impairment losses/(gains)	9,834.01	(524.48)
Depreciation of fixed assets	5,249,151,376.32	4,746,944,807.86
Amortization of intangible assets	275,704,359.57	269,301,438.65
Amortization of long-term deferred expenses	23,498,348.03	19,661,423.15
Depreciation of investment properties	17,802,560.02	15,748,920.62
Depreciation of right-of-use assets	147,472,949.08	133,125,041.30
Gains on disposal of fixed assets, intangible assets and other long-term assets	(3,017,244.01)	(2,160,849.59)
Loss on retirement of fixed assets	53,640,745.42	13,020,062.08
Losses/(gains) from changes in fair value	4,790,190.84	(58,620,720.03)
Finance costs	3,082,892,088.43	3,247,848,138.67
Investment income	(970,777,081.79)	(691,518,217.33)
Increase in deferred tax assets	(48,814,691.52)	(148,439,414.75)
Increase in deferred tax liabilities	66,737,200.80	84,634,230.37
(Increase)/decrease in contract assets	(665,805,752.74)	383,818,777.80
Increase/(decrease) in contract liabilities	270,197,763.25	(655,429,911.82)
(Increase)/decrease in inventories	(375,288,839.83)	354,685,390.11
Decrease/(increase) in operating receivables	518,055,390.42	(1,353,255,349.31)
Decrease in operating payables	(2,935,969,646.37)	(2,320,123,302.52)
Net cash flows from operating activities	15,679,972,549.89	12,936,515,886.58
<b>(b) Net changes in cash and cash equivalents:</b>		
Closing balance of cash	11,646,308,142.60	15,114,990,419.64
Less: Opening balance of cash	7,557,603,552.58	11,571,839,016.11
Add: Closing balance of cash equivalents	–	–
Less: Opening balance of cash equivalents	–	–
Net increase in cash and cash equivalents	4,088,704,590.02	3,543,151,403.53

#### (2) Composition of cash and cash equivalents

Item	June 30, 2023	December 31, 2022
I. Cash	11,646,308,142.60	7,557,603,552.58
Including: Cash in bank	–	–
Bank deposits available on demand	11,646,308,142.60	7,557,603,552.58
II. Closing balance of cash and cash equivalents	11,646,308,142.60	7,557,603,552.58

## 62. Assets with restricted ownership or right of use

Item	June 30, 2023	December 31, 2022	Reason for being restricted
Cash at bank and in hand (Note 1)	123,533,731.61	150,949,683.76	Various deposits, land reclamation deposits, restricted and frozen deposits
Accounts receivable (Note 2)	3,026,985,659.30	5,193,334,677.55	Pledge loans
Fixed assets (Note 3)	12,129,583,797.80	11,549,994,868.20	Restricted disposal
<b>Total</b>	<b>15,280,103,188.71</b>	<b>16,894,279,229.51</b>	

Note 1: The various deposits were for the bank deposits of the Group (as the supplier) according to the supply and purchase contract, the land reclamation deposits were deposited by Lufeng Nuclear to fulfill the obligations for land reclamation as required by the government and the restricted and frozen deposits of CGN Engineering.

Note 2: On August 22, 2005, Lingdong Nuclear entered into the Common Terms Agreement on Loans for Phase II of Guangdong Ling'ao NPP Construction Project with China Development Bank (the "CDB"), Agricultural Bank of China Shenzhen Branch and Industrial and Commercial Bank of China Shenzhen Branch, and acquired a total loan facility equivalent to USD2.585 billion from the banks for the construction of its phase II project, with a maturity period ranged from 15 to 22 years. Lingdong Nuclear transferred its interest in the insurance contract of the phase II of the NPP project to CDB, and pledged the collection rights to all electricity sales income in the electricity sales income collection account to CDB.

On December 16, 2008, Yangjiang Nuclear entered into the Common Terms Agreement on Guangdong Yangjiang Nuclear Power Construction Project with six financial institutions including the CDB and the Bank of China. On August 21, 2018, the original agreement was changed to the Amended and Restated Common Terms Agreement on Guangdong Yangjiang Nuclear Power Construction Project. Yangjiang Nuclear obtained a total loan facility equivalent to RMB62.032 billion from the banks for its construction projects. The term of the loan shall not be 25 years from the date of signing the original agreement. Yangjiang Nuclear transferred its interests in the insurance contract and the general contracting contract of the Guangdong Yangjiang Nuclear Power Construction Project to CDB, and pledged the collection rights to accounts receivable under the electricity sales contract to CDB. The pledge was canceled on June 16, 2023.

Taishan Nuclear entered into the Common Terms Agreement on Phase I of Guangdong Taishan NPP Construction Project with seven financial institutions (syndicate) including the CDB and the Bank of China, and obtained a total loan facility of equivalent to not more than RMB57.2 billion from the aforementioned banks. The term of the loan shall not be more than 25 years from the date of signing the agreement, and the final maturity date will not be later than September 7, 2034. Taishan Nuclear transferred its interests in the insurance contract of the phase I of Guangdong Taishan NPP Construction Project to CDB, and pledged the collection rights to accounts receivable under the electricity sales contract to CDB.

On July 29, 2010, pledging the electricity sales receivables of Fangchenggang Phase I Construction Project, Fangchenggang Nuclear entered into a series of syndicate agreements with various financial institutions including the CGN Finance (as the leader), China Construction Bank and CDB to obtain a comprehensive borrowing facility equivalent to RMB22.671 billion (equivalent to USD0.4 billion) in aggregate for the construction of its phase I project, with a term from the date of signing until September 29, 2031. In addition, Fangchenggang Nuclear pledged the electricity sales receivables from the phase II project and signed a series of syndicate agreements with various financial institutions including China Construction Bank (as the leader), CDB and Export-Import Bank on February 16, 2016, obtaining comprehensive borrowing facilities equivalent to RMB28.529 billion and equivalent to USD246 million in aggregate for the construction of its phase II project, with a term from the date of the first withdrawal to the 25th anniversary after the date of the first withdrawal.

On April 18, 2008, pledging the collection rights to electricity sales receivables under the future power sales agreement of Ningde Phase I Construction Project, the interest in construction entrustment contract and the interest in the construction insurance, Ningde Nuclear signed the Common Terms Agreement with four financial institutions including Industrial and Commercial Bank of China to obtain a borrowing equivalent to RMB39.966 billion in aggregate, with a term of 20 to 25 years.

Note 3: According to the Commitment Letter on Land Use Rights and Equipment issued by Lingdong Nuclear to CDB, during the term of the loan contract, Lingdong Nuclear shall not, in any form, dispose of, including but not limited to sell, let or pledge, any of the equipment asset with an original value over USD500,000.

According to the Mortgage Contract signed by CGN Engineering and CDB on April 26, 2019, CGN Engineering pledged the 1200T self-elevating offshore wind power installation platform owned by it. The mortgage was canceled on June 28, 2023.

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### 63. Foreign currency monetary items

#### (1) Foreign currency monetary items

Item	June 30, 2023			December 31, 2022		
	Foreign currency balance	Exchange rate	RMB balance	Foreign currency balance	Exchange rate	RMB balance
Cash at bank and in hand						
Including: HKD	251,044.21	0.9220	231,458.95	252,483.79	0.8933	225,536.55
USD	2,229,979.10	7.2258	16,113,382.98	1,723,457.08	6.9646	12,003,189.18
EUR	11,762,963.75	7.8771	92,658,041.41	15,820,074.22	7.4229	117,430,828.78
GBP	6,687,344.99	9.1432	61,143,732.60	5,465,073.94	8.3941	45,874,377.09
RMB	4,231,223,998.18	1.0000	4,231,223,998.18	3,912,522,376.25	1.0000	3,912,522,376.25
Accounts receivable						
Including: HKD	17,741,050.88	0.9220	16,356,982.80	17,741,050.88	0.8933	15,848,080.75
USD	-	7.2258	-	783,584.36	6.9646	5,457,351.63
EUR	1,345,294.74	7.8771	10,597,021.20	1,419,264.10	7.4229	10,535,055.49
GBP	132,755.66	9.1432	1,213,811.55	1,462,434.54	8.3941	12,275,821.77
CHF	69,221.00	8.0614	558,018.17	69,221.00	7.5432	522,147.85
RMB	3,736,009.17	1.0000	3,736,009.17	4,003,652.98	1.0000	4,003,652.98
Other receivables						
Including: HKD	7,602.00	0.9220	7,008.93	7,602.00	0.8933	6,790.87
USD	65,000.00	7.2258	469,677.00	65,000.00	6.9646	452,699.00
EUR	6,051,284.37	7.8771	47,666,572.11	6,014,674.28	7.4229	44,646,325.71
RMB	1,820,143.84	1.0000	1,820,143.84	10,604,005.28	1.0000	10,604,005.28

Item	June 30, 2023			December 31, 2022		
	Foreign currency balance	Exchange rate	RMB balance	Foreign currency balance	Exchange rate	RMB balance
Accounts payable						
Including: HKD	7,886,823.33	0.9220	7,271,532.81	6,896,996.00	0.8933	6,161,086.53
USD	10,706,577.16	7.2258	77,363,585.24	6,601,425.09	6.9646	45,976,285.18
EUR	67,661,978.92	7.8771	532,980,174.15	69,378,602.95	7.4229	514,990,431.84
GBP	82,446.39	9.1432	753,823.83	160,865.30	8.3941	1,350,319.41
CHF	617,107.94	8.0614	4,974,753.95	502,457.14	7.5432	3,790,134.70
SEK	1,500,000.00	0.6675	1,001,250.00	-	-	-
RMB	33,006,469.42	1.0000	33,006,469.42	28,525,660.17	1.0000	28,525,660.17
Other payables						
Including: HKD	7,602.00	0.9220	7,008.93	40,404.00	0.8933	36,092.89
USD	3,966.00	7.2258	28,657.52	3,966.00	6.9646	27,621.60
EUR	263,923.27	7.8771	2,078,949.99	510,863.01	7.4229	3,792,085.04
GBP	10,000.00	9.1432	91,432.00	41,944.72	8.3941	352,088.17
RMB	207,973,405.24	1.0000	207,973,405.24	387,934,925.07	1.0000	387,934,925.07
Employee benefits payable						
Including: RMB	2,785,966.67	1.0000	2,785,966.67	3,788,025.80	1.0000	3,788,025.80
Taxes payable						
Including: RMB	17,479,182.56	1.0000	17,479,182.56	25,116,153.98	1.0000	25,116,153.98
Non-current liabilities due within one year						
Including: EUR	96,518,379.08	7.8771	760,284,923.85	96,518,379.08	7.4229	716,446,276.07
RMB	6,276,183.47	1.0000	6,276,183.47	7,976,024.90	1.0000	7,976,024.90
Short-term loans						
Including: GBP	1,563,239.01	9.1432	14,293,006.92	3,105,366.99	8.3941	26,066,761.05
Long-term loans						
Including: EUR	244,006,997.31	7.8771	1,922,067,518.51	292,760,318.99	7.4229	2,173,130,571.83
RMB	413,149,557.91	1.0000	413,149,557.91	268,490,306.49	1.0000	268,490,306.49
Lease liabilities						
Including: RMB	1,922,704.42	1.0000	1,922,704.42	2,940,023.49	1.0000	2,940,023.49

## (2) Description of overseas business entities:

The sales customers of GNPJVC are mainly GNIC and HKNIC, and all of the sales are conducted in USD. During the period of preparation for the establishment of GNPJVC, the funds required for the construction of the NPP were mainly obtained from loans for financing, the funds from which were mainly long-term USD loans, and such loans from financing activities were repaid in USD. Therefore, GNPJVC selected USD as its reporting currency.

## (VI) Change of consolidation scope

For the period from January 1, 2023 to June 30, 2023, the Group did not have any new subsidiary. Hebei Zhongzhuang Clean Thermal Energy Co., Ltd. (河北中莊清潔熱能有限公司) completed deregistration and the control over China Daya Bay Nuclear Power Technology Research Institute Co., Ltd. (中國大亞灣核電技術研究院有限公司) was lost. These two companies without business have no longer been included in the scope of consolidation.

# Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

## (VII) Interests in other entities

### 1. Interests in subsidiaries

#### (1) Constitution of the corporate group

Name of subsidiary	Principal place of operation	Place of registration	Business nature	Registered capital	Shareholding		Method of acquisition
					Direct	Indirect	
GNIC (Note 1)	Shenzhen, Guangdong Province	Shenzhen, Guangdong Province	Investment	RMB16,000,000,000.00	100.00%	-	Establishment
GNPJVC (Note 2)	Shenzhen, Guangdong Province	Shenzhen, Guangdong Province	Nuclear power generation	USD400,000,000.00	-	75.00%	Establishment
DNMC (Note 2)	Shenzhen, Guangdong Province	Shenzhen, Guangdong Province	Operation and management of NPPs	RMB250,000,000.00	-	87.50%	Establishment
CGN Nuclear Power Investment Co., Ltd. (中廣核電投資有限公司) (Note 1)	Shenzhen, Guangdong Province	Shenzhen, Guangdong Province	Investment	RMB100,000,000.00	77.78%	-	Establishment
CGN Ninghe Investment Co., Ltd. (中廣核寧核投資有限公司) (Note 1)	Shenzhen, Guangdong Province	Shenzhen, Guangdong Province	Investment	RMB100,000,000.00	56.52%	-	Establishment
Ling'ao Nuclear (Note 1)	Shenzhen, Guangdong Province	Shenzhen, Guangdong Province	Nuclear power generation	RMB3,323,224,000.00	70.00%	30.00%	Establishment
Lingdong Nuclear (Note 1)	Shenzhen, Guangdong Province	Shenzhen, Guangdong Province	Nuclear power generation	RMB5,348,000,000.00	25.00%	75.00%	Establishment
Yangjiang Nuclear (Note 2)	Yangjiang, Guangdong Province	Yangjiang, Guangdong Province	Nuclear power generation	RMB15,506,000,000.00	34.00%	25.00%	Establishment
CGN Operations (Note 1)	Shenzhen, Guangdong Province	Shenzhen, Guangdong Province	Provision of management, technology and consultancy services	RMB100,000,000.00	100.00%	-	Establishment
CNPRI (Note 1)	Shenzhen, Guangdong Province	Shenzhen, Guangdong Province	Nuclear power technology development	RMB2,335,550,000.00	100.00%	-	Establishment
Inspection Company (Note 2)	Shenzhen, Guangdong Province	Shenzhen, Guangdong Province	Testing and maintenance of power stations	RMB230,000,000.00	-	81.52%	Establishment
Daya Bay Nuclear Power Environment Protection (Note 1)	Shenzhen, Guangdong Province	Shenzhen, Guangdong Province	Environment protection relating to nuclear power	RMB30,000,000.00	100.00%	-	Establishment
Radiation Monitoring Company (Note 1)	Shenzhen, Guangdong Province	Shenzhen, Guangdong Province	Radiation detection and evaluation, instrument verification	RMB6,000,000.00	-	100.00%	Establishment

Name of subsidiary	Principal place of operation	Place of registration	Business nature	Registered capital	Shareholding		Method of acquisition
					Direct	Indirect	
SNPI (Note 1)	Suzhou, Jiangsu Province	Suzhou, Jiangsu Province	Nuclear power technology development	RMB513,950,000.00	100.00%	–	Business combination not under common control
Ningde Nuclear (Note 1) (Note 3)	Ningde, Fujian Province	Ningde, Fujian Province	Nuclear power generation	RMB11,177,500,000.00	–	46.00%	Business combination not under common control
Taishan Nuclear (Note 2)	Taishan, Guangdong Province	Taishan, Guangdong Province	Nuclear power generation	RMB28,600,000,000.00	12.50%	57.50%	Business combination under common control
Taishan Investment (Note 1)	Taishan, Guangdong Province	Taishan, Guangdong Province	Investment	RMB30,000,000.00	60.00%	–	Business combination under common control
CGN Engineering (Note 1)	Shenzhen, Guangdong Province	Shenzhen, Guangdong Province	Construction	RMB3,286,000,000.00	100.00%	–	Business combination under common control
CGN Design (Note 1)	Shenzhen, Guangdong Province	Shenzhen, Guangdong Province	Construction design	RMB79,360,000.00	–	60.00%	Business combination under common control
Worldwide Engineering (Note 2) (Note 5)	Shenzhen, Guangdong Province	Shenzhen, Guangdong Province	Other professional technical support	RMB280,000,000.00	–	55.00%	Business combination under common control
Import & Export Company (Note 1)	Shenzhen, Guangdong Province	Shenzhen, Guangdong Province	Import and export trade	RMB10,000,000.00	–	100.00%	Business combination under common control
Fangchenggang Nuclear (Note 1)	Fangchenggang, Guangxi	Fangchenggang, Guangxi	Nuclear power generation	RMB13,850,000,000.00	–	61.00%	Business combination under common control
Lufeng Nuclear (Note 1)	Shanwei, Guangdong Province	Shanwei, Guangdong Province	Nuclear power generation	RMB6,299,000,000.00	100.00%	–	Business combination under common control
Power Sales Company (Note 1)	Shenzhen, Guangdong Province	Shenzhen, Guangdong Province	Sales of electricity	RMB345,000,000.00	100.00%	–	Business combination under common control
Ocean Power (Note 1)	Tianjin	Tianjin	Development, construction and operation of offshore power stations	RMB170,000,000.00	100.00%	–	Business combination under common control
Yangxi Nuclear Power Co., Ltd. (陽西核電有限公司) (Note 1)	Yangjiang, Guangdong Province	Yangjiang, Guangdong Province	Investment, construction and operation of NPPs	RMB133,000,000.00	–	51.00%	Establishment
Fangchenggang Investment (Note 1)	Fangchenggang, Guangxi	Fangchenggang, Guangxi	Investment	RMB30,000,000.00	60.00%	–	Establishment

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

Name of subsidiary	Principal place of operation	Place of registration	Business nature	Registered capital	Shareholding		Method of acquisition
					Direct	Indirect	
Sansha Advanced Energy Co., Ltd. (三沙先進能源有限公司) (Note 1)	Sansha, Hainan Province	Sansha, Hainan Province	Island energy development, smart grid investment, transmission and distribution, sales of electricity	RMB100,000,000.00	-	60.00%	Establishment
Hepeng Supervision (Note 1)	Shenzhen, Guangdong Province	Shenzhen, Guangdong Province	Engineering supervision, engineering management and technical support service	RMB3,000,000.00	100.00%	-	Establishment
Fujian Ninghe Power Sales Co., Ltd. (福建寧核售電有限公司) (Note 1)	Fuzhou, Fujian Province	Fuzhou, Fujian Province	Power sales, electricity supply and power distribution network maintenance service	RMB200,000,000.00	-	100.00%	Establishment
Guangxi Fanghe Power Sales Co., Ltd. (廣西防核售電有限公司) (Note 1)	Fangchenggang, Guangxi	Fangchenggang, Guangxi	Electricity supply, power sales and power distribution network technical service	RMB201,000,000.00	-	100.00%	Establishment
Zhaoyuan Nuclear (Note 1)	Yantai, Shandong Province	Yantai, Shandong Province	Nuclear power generation	RMB460,000,000.00	100.00%	-	Establishment
Guizhou Yuping Clean Thermal Energy Co., Ltd. (貴州玉屏清潔熱能有限公司) (Note 1)	Tongren, Guizhou Province	Tongren, Guizhou Province	Thermal power generation	RMB260,000,000.00	100.00%	-	Establishment
CGN Nantang Technology Co., Ltd. (中廣核南方科技有限公司) (Note 1)	Zhongshan, Guangdong Province	Zhongshan, Guangdong Province	Nuclear power technology development	RMB1,000,000,000.00	-	100.00%	Establishment
Guangxi Fangchenggang Third Nuclear Power Co., Ltd. (廣西防城港第三核電有限公司) (Note 1)	Fangchenggang, Guangxi	Fangchenggang, Guangxi	Nuclear power generation	RMB100,000,000.00	61.00%	-	Establishment

Note 1: The company is a limited liability company established in China.

Note 2: The company is a Sino-foreign joint venture with limited liability.

Note 3: Basis for only holding half or less voting rights but still having control over the investees, as well as holding 50% or more voting rights but not having control over the investees:

CGN Ninghe Investment Co., Ltd. (中廣核寧核投資有限公司), a subsidiary of the Company, holds 46% equity interest in Ningde Nuclear, and Datang International Power Generation Co., Ltd. (大唐國際發電股份有限公司) holds 44% equity interest in Ningde Nuclear. CGN Ninghe Investment Co., Ltd. and Datang International Power Generation Co., Ltd. entered into the Concerted Party Agreement, which became effective on January 1, 2017. Datang International Power Generation Co., Ltd. agreed to act in concert with CGN Ninghe Investment Co., Ltd. at the shareholders' meetings and the meetings of board of directors of Ningde Nuclear. Therefore, after entry into force of the Concerted Party Agreement, the Group can thus lead the relevant activities of Ningde Nuclear, and Ningde Nuclear has been changed from a joint venture of the Group to a subsidiary of the Group with unchanged shareholding.

Note 4: As at June 30, 2023, none of the subsidiaries has issued any debt securities.

Note 5: As at June 30, 2023, the business cancellation registration for Worldwide Engineering, a subsidiary of the Company, was still in progress.

## (2) Significant non-wholly-owned subsidiaries

Name of subsidiary	During the period from January 1 to June 30, 2023			June 30, 2023
	Shareholding of non-controlling shareholders	Gains or losses attributable to non-controlling shareholders	Dividends announced to be distributed to non-controlling shareholders	Balance of non- controlling interests
Yangjiang Nuclear	41.00%	1,469,973,969.83	1,309,097,484.37	10,139,851,594.75
Taishan Nuclear (Note)	30.00%	(136,869,883.84)	–	7,837,588,627.49
GNPJVC	25.00%	562,966,460.64	891,495,342.56	1,964,332,720.23
CGN Nuclear Power Investment Co., Ltd.	22.22%	233,840,677.32	–	3,649,512,927.89
CGN Ninghe Investment Co., Ltd.	43.48%	285,657,577.92	–	3,574,527,516.86
Ningde Nuclear	54.00%	770,386,571.54	–	9,118,183,148.49
Taishan Investment	40.00%	(86,683,652.43)	–	5,337,241,842.24
Fangchenggang Investment	40.00%	327,152,118.10	–	4,244,346,919.61
Fangchenggang Nuclear	39.00%	523,334,204.95	–	6,773,663,391.34

Note: EDF International, a minority shareholder of Taishan Nuclear, and its subsidiary EDF (China) Holding Ltd. (collectively, "EDF") hold a total of 30% equity interest in Taishan Nuclear. EDF has initiated arbitration in Singapore with the ICC International Court of Arbitration on matters related to the expected useful life of certain equipment in the Taishan NPP, seeking declaratory relief. In June 2023, the ICC International Court of Arbitration issued an arbitration result, which has no effect on the financial position and operation results of the Group.

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### (3) Significant financial information of significant non-wholly-owned subsidiaries

The following table sets out the significant financial information of the above subsidiaries which represents the amounts without offsetting internal transactions, but with the adjustments made in light of the fair value at the combination date and the adoption of consistent accounting policies:

Name of subsidiary	June 30, 2023					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Yangjiang Nuclear	9,671,962,180.44	62,699,633,240.10	72,371,595,420.54	15,973,989,088.15	31,666,260,979.34	47,640,250,067.49
Taishan Nuclear	6,262,885,027.90	85,197,752,253.91	91,460,637,281.81	12,796,418,130.84	52,538,923,726.00	65,335,341,856.84
GNP/JVC	7,860,921,024.36	4,776,037,686.25	12,636,958,710.61	1,468,042,792.41	3,311,585,037.28	4,779,627,829.69
CGN Nuclear Power Investment Co., Ltd.	835,278,903.29	15,589,336,364.85	16,424,615,268.14	164,647.58	-	164,647.58
CGN Ninghe Investment Co., Ltd.	7,217,937,617.41	39,595,743,387.75	46,813,681,005.16	7,140,854,332.83	22,333,559,078.45	29,474,413,411.28
Ningde Nuclear	7,185,053,826.51	39,176,500,714.43	46,361,554,540.94	7,140,742,144.86	22,333,559,078.45	29,474,301,223.31
Taishan Investment	534,061.76	13,342,579,977.80	13,343,114,039.56	9,433.96	-	9,433.96
Fangchenggang Investment	4,543,561,936.00	64,657,561,548.59	69,201,123,484.59	13,651,240,618.35	38,165,352,175.90	51,816,592,794.25
Fangchenggang Nuclear	4,528,148,915.77	64,657,561,548.59	69,185,710,464.36	13,651,990,618.35	38,165,352,175.90	51,817,342,794.25

Name of subsidiary	December 31, 2022 (Restated)					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Yangjiang Nuclear	9,862,064,630.61	64,241,097,468.04	74,103,162,098.65	16,482,573,875.59	33,281,624,541.86	49,764,198,417.45
Taishan Nuclear	6,421,344,959.58	86,032,399,129.14	92,453,744,088.72	12,246,494,172.91	53,636,443,725.12	65,882,937,898.03
GNP/JVC	9,393,392,292.27	4,535,836,388.77	13,929,228,681.04	1,922,283,286.58	3,067,897,102.86	4,990,180,389.44
CGN Nuclear Power Investment Co., Ltd.	1,834,281,262.19	14,524,094,128.79	16,358,375,390.98	1,000,264,745.18	-	1,000,264,745.18
CGN Ninghe Investment Co., Ltd.	7,800,131,474.74	40,564,812,916.76	48,364,944,391.50	9,587,932,958.57	22,881,244,092.49	32,469,177,051.06
Ningde Nuclear	6,791,386,179.75	40,148,488,367.98	46,939,874,547.73	8,611,228,344.36	22,884,162,217.03	31,495,390,561.39
Taishan Investment	532,568.34	13,554,197,566.60	13,554,730,134.94	9,433.96	-	9,433.96
Fangchenggang Investment	4,097,248,713.18	63,801,631,262.67	67,898,879,975.85	13,977,282,354.29	37,882,105,785.77	51,859,388,140.06
Fangchenggang Nuclear	4,081,900,635.22	63,801,631,262.67	67,883,531,897.89	13,978,765,373.16	37,882,105,785.77	51,860,871,158.93

Name of subsidiary	For the period from January 1 to June 30, 2023				For the period from January 1 to June 30, 2022 (Restated)			
	Operating revenue	Net profit/(net loss)	Total comprehensive income	Cash flows from operating activities	Operating revenue	Net profit/(net loss)	Total comprehensive income	Cash flows from operating activities
Yangjiang Nuclear	9,134,081,477.61	3,585,302,365.43	3,585,302,365.43	5,445,711,863.64	8,785,208,274.19	3,025,497,972.57	3,025,497,972.57	4,342,923,697.36
Taishan Nuclear	2,797,393,101.70	(456,232,946.12)	(456,232,946.12)	1,911,966,545.86	2,504,023,096.91	(282,966,837.61)	(282,966,837.61)	1,362,556,579.35
GMPWC	4,325,808,518.59	2,251,865,842.57	2,467,429,333.46	1,750,658,550.53	3,629,506,400.64	1,827,131,945.32	2,157,816,313.67	1,392,628,828.19
CGN Nuclear Power Investment Co., Ltd.	-	1,052,388,286.79	1,052,388,286.79	(381,744.89)	-	912,542,170.89	912,542,170.89	(532,610.92)
CGN Ninghe Investment Co., Ltd.	5,483,390,433.07	1,427,372,721.29	1,427,372,721.29	2,730,696,946.83	4,987,984,058.91	893,115,988.99	893,115,988.99	2,400,154,933.21
Ningde Nuclear	5,483,390,433.07	1,426,641,799.14	1,426,641,799.14	2,730,981,609.31	4,987,984,058.91	893,562,683.03	893,562,683.03	2,400,629,797.24
Taishan Investment	-	(216,709,131.07)	(216,709,131.07)	1,493.42	-	(134,407,232.28)	(134,407,232.28)	1,936.34
Fangchenggang Investment	4,146,185,980.81	1,341,214,500.20	1,341,214,500.20	2,073,151,723.69	2,919,100,448.79	839,325,815.47	839,325,815.47	2,177,394,792.05
Fangchenggang Nuclear	4,146,935,980.81	1,341,882,576.80	1,341,882,576.80	2,073,184,439.32	2,919,100,448.79	838,750,163.49	838,750,163.49	2,176,760,171.34

(4) As at June 30, 2023 and December 31, 2022, there is no significant restriction on using the corporate group's assets and settling the corporate group's debts.

## 2. Interests in associates

### (1) Significant associates

Name of associate	Principle place of operation	Place of registration	Business nature	Shareholding (%)		Accounting treatment for Direct investment in associate
				Direct	Indirect	
Hongyanhe Nuclear	Dalian, Liaoning Province	Dalian, Liaoning Province	Nuclear power generation	-	45.00	Equity method
CGN Fund Phase I	Shenzhen, Guangdong Province	Beijing	Nuclear investment	38.82	-	Equity method
CGN Finance	Shenzhen, Guangdong Province	Shenzhen, Guangdong Province	Financial services	-	30.00	Equity method

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### (2) Significant financial information of significant associates

The following table sets out the significant financial information of the significant associates of the Group which represents the amounts following the adjustments made based on the fair value on investment and the adjustments following the adoption of consistent accounting policies. In addition, the following table also sets out the reconciliation of these financial information to the carrying amounts of investment in associates of the Group under the equity method:

Item	June 30, 2023/ For the period from January 1 to June 30, 2023			December 31, 2022/ For the period from January 1 to June 30, 2022 (Restated)		
	Hongyanhe Nuclear	CGN Fund Phase I	CGN Finance	Hongyanhe Nuclear	CGN Fund Phase I	CGN Finance
Current assets	11,426,394,801.72	326,138,304.64	22,503,628,267.98	11,260,723,610.40	742,655,477.34	18,986,985,966.53
Non-current assets	67,290,903,843.45	9,252,242,736.86	19,153,991,247.28	68,987,700,875.99	8,782,977,273.37	21,815,232,042.86
Total assets	78,717,298,645.17	9,578,381,041.50	41,657,619,515.26	80,248,424,486.39	9,525,632,750.71	40,802,218,009.39
Current liabilities	7,347,598,874.30	319,608.87	36,621,151,222.35	8,184,526,033.65	700,334,916.40	35,966,403,576.58
Non-current liabilities	51,551,349,640.70	-	7,905,364.01	53,413,779,027.58	-	56,175,991.41
Total liabilities	58,898,948,515.00	319,608.87	36,629,056,586.36	61,598,305,061.23	700,334,916.40	36,022,579,567.99
Equity attributable to the shareholders of the parent company	19,818,350,130.17	9,578,061,432.63	5,028,562,928.90	18,650,119,425.16	8,825,297,834.31	4,779,638,441.40
Share of net assets calculated as per shareholding	8,918,257,558.58	3,718,203,448.15	1,508,568,878.67	8,392,553,741.32	3,425,980,619.28	1,433,891,532.42
Adjustments						
- Goodwill occurred upon acquisition of investment	-	146,080,985.55	-	-	146,080,985.55	-
- Unrealized profits of internal transactions	(832,639,902.97)	(62,470,105.78)	-	(862,272,115.63)	(62,470,105.78)	-
Book value of equity investment in associates	8,085,617,655.61	3,801,814,327.92	1,508,568,878.67	7,530,281,625.69	3,509,591,499.05	1,433,891,532.42
Operating revenue	6,943,684,965.29	-	575,795,827.49	5,746,988,975.29	-	344,521,911.78
Net profit	1,149,477,161.85	746,463,107.10	218,018,804.42	742,842,213.29	566,156,404.41	234,475,651.24
Total comprehensive income	1,149,477,161.85	746,463,107.10	218,018,804.42	742,842,213.29	566,156,404.41	234,475,651.24
Dividends received from associates for the period	-	271,730,900.00	-	-	-	-

### (3) Consolidated financial information of insignificant associates

Item	June 30, 2023/ For the period from January 1 to June 30, 2023	December 31, 2022/ For the period from January 1 to June 30, 2022
Associates:		
Total book value of investment	1,318,155,149.65	1,183,439,819.90
The sum of the following items calculated as per shareholding		
- Net profit	61,778,390.22	44,623,500.66
- Other comprehensive income	(206,724.16)	(234,845.19)
- Total comprehensive income	61,571,666.06	44,388,655.47

(4) As at June 30, 2023 and December 31, 2022, there is no significant restriction on capacity of capital transfer from associates to the Group.

## (VIII) Risks Relevant to Financial Instruments

Major financial instruments of the Group include cash at bank and in hand, bills receivable, accounts receivable, other receivables, other investment in equity instruments, loans, bills payable, accounts payable, other payables, bonds payable etc. See Note (V) for details of the financial instruments. The following are risks relevant to these financial instruments and the risk management policies taken by the Group for reducing these risks. The management of the Group managed and supervised these risk exposures to keep the said risks under control.

The Group adopts sensitivity analysis method to analyze the potential impact of possible appropriate change in risk variables on current profits & losses or the shareholders' equity. As any risk variable seldom changes alone and correlation between variables greatly accounts for the final amount influenced by change of a certain risk variable, the following content is conducted under the assumption that change of each variable is independent.

### 1. Risk management objectives and policies

The Group's risk management objective is to achieve balance between risks and return, minimize the adverse effect of risks on the operating results of the Group and maximize the interests of shareholders and other equity investors. To achieve the said objective, the Group formulated a basic strategy of defining and analyzing various risks faced by the Group, setting a bottom line of risk tolerance and conducting timely and reliable supervision on the risks to keep them under control.

#### (1) Foreign exchange risk

Foreign exchange risk represents the risk of loss due to exchange rate changes. The Group's exposure to foreign exchange risk is mainly related to USD, EURO and GBP. Except for the GNPJVC which mainly conducts transactions denominated in USD, the Group's other major business activities are denominated and settled in RMB. On June 30, 2023 and December 31, 2022, except for the following balances of assets and liabilities, which are denominated in non-functional currency, the other assets and liabilities of the Group are functional currency balances. The foreign exchange risk arising from the assets and liabilities of the foreign currency balances described below may have an impact on the Group's operating results.

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

(a) Foreign currency assets and liabilities of the Group denominated in RMB

Item	June 30, 2023	December 31, 2022
Cash at bank and in hand – HKD	197,497.76	192,635.66
Cash at bank and in hand – USD	16,113,382.98	12,003,189.18
Cash at bank and in hand – EUR	92,546,857.45	117,326,055.51
Cash at bank and in hand – GBP	61,106,558.39	45,840,250.20
Accounts receivable – USD	–	5,457,351.63
Accounts receivable – HKD	4,615,213.62	4,471,624.07
Accounts receivable – EUR	10,597,021.20	10,535,055.49
Accounts receivable – GBP	1,213,811.55	12,275,821.77
Accounts receivable – CHF	558,018.17	522,147.85
Other receivables – USD	469,677.00	452,699.00
Other receivables – EUR	47,666,572.11	44,646,325.71
Accounts payable – HKD	7,271,532.81	6,161,086.53
Accounts payable – USD	77,363,585.24	45,976,285.18
Accounts payable – EUR	528,361,502.02	510,816,639.98
Accounts payable – GBP	525,592.37	1,133,651.91
Accounts payable – CHF	4,974,753.95	3,790,134.70
Accounts payable – SEK	1,001,250.00	–
Other payables – HKD	7,008.93	6,790.87
Other payables – USD	28,657.52	27,621.60
Other payables – EUR	2,078,949.99	3,792,085.04
Other payables – GBP	91,432.00	352,088.17
Non-current liabilities due within one year – EUR	760,284,923.85	716,446,276.07
Short-term loans – GBP	14,293,006.92	26,066,761.05
Long-term loans – EUR	1,922,067,518.51	2,173,130,571.83

(b) Foreign currency assets and liabilities of the Group denominated in USD

Item	June 30, 2023	December 31, 2022
Cash at bank and in hand – RMB	4,231,223,998.18	3,912,522,376.25
Cash at bank and in hand – GBP	37,174.21	34,126.89
Cash at bank and in hand – HKD	33,961.19	32,901.19
Cash at bank and in hand – EUR	111,183.96	104,773.14
Accounts receivable – HKD	11,741,769.18	11,376,456.68
Accounts receivable – RMB	3,736,009.17	4,003,652.98
Other receivables – RMB	1,820,143.84	10,604,005.28
Other receivables – HKD	7,008.93	6,790.87
Accounts payable – RMB	33,006,469.42	28,525,660.17
Accounts payable – GBP	228,231.46	216,667.50
Accounts payable – EUR	4,618,672.13	4,173,791.86
Other payables – RMB	207,973,405.24	387,934,925.07
Other payables – HKD	–	29,302.02
Employee benefits payable – RMB	2,785,966.67	3,788,025.80
Long-term loans – RMB	413,149,557.91	268,490,306.49
Taxes payable – RMB	17,479,182.56	25,116,153.98
Non-current liabilities due within one year – RMB	6,276,183.47	7,976,024.90
Lease liabilities – RMB	1,922,704.42	2,940,023.49

The management of the Group pays close attention to the influence of exchange rate fluctuations on the foreign exchange risk of the Group, and would consider hedging significant foreign exchange risk when necessary.

#### Sensitivity analysis of exchange rate risks

Assuming that all risk variables other than the exchange rate remain unchanged, as at June 30, 2023, if a foreign currency appreciated/depreciated by 5% against RMB as the reporting currency, profit before taxation of the Group would decrease or increase by RMB154,163,255.19 (December 31, 2022: decrease or increase by RMB161,698,841.85); if a foreign currency appreciated/depreciated by 5% against USD as the reporting currency, profit before taxation of the Group would increase or decrease by RMB178,063,543.77 (December 31, 2022: increase or decrease by RMB160,474,710.10).

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### (2) Interest rate risk – risk of changes in cash flow

The Group's risk of changes in cash flow of financial instruments which arise from changes in interest rates is mainly associated with bank loans at floating rate (see Note (V) 22, 29 and 31 for details). The Group continues to closely monitor the impact of interest rate changes on the Group's interest rate risk. The policies of the Group aim at maintaining the floating rates of these loans and there is not any interest rate swap arrangement at present.

#### Sensitivity analysis of interest rate risk

As at June 30, 2023, with other variables unchanged, if interest rate increased or decreased by 1%, profit before taxation for the year of bank loans (including short-term loans, long-term loans and non-current liabilities due within one year) held by the Group would decrease or increase by RMB1,886,484,669.38 (December 31, 2022: decrease or increase by RMB1,993,758,754.80).

### (3) Credit risk

On the balance sheet date, the maximum exposure to credit risk that may cause financial losses to the Group mainly arises from the losses incurred to the financial assets of the Group due to the failure of the other party to perform its obligations, which specifically include:

The carrying amount of the financial assets recognized in the consolidated balance sheet. For financial instruments measured at fair value, the book value reflects its risk exposure, but it is not the maximum risk exposure, and its maximum risk exposure will vary in line with future changes in fair value.

In order to reduce credit risk, the Group reviews the collection of receivables on each balance sheet date to ensure that adequate provision for expected credit loss is made for relevant financial assets. As a result, the management of the Group believes that the credit risk assumed by the Group has been significantly reduced.

The Group had taken necessary measures to make sure all customers have a good credit record. Except the top five accounts receivables, the Group had no other significant credit risk exposure concentrated at a single financial asset or a portfolio of financial assets with similar characteristics.

#### Accounts receivable from the top five customers for 2023

Item	June 30, 2023	December 31, 2022
Accounts receivable – Guangdong Power Grid Co., Ltd.	3,419,575,484.50	4,291,179,547.83
Accounts receivable – CGNPC New Energy Offshore Wind Power (Shanwei) Co., Ltd. (中廣核新能源海上風電(汕尾)有限公司)	2,417,596,593.64	2,417,596,593.64
Accounts receivable – CGN Shanwei New Energy Co., Ltd. (中廣核汕尾新能源有限公司)	1,882,893,222.14	2,330,006,728.28
Accounts receivable – Fujian Electric Power Co., Ltd.	1,131,192,235.18	926,993,289.85
Accounts receivable – CGN New Energy (Huizhou) Co., Ltd. (中廣核新能源(惠州)有限公司)	1,042,034,975.96	1,191,915,797.34
Total	9,893,292,511.42	11,157,691,956.94

#### (4) Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilization of bank loans and ensures compliance with loan agreements.

As at June 30, 2023, the current liabilities of the Group exceeded the current assets by RMB5,166,520,514.65. The Group had unutilized loan facilities from banks and other financial institutions equivalent to RMB191,060,766,662.10 in total, including loan facilities with a term of more than 12 months of RMB154,053,514,473.72. The management of the Group is of the view that the Group would have adequate financial resources to settle the financial obligations and commitments in future. Therefore, the financial statements have been prepared on the basis of going concern.

The following is the maturity analysis for financial liabilities held by the Group which is based on undiscounted remaining contractual obligations:

Item	June 30, 2023				Book value on the balance sheet
	Within one year	One to five years	Over five years	Total	
<b>Non-derivative financial liabilities:</b>					
Short-term loans	12,535,088,630.59	–	–	12,535,088,630.59	12,258,644,610.54
Bills payable	4,577,101,770.22	–	–	4,577,101,770.22	4,577,101,770.22
Accounts payable	22,063,645,910.02	–	–	22,063,645,910.02	22,063,645,910.02
Other payables	10,153,848,688.05	–	–	10,153,848,688.05	10,153,848,688.05
Non-current liabilities due within one year	22,666,490,310.62	–	–	22,666,490,310.62	22,120,454,280.35
Short-term bonds payable	1,824,055,890.41	–	–	1,824,055,890.41	1,820,771,506.85
Long-term loans	4,832,210,566.16	83,110,763,070.84	100,036,635,368.50	187,979,609,005.50	159,426,359,900.87
Bonds payable	74,470,833.33	2,585,254,861.11	–	2,659,725,694.44	2,495,723,694.78
Lease liabilities	–	311,824,824.58	289,317,236.60	601,142,061.18	517,628,747.96

## 2. Transfer of financial assets

- (1) As at June 30, 2023, the Group did not have financial assets that have been transferred but not derecognized.
- (2) As at June 30, 2023, the Group did not have financial assets that have been derecognized but continued its involvement in transferred financial assets.

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### (IX) Disclosure of Fair Value

#### 1. Closing fair value of assets and liabilities measured at fair value

Item	June 30, 2023			Total
	Level 1 fair value measurement	Level 2 fair value measurement	Level 3 fair value measurement	
<b>Recurring fair value measurement</b>				
Other investment in equity instruments	–	512,690,500.00	132,067,370.13	644,757,870.13
<b>Total assets continuously measured at fair value</b>	–	512,690,500.00	132,067,370.13	644,757,870.13
Cash-settled share-based payment	–	(14,537,789.34)	–	(14,537,789.34)
Foreign currency forward contracts	–	(707,561.54)	–	(707,561.54)
<b>Total liabilities continuously measured at fair value</b>	–	(15,245,350.88)	–	(15,245,350.88)

Item	December 31, 2022			Total
	Level 1 fair value measurement	Level 2 fair value measurement	Level 3 fair value measurement	
<b>Recurring fair value measurement</b>				
Other investment in equity instruments	–	437,756,200.00	132,067,370.13	569,823,570.13
<b>Total assets continuously measured at fair value</b>	–	437,756,200.00	132,067,370.13	569,823,570.13
Cash-settled share-based payment	–	(16,013,521.25)	–	(16,013,521.25)
<b>Total liabilities continuously measured at fair value</b>	–	(16,013,521.25)	–	(16,013,521.25)

## 2. Qualitative and quantitative information of valuation techniques and important parameters adopted for recurring level 2 fair value measurements

Item	Fair value at June 30, 2023	Fair value at December 31, 2022	Valuation technique	Inputs
Foreign currency forward contracts	(707,561.54)	–	Discounted cash flow approach	Forward exchange rate
Other investment in equity instruments	512,690,500.00	437,756,200.00	Market method	Net profit attributable to the parent company during the reporting period, non-operational assets, average price-earnings ratio of comparable companies, liquidity discount ratio of the investee
Cash-settled share-based payment	(14,537,789.34)	(16,013,521.25)	Black-Scholes Model	Share price, expected volatility, expected dividend yield

## 3. Qualitative and quantitative information of valuation techniques and important parameters adopted for recurring level 3 fair value measurements

Item	Fair value at June 30, 2023	Fair value at December 31, 2022	Valuation technique	Inputs
Other investment in equity instruments	132,067,370.13	132,067,370.13	Cost method	Investment costs

## 4. Reconciliation between the opening and closing carrying amount for recurring level 3 fair value measurements

There was no transfer in or out between different levels for the above-mentioned assets and liabilities continuously measured at fair value of the Group during the period.

## 5. Fair value of financial assets and financial liabilities not measured at fair value

The management of the Group believes that the book values of financial assets and financial liabilities measured at amortized cost in the financial statements are close to the fair values of the same.

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### (X) Related Parties and Related Party Transactions

#### 1. Parent company of the Company

Name of parent company	Place of registration	Nature of business	Registered capital	Shareholding of the parent company in the Company	Voting rights of the parent company in the Company
CGNPC	Shenzhen	Nuclear power industry	RMB14,873.3730 million	58.91%	58.91%

The parent company of the Company is CGNPC. The ultimate actual controlling shareholder is the SASAC.

#### 2. Subsidiaries of the Company

Details of the subsidiaries of the Company are set out in Note (VII) 1.

#### 3. Associates of the Company

Details of the significant associates of the Company are set out in Note (VII) 2.

Other associates which conduct related party transactions with the Group, or have balance arising from related party transactions with the Group in prior periods are as follows:

Name of associate	Relationship with the Company
Ningde Second Nuclear	Associate
Hongyanhe Nuclear	Associate
China Nuclear Industry Second and Third Construction Co., Ltd.	Associate
CIECC Engineering Company Limited	Associate
CGN Finance	Associate, under the control of the same party
CGN Fund Phase I	Associate, a non-controlling shareholder with significant influence on subsidiaries

#### 4. Other related parties

Name of other related parties	Relationship with the Company
Shanghai Engineering Science & Technology Co., Ltd. (上海中廣核工程科技有限公司) and its subsidiaries	Under the control of the same party
CGNPC Huasheng Investment Limited (中廣核華盛投資有限公司)	Under the control of the same party
CGN Taishan No. 2 Nuclear Power Co., Ltd. (中廣核台山第二核電有限公司)	Under the control of the same party
CGNPC International Limited (中廣核國際有限公司) and its subsidiaries	Under the control of the same party
CGN Huizhou Nuclear Power Co., Ltd. (中廣核惠州核電有限公司)	Under the control of the same party

Name of other related parties	Relationship with the Company
CGN Services Group and its subsidiaries	Under the control of the same party
CGN Environmental Protection Industry Co., Ltd. (中廣核環保產業有限公司) and its subsidiaries	Under the control of the same party
CGN Cangnan Nuclear Power Co., Ltd. (中廣核蒼南核電有限公司)	Under the control of the same party
CGN Capital Holdings Co., Ltd. (中廣核資本控股有限公司) and its subsidiaries	Under the control of the same party
Shenzhen Nengzhahui Investment Co., Ltd. (深圳市能之匯投資有限公司) and its subsidiaries	Under the control of the same party
CGNPC Uranium Resources Co., Ltd. and its subsidiaries	Under the control of the same party
CGN Wind Energy Co., Ltd. and its subsidiaries	Under the control of the same party
Xianning Nuclear Power Co., Ltd. (咸寧核電有限公司)	Under the control of the same party
Lingwan Nuclear Power Co., Ltd. (嶺灣核電有限公司)	Under the control of the same party
HKNIC	Non-controlling shareholders with significant influence on subsidiaries
Framatome Inc.	Non-controlling shareholders with significant influence on subsidiaries
Guangdong Electric Power Design Institute of China Energy Engineering Group	Non-controlling shareholders with significant influence on subsidiaries
EDF International and its subsidiaries	Non-controlling shareholders with significant influence on subsidiaries
EDF (China) Holding Ltd.	Non-controlling shareholders with significant influence on subsidiaries
Guangdong Energy Group Co., Ltd. (廣東省能源集團有限公司)	Non-controlling shareholders with significant influence on subsidiaries
Guangxi GI Energy Group Co., Ltd. (廣西廣投能源集團有限公司)	Non-controlling shareholders with significant influence on subsidiaries
CLP Nuclear Power (Yangjiang) Limited	Non-controlling shareholders with significant influence on subsidiaries
Datang International Power Generation Co., Ltd. (大唐國際發電股份有限公司)	Non-controlling shareholders with significant influence on subsidiaries
Fujian Energy Group Co., Ltd. (福建省能源集團有限責任公司) and its subsidiaries	Non-controlling shareholders with significant influence on subsidiaries
Definite Arise Limited	An associate of the ultimate controlling party
Hualong Pressurized Water Reactor Technology Corporation, Ltd. (華龍國際核電技術有限公司)	A joint venture of the ultimate controlling party

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### 5. Related party transactions

#### (1) Related party transactions for purchase and sale of goods, rendering and acceptance of services:

Purchase of goods/Acceptance of services:

Related party	Related party transaction	For the period from January 1 to June 30, 2023	For the period from January 1 to June 30, 2022
CGNPC Uranium Resources Co., Ltd. and its subsidiaries	Purchase of goods/acceptance of services	2,992,800,477.81	2,374,235,327.95
Framatome Inc.	Purchase of goods/acceptance of services	715,554,115.97	450,022,045.15
China Nuclear Industry Second and Third Construction Co., Ltd. (中國核工業二三建設有限公司)	Purchase of goods/acceptance of services	680,102,781.02	464,158,627.57
Shanghai Engineering Science & Technology Co., Ltd. (上海中廣核工程科技有限公司) and its subsidiaries	Purchase of goods/acceptance of services	616,104,744.32	284,760,818.28
CGN Services Group and its subsidiaries	Purchase of goods/acceptance of services	551,342,737.82	468,267,865.52
CGN Environmental Protection Industry Co., Ltd. (中廣核環保產業有限公司) and its subsidiaries	Purchase of goods/acceptance of services	36,612,550.99	23,731,439.63
Hongyanhe Nuclear	Purchase of goods/acceptance of services	20,229,930.14	23,497,285.29
Shenzhen Nengzhahui Investment Co., Ltd. (深圳市能之匯投資有限公司) and its subsidiaries	Purchase of goods/acceptance of services	18,823,905.08	2,168,029.08
Guangdong Electric Power Design Institute of China Energy Engineering Group	Purchase of goods/acceptance of services	13,099,325.04	-
CGNPC	Purchase of goods/acceptance of services	4,762,878.95	1,315,718.00
Datang International Power Generation Co., Ltd. (大唐國際發電股份有限公司)	Purchase of goods/acceptance of services	-	69,664,007.45
Others	Purchase of goods/acceptance of services	17,209,529.43	19,247,474.57
<b>Total</b>	<b>Purchase of goods/acceptance of services</b>	<b>5,666,642,976.57</b>	<b>4,181,068,638.49</b>

Sale of goods/Rendering of services:

Related party	Related party transaction	For the period from January 1 to June 30, 2023	For the period from January 1 to June 30, 2022
HKNIC	Sale of electricity	3,322,409,187.38	2,776,722,372.84
Hongyanhe Nuclear	Sale of goods/rendering of services	458,364,990.75	446,120,616.91
CGN Cangnan Nuclear Power Co., Ltd. (中廣核蒼南核電有限公司)	Sale of goods/rendering of services	18,108,452.84	12,235,744.00
CGN Huizhou Nuclear Power Co., Ltd. (中廣核惠州核電有限公司)	Sale of goods/rendering of services	16,051,762.58	12,295,491.99
CGN Wind Energy Co., Ltd. and its subsidiaries	Sale of goods/rendering of services	14,920,820.93	4,084,651.07
CGNPC Uranium Resources Co., Ltd. and its subsidiaries	Sale of goods/rendering of services	8,693,286.30	2,715,155.23
CGNPC International Limited (中廣核國際有限公司) and its subsidiaries	Sale of goods/rendering of services	1,728,069.61	2,346,080.70
Shanghai Engineering Science & Technology Co., Ltd. (上海中廣核工程科技有限公司) and its subsidiaries	Sale of goods/rendering of services	674,493.83	1,509,434.00
CGNPC	Sale of goods/rendering of services	-	201,745,853.31
Others	Sale of goods/rendering of services	7,230,010.28	17,496,766.33
<b>Total</b>		<b>3,848,181,074.50</b>	<b>3,477,272,166.38</b>

Provision of construction, installation and design services:

Related party	Related party transaction	For the period from January 1 to June 30, 2023	For the period from January 1 to June 30, 2022
CGN Huizhou Nuclear Power Co., Ltd. (中廣核惠州核電有限公司)	Provision of construction, installation and design services	3,169,240,144.31	1,892,266,096.21
CGN Cangnan Nuclear Power Co., Ltd. (中廣核蒼南核電有限公司)	Provision of construction, installation and design services	2,653,788,616.75	1,317,006,567.16
CGN Wind Energy Co., Ltd. and its subsidiaries	Provision of construction, installation and design services	1,101,592,233.75	3,885,597,683.36
Ningde Second Nuclear	Provision of construction, installation and design services	144,428,013.36	83,208,661.01
Hongyanhe Nuclear	Provision of construction, installation and design services	103,999,408.90	469,375,300.05
CGNPC International Limited (中廣核國際有限公司) and its subsidiaries	Provision of construction, installation and design services	-	199,650,040.78
Others	Provision of construction, installation and design services	527,150.53	1,358,460.40
<b>Total</b>		<b>7,173,575,567.60</b>	<b>7,848,462,808.97</b>

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### (2) Related party transactions for leasing

The Group as lessor:

Name of lessee	Type of leased assets	Rental income recognized for the period from January 1 to June 30, 2023	Rental income recognized for the period from January 1 to June 30, 2022
Shanghai Engineering Science & Technology Co., Ltd. (上海中廣核工程科技有限公司) and its subsidiaries	Buildings	1,397,824.02	1,813,880.24
CGN Services Group and its subsidiaries	Buildings	1,214,332.47	1,557,022.77
Others	Buildings	11,009.17	9,541.28
Total		2,623,165.66	3,380,444.29

The Group as lessee:

Name of lessor	Type of leased assets	Transaction amount for the period from January 1 to June 30, 2023 (Note)	Transaction amount for the period from January 1 to June 30, 2022 (Note)
CGNPC	Buildings	43,190,227.09	35,209,992.20
CGN Services Group and its subsidiaries	Buildings	7,125,996.81	7,775,103.02
Shanghai Engineering Science & Technology Co., Ltd. (上海中廣核工程科技有限公司) and its subsidiaries	Buildings	3,786,935.78	4,623,921.87
Others	Buildings	918,364.97	-
Total		55,021,524.65	47,609,017.09

Note: Transaction amount includes the lease principal paid, handling fees and interest.

### (3) Related party transactions for funds lending

Related party	Amount borrowed	Start date	Expiry date
Borrowing from			
CGN Finance	13,444,618,821.54	Irregular	Irregular
CGNPC Huasheng Investment Limited (中廣核華盛投資有限公司)	13,587,097.13	Irregular	Irregular
<b>Total</b>	<b>13,458,205,918.67</b>		

Related party	Amount repaid	Repayment date
Repayment to		
CGN Finance	18,336,226,257.99	Irregular
CGNPC Huasheng Investment Limited (中廣核華盛投資有限公司)	25,345,394.69	Irregular
Hualong Pressurized Water Reactor Technology Corporation, Ltd. (華龍國際核電技術有限公司)	100,000,000.00	2023-6-30
<b>Total</b>	<b>18,461,571,652.68</b>	

### (4) Related party transactions for asset transfer

For the period from January 1, 2023 to June 30, 2023, there was no related party transaction for asset transfer.

### (5) Emoluments for key management

Item	For the period from January 1 to June 30, 2023	For the period from January 1 to June 30, 2022
Emoluments for key management	5,778,666.11	12,044,139.11

Note: Remuneration data for the previous period included the bonuses for the three-year business performance appraisal plan from 2019 to 2021.

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

For the period from January 1, 2023 to June 30, 2023, the remuneration of each director was as follows:

	Directors' salaries	Wages and allowances	Bonus	Retirement benefits	Total
<b>Chairman and non-executive director</b>					
Yang Changli	-	-	-	-	-
<b>Executive director and president</b>					
Gao Ligang	-	194,275.97	296,740.00	68,037.00	559,052.97
<b>Non-executive directors</b>					
Shi Bing	-	-	-	-	-
Gu Jian	-	-	-	-	-
Feng Jian (Note 1)	-	-	-	-	-
<b>Independent non-executive directors</b>					
Tang Chi Cheung	30,000.00	-	-	-	30,000.00
Li Fuyou	30,000.00	-	-	-	30,000.00
Yang Jiayi	30,000.00	-	-	-	30,000.00
Xia Ceming	30,000.00	-	-	-	30,000.00
<b>Total</b>	<b>120,000.00</b>	<b>194,275.97</b>	<b>296,740.00</b>	<b>68,037.00</b>	<b>679,052.97</b>

Note 1: Appointed on February 10, 2023.

For the period from January 1, 2022 to June 30, 2022, the remuneration of each director was as follows:

	Directors' salaries	Wages and allowances	Bonus	Retirement benefits	Total
<b>Chairman and non-executive director</b>					
Yang Changli	-	-	-	-	-
<b>Executive director and president</b>					
Gao Ligang	-	180,773.97	167,016.00	60,594.24	408,384.21
Jiang Dajin (Note 1)	-	386,645.97	926,064.00	61,623.36	1,374,333.33
<b>Non-executive directors</b>					
Shi Bing	-	-	-	-	-
Gu Jian	-	-	-	-	-
Wang Hongjun (Note 2)	-	-	-	-	-
<b>Independent non-executive directors</b>					
Tang Chi Cheung	30,000.00	-	-	-	30,000.00
Li Fuyou	30,000.00	-	-	-	30,000.00
Yang Jiayi	30,000.00	-	-	-	30,000.00
Xia Ceming	30,000.00	-	-	-	30,000.00
<b>Total</b>	<b>120,000.00</b>	<b>567,419.94</b>	<b>1,093,080.00</b>	<b>122,217.60</b>	<b>1,902,717.54</b>

Note 1: Resigned on December 28, 2022.

Note 2: Appointed on October 27, 2021 and resigned on December 23, 2022.

For the period from January 1, 2023 to June 30, 2023, the remuneration of each supervisor was as follows:

	Supervisors' salaries	Wages and allowances	Bonus	Retirement benefits	Total
<b>Supervisors</b>					
Zhu Hui	–	211,152.29	478,151.00	37,419.76	726,723.05
Wang Hongxin	–	381,771.97	394,496.00	56,449.32	832,717.29
<b>Independent supervisor</b>					
Pang Xiaowen	–	–	–	–	–
Zhang Baishan	–	–	–	–	–
<b>Total</b>	–	592,924.26	872,647.00	93,869.08	1,559,440.34

For the period from January 1, 2022 to June 30, 2022, the remuneration of each supervisor was as follows:

	Supervisors' salaries	Wages and allowances	Bonus	Retirement benefits	Total
<b>Supervisors</b>					
Zhu Hui	–	337,943.80	751,182.00	55,710.24	1,144,836.04
Wang Hongxin	–	354,854.30	683,299.00	56,029.92	1,094,183.22
<b>Independent supervisors</b>					
Chen Sui (Note 1)	–	–	–	–	–
Hu Yaoqi (Note 2)	–	–	–	–	–
Pang Xiaowen (Note 3)	–	–	–	–	–
Zhang Baishan	–	–	–	–	–
<b>Total</b>	–	692,798.10	1,434,481.00	111,740.16	2,239,019.26

Note 1: Resigned on April 11, 2022.

Note 2: Resigned on April 1, 2022.

Note 3: Appointed on May 27, 2022.

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

For the period from January 1, 2023 to June 30, 2023, the remuneration of each member of senior management was as follows:

	Senior management's salaries	Wages and allowances	Bonus	Retirement benefits	Total
<b>Senior management</b>					
Zhou Jianping (Note 1)	–	397,283.97	578,714.00	61,461.32	1,037,459.29
Liu Haijun (Note 2)	–	345,118.16	665,747.46	63,718.22	1,074,583.84
Yin Engang	–	343,215.97	355,033.00	59,024.04	757,273.01
Qin Yuxin	–	348,827.92	255,437.50	66,591.24	670,856.66
<b>Total</b>	–	1,434,446.02	1,854,931.96	250,794.82	3,540,172.80

Note 1: Appointed on January 4, 2023.

Note 2: Appointed on January 4, 2023.

For the period from January 1, 2022 to June 30, 2022, the remuneration of each member of senior management was as follows:

	Senior management's salaries	Wages and allowances	Bonus	Retirement benefits	Total
<b>Senior management</b>					
Su Shengbing (Note 1)	–	451,350.51	2,002,731.52	51,352.80	2,505,434.83
Chen Yingjian (Note 2)	–	367,817.97	757,541.00	61,623.36	1,186,982.33
Yin Engang	–	350,740.64	916,867.00	58,604.64	1,326,212.28
Qin Yuxin	–	345,551.40	2,476,598.11	61,623.36	2,883,772.87
<b>Total</b>	–	1,515,460.52	6,153,737.63	233,204.16	7,902,402.31

Note 1: Resigned on June 1, 2022.

Note 2: Resigned on August 1, 2022.

For the period from January 1, 2023 to June 30, 2023 and for the period from January 1, 2022 to June 30, 2022, the five highest paid individuals were neither the directors of the Group nor the supervisors of the Group:

The remuneration of five highest paid individuals is as follows:

Unit: RMB

	For the period from January 1 to June 30, 2023	For the period from January 1 to June 30, 2022
Wages and allowances	1,925,159.80	1,713,588.41
Bonus	7,466,398.47	11,988,624.53
Retirement benefits	268,766.88	306,895.68
<b>Total</b>	<b>9,660,325.15</b>	<b>14,009,108.62</b>

The above wages and allowances mainly include basic salaries and comprehensive subsidies. Bonuses are determined based on the performance of the Group and individuals.

The remuneration of five highest paid individuals by band:

	For the period from January 1 to June 30, 2023	For the period from January 1 to June 30, 2022
HKD1,500,001 to HKD2,000,000 (equivalent to RMB1,339,800 to RMB1,786,400.00)	3	-
HKD2,000,001 to HKD2,500,000 (equivalent to RMB1,786,400.00 to RMB2,233,000.00)	1	-
HKD2,500,001 to HKD3,000,000 (equivalent to RMB2,233,000.00 to RMB2,679,600.00)	1	-
HKD3,000,001 to HKD3,500,000 (equivalent to RMB2,679,600.00 to RMB3,126,200.00)	-	5
<b>Total</b>	<b>5</b>	<b>5</b>

For the period from January 1 to June 30, 2023 and for the period from January 1 to June 30, 2022, the Group did not pay any directors, supervisors or the five highest paid individuals as incentives or resignation compensation for joining the Group or when joining the Group. No director or supervisor has waived any remuneration.

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### (6) Other related party transactions

Item	For the period from January 1 to June 30, 2023	For the period from January 1 to June 30, 2022
Interest income – CGN Finance	137,042,302.03	64,198,445.71
Interest income – Others	460.37	109.84
Total	137,042,762.40	64,198,555.55
Interest expenses – CGN Finance	132,989,168.00	194,786,390.18
Interest expenses – CGNPC	14,809,319.45	12,871,111.11
Interest expenses – CGNPC Huasheng Investment Limited (中廣核華盛投資有限公司)	612,489.48	359,632.86
Interest expenses – Hualong Pressurized Water Reactor Technology Corporation, Ltd. (華龍國際核電技術有限公司)	2,102,500.00	2,508,469.44
Interest expenses – CGN Capital Holdings Co., Ltd. (中廣核資本控股有限公司) and its subsidiaries	–	10,106,590.41
Total	150,513,476.93	220,632,194.00
Fee (refund)/expenses – CGN Finance	(100,163.28)	513,934.64
Total	(100,163.28)	513,934.64

## 6. Amounts due from/due to related parties

### (1) Receivables

Item name	Related party	June 30, 2023		December 31, 2022	
		Carrying balance	Bad debt provisions	Carrying balance	Bad debt provisions
Cash at bank and in hand	CGN Finance	16,615,063,904.93	-	14,430,272,164.33	-
	CGNPC Huasheng Investment Limited (中廣核華盛投資有限公司)	116,598,055.79	-	121,617,978.22	-
	<b>Total</b>	<b>16,731,661,960.72</b>	<b>-</b>	<b>14,551,890,142.55</b>	<b>-</b>
Accounts receivable	CGN Wind Energy Co., Ltd. and its subsidiaries CGNPC International Limited (中廣核國際有限公司) and its subsidiaries	6,217,879,182.53	183,400,839.32	6,891,356,134.06	129,608,314.02
	HKNIC	672,119,917.65	18,883,422.86	677,520,319.65	14,269,934.05
	CGN Huizhou Nuclear Power Co., Ltd. (中廣核惠州核電有限公司)	666,488,954.34	1,023,393.23	328,799,779.14	986,399.36
	CGN Hui Zhou Nuclear Power Co., Ltd. (中廣核惠州核電有限公司)	604,521,945.35	1,882,451.06	496,784,941.38	1,490,354.82
	Hongyanhe Nuclear	286,978,119.14	1,383,392.04	304,061,563.83	1,489,191.30
	Shanghai Engineering Science & Technology Co., Ltd. (上海中廣核工程科技有限公司) and its subsidiaries	28,957,683.83	589,074.62	36,130,464.80	247,279.61
	CGNPC	20,394,000.00	296,182.00	20,780,000.00	297,340.00
	CGNPC Uranium Resources Co., Ltd. and its subsidiaries	17,883,855.55	534,466.61	49,743,952.81	166,668.86
	CGN Cangnan Nuclear Power Co., Ltd. (中廣核蒼南核電有限公司)	7,839,512.42	38,518.47	19,589,598.02	58,768.80
	CGN Services Group and its subsidiaries	5,603,621.20	26,955.58	4,643,188.75	13,402.55
	Shenzhen Nengzhahui Investment Co., Ltd. (深圳市能之匯投資有限公司) and its subsidiaries	3,264,935.68	9,794.81	4,204,422.19	12,613.28
	CGN Environmental Protection Industry Co., Ltd. (中廣核環保產業有限公司) and its subsidiaries	2,713,357.83	290,185.42	2,991,856.97	333,394.71
	Others	3,307,589.66	232,232.36	3,329,582.80	46,612.00
	<b>Total</b>	<b>8,537,952,675.18</b>	<b>208,590,908.38</b>	<b>8,839,935,804.40</b>	<b>149,020,273.36</b>
Prepayments	CGNPC Uranium Resources Co., Ltd. and its subsidiaries	8,652,739,687.18	-	8,255,144,383.48	-
	China Nuclear Industry Second and Third Construction Co., Ltd. (中國核工業二三建設有限公司)	463,001,727.01	-	335,381,497.69	-
	Framatome Inc.	368,427,461.71	-	372,647,403.49	-
	Shanghai Engineering Science & Technology Co., Ltd. (上海中廣核工程科技有限公司) and its subsidiaries	203,148,845.31	-	205,272,609.11	-
	CGN Services Group and its subsidiaries	61,817,547.18	-	56,338,676.61	-
	Others	4,913,143.69	-	8,564,669.56	-
<b>Total</b>	<b>9,754,048,412.08</b>	<b>-</b>	<b>9,233,349,239.94</b>	<b>-</b>	

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

Item name	Related party	June 30, 2023		December 31, 2022	
		Carrying balance	Bad debt provisions	Carrying balance	Bad debt provisions
Contract assets	CGN Cangnan Nuclear Power Co., Ltd. (中廣核蒼南核電有限公司)	741,473,482.95	344,647.92	114,859,953.64	344,579.86
	Hongyanhe Nuclear	705,194,982.09	1,777,682.84	592,449,797.28	1,777,349.39
	CGN Wind Energy Co., Ltd. and its subsidiaries	477,647,623.55	692,354.38	229,803,952.22	689,411.86
	CGN Huizhou Nuclear Power Co., Ltd. (中廣核惠州核電有限公司)	193,766,103.07	1,086,510.39	362,170,129.79	1,086,510.39
	Xianning Nuclear Power Co., Ltd. (咸寧核電有限公司)	138,681,326.42	416,043.98	138,681,326.42	416,043.98
	CGN Taishan No. 2 Nuclear Power Co., Ltd. (中廣核台山第二核電有限公司)	40,319,145.80	120,957.44	40,319,145.80	120,957.44
	Ningde Second Nuclear	30,329,007.85	752,422.98	250,807,657.82	752,422.98
	Others	1,729,480.86	5,188.44	1,657,532.86	4,972.60
	Total	2,329,141,152.59	5,195,808.37	1,730,749,495.83	5,192,248.50
	Other receivables	CGN Fund Phase I	-	-	271,730,900.00
China Nuclear Industry Second and Third Construction Co., Ltd. (中國核工業二三建設有限公司)		-	-	17,055,240.81	51,165.72
CGN Services Group and its subsidiaries		14,981,749.45	12,763,113.25	15,118,397.46	12,763,113.25
Hongyanhe Nuclear		-	-	5,087,156.82	15,261.47
CGN Huizhou Nuclear Power Co., Ltd. (中廣核惠州核電有限公司)		-	-	417,000.00	1,251.00
Others		286,227.28	1,370.57	141,084.24	423.25
Total		15,267,976.73	12,764,483.82	309,549,779.33	12,831,214.69
Others non-current assets	CGNPC Uranium Resources Co., Ltd. and its subsidiaries	2,041,299,971.66	-	1,590,800,720.14	-
	Shanghai Engineering Science & Technology Co., Ltd. (上海中廣核工程科技有限公司) and its subsidiaries	6,893,518.80	-	2,939,990.00	-
	Shenzhen Nengzhahui Investment Co., Ltd. (深圳市能之匯投資有限公司) and its subsidiaries	3,917,020.41	-	2,447,020.41	-
	Others	-	-	138,000.00	-
	Total	2,052,110,510.87	-	1,596,325,730.55	-

## (2) Payables

Item name	Related party	June 30, 2023	December 31, 2022
Accounts payable	CGN Services Group and its subsidiaries	526,647,260.07	521,937,343.55
	Shanghai Engineering Science & Technology Co., Ltd. (上海中廣核工程科技有限公司) and its subsidiaries	470,963,398.47	493,199,817.75
	CGNPC Uranium Resources Co., Ltd. and its subsidiaries	344,723,420.45	367,142,570.28
	Framatome Inc.	167,181,138.63	177,289,585.43
	China Nuclear Industry Second and Third Construction Co., Ltd. (中國核工業二三建設有限公司)	132,283,770.71	100,604,190.91
	Hualong Pressurized Water Reactor Technology Corporation, Ltd. (華龍國際核電技術有限公司)	50,943,396.21	6,076,415.10
	CGN Environmental Protection Industry Co., Ltd. (中廣核環保產業有限公司) and its subsidiaries	50,666,006.90	58,229,820.02
	CGN Finance	28,832,459.85	41,974,721.61
	Shenzhen Nengzhahui Investment Co., Ltd. (深圳市能之匯投資有限公司) and its subsidiaries	22,239,296.33	17,341,066.73
	Hongyanhe Nuclear	20,126,320.27	9,851,245.09
	CGNPC	7,478,508.35	39,095,847.61
	CGNPC International Limited (中廣核國際有限公司) and its subsidiaries	3,198,591.78	9,148,482.69
	Others	1,171,037.99	14,353,985.53
	<b>Total</b>	<b>1,826,454,606.01</b>	<b>1,856,245,092.30</b>
Contract liabilities	CGN Huizhou Nuclear Power Co., Ltd. (中廣核惠州核電有限公司)	540,000,746.62	359,357,081.67
	Ningde Second Nuclear	490,631,447.30	–
	CGN Wind Energy Co., Ltd. and its subsidiaries	193,572,496.33	664,103,733.62
	CGNPC International Limited (中廣核國際有限公司) and its subsidiaries	86,069,692.69	76,673,190.05
	CGN Cangnan Nuclear Power Co., Ltd. (中廣核蒼南核電有限公司)	82,531,036.28	188,489,514.06
	Hongyanhe Nuclear	69,123,831.75	57,266,956.20
	Xianning Nuclear Power Co., Ltd. (咸寧核電有限公司)	37,528,979.34	37,528,979.34
	CGNPC	37,441,374.51	37,441,374.51
	Lingwan Nuclear Power Co., Ltd. (嶺灣核電有限公司)	15,673,779.03	16,200,929.56
	CGN Taishan No. 2 Nuclear Power Co., Ltd. (中廣核台山第二核電有限公司)	13,284,310.45	13,284,310.45
	Others	962,962.36	962,962.36
	<b>Total</b>	<b>1,566,820,656.66</b>	<b>1,451,309,031.82</b>

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

Item name	Related party	June 30, 2023	December 31, 2022
Short-term loans	CGN Finance	451,219,584.11	4,875,362,896.60
	Hualong Pressurized Water Reactor Technology Corporation, Ltd. (華龍國際核電技術有限公司)	100,088,611.11	200,180,277.78
	CGNPC Huasheng Investment Limited (中廣核華盛投資有限公司)	14,450,907.85	26,067,095.08
	Total	565,759,103.07	5,101,610,269.46
Long-term loans	CGN Finance	7,624,893,475.84	9,312,645,815.18
	CGNPC	950,000,000.00	950,000,000.00
	Total	8,574,893,475.84	10,262,645,815.18
Other payables	CGNPC	2,580,295,414.59	42,029,242.20
	CGN Wind Energy Co., Ltd. and its subsidiaries	1,626,258,445.35	1,626,141,158.97
	CLP Nuclear Power (Yangjiang) Limited	746,796,517.91	204,000,000.00
	Guangdong Energy Group Co., Ltd. (廣東省能源集團有限公司)	746,796,517.91	204,000,000.00
	CGN Fund Phase I	307,504,448.55	730,782,200.00
	CGN Services Group and its subsidiaries	14,687,546.35	11,644,644.28
	Guangdong Electric Power Design Institute of China Energy Engineering Group	6,817,792.96	101,806,464.36
	CGN Huizhou Nuclear Power Co., Ltd. (中廣核惠州核電有限公司)	2,676,822.03	14,111,237.49
	China Nuclear Industry Second and Third Construction Co., Ltd. (中國核工業二三建設有限公司)	2,387,373.50	2,057,373.50
	CGNPC Uranium Resources Co., Ltd. and its subsidiaries	1,821,298.75	1,817,966.56
	CIECC Engineering Company Limited (中諮工程有限公司)	1,285,500.00	920,000.00
	Others	3,952,735.42	7,465,964.00
		Total	6,041,280,413.32
Lease liabilities	CGNPC	16,555,627.34	56,601,003.80
	CGN Services Group and its subsidiaries	22,701,400.58	34,113,975.34
	Hongyanhe Nuclear	64,054.79	438,607.76
	Others	992,601.35	979,067.68
	Total	40,313,684.06	92,132,654.58
Non-current liabilities due within one year	CGN Finance	2,043,737,325.77	829,868,693.00
	CGNPC	124,229,505.14	90,545,978.24
	CGN Services Group and its subsidiaries	26,774,867.86	19,744,054.08
	Shanghai Engineering Science & Technology Co., Ltd. (上海中廣核工程科技有限公司) and its subsidiaries	3,721,666.76	7,357,973.16
	Others	1,111,891.71	1,467,787.62
	Total	2,199,575,257.24	948,984,486.10

## (XI) Share-based Payment

### 1. Overall share-based payment

Item	Unit: Units	
	During the period from January 1 to June 30, 2023 Second batch	During the period from January 1 to June 30, 2022 Second batch
Total equity instruments of the Company at the beginning of the period	61,024,700	260,504,100
Total equity instruments granted by the Company during the period	–	–
Total equity instruments exercised by the Company during the period	14,133,500	9,868,800
Total equity instruments of the Company that have expired during the period	–	4,646,900
Total equity instruments of the Company at the end of the period	46,891,200	245,988,400
The range of exercise prices of outstanding share appreciation rights of the Company at the end of the period and the remaining period of the contracts	HKD1.6440 0.45 year	HKD1.6440 0.45 – 2.45 years

The Group has set up a H-share Appreciation Rights (“SAR”) Scheme (the “Scheme”) for core staff who exert significant impact on the Company’s strategic target, including certain directors of the Company (excluding the non-executive Directors and independent non-executive Directors), senior management and core technical and management staff of the Company who have exerted direct influence on the overall results and sustainable development of the Company (“Incentive Recipients”). The Scheme was approved at the annual general meeting of the Company on June 12, 2015. Supervisors of the Company (the “Supervisors”) are not Incentive Recipients.

The initial implementation plan of the SAR was approved by the Board on November 5, 2015. Pursuant to the initial scheme, 256,240,000 units of SAR were granted by the Group to Incentive Recipients (including Hongyanhe Nuclear) at the exercise price of HKD3.50 per share. Since the price of H shares was yet to meet the exercise condition, all of the three tranches of SAR for the first grant expired and lapsed.

The second stage of the implementation plan of the SAR was approved by the Board on December 14, 2017. Pursuant to the scheme, 568,970,000 units of SAR were granted by the Group to Incentive Recipients (including Hongyanhe Nuclear) at the exercise price of HKD2.09 per share. One-third of the total number of SAR are vested and entitled on or after December 16, 2019 (invalid upon expiry), one-third of the total number of SAR are vested and entitled on or after December 15, 2020 and the remaining one-third of the total number of SAR are vested and entitled on or after December 15, 2021. However, as some performance indicators did not meet the conditions for exercising the rights, the remaining SAR did not take effect, and the relevant costs and expenses recognized in the previous periods amounting to RMB54,436,365.58 were reversed in 2022.

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

According to the exercise arrangement of the second grant of the incentive scheme, if events such as capitalization of capital reserve, distribution of bonus shares, share subdivision or consolidation, rights issue, secondary offering or dividend distribution occur to the listed company before the exercise of SAR, corresponding adjustment to the exercise price of SAR shall be made. However, under no circumstances shall any adjustment results in the exercise price being lower than the par value of the shares. The adjustments to the exercise price of SAR are as follows:

Date of Board approval	Stock price (HKD/share)	
	Before adjustment	After adjustment
January 8, 2020	2.0900	1.9223
May 20, 2020	1.9223	1.8393
April 22, 2021	1.8393	1.7427
May 20, 2022	1.7427	1.6440

Each unit of SAR is notionally linked to one H Share and represents the rights conferred on the relevant Incentive Recipients to receive in cash stipulated earnings from the increase in market value of the relevant H share. The SAR will have to be exercised within the specified services periods and the exercise period is three years after the respective vesting dates. In addition, the exercise of SAR is also subject to the performance condition of the Group and Incentive Recipients including achievements of certain performance targets.

A total of 0 unit under the second stage of the implementation plan of the SAR expired. A total of 14,133,500 units under the second stage of the implementation plan of the SAR were exercised during this period.

## 2. Cash-settled share-based payment

Unit: RMB

Item	For the period from January 1 to June 30, 2023	For the period from January 1 to June 30, 2022
Methods for determining fair value of liabilities undertaken by the Company and calculated by share or other equity instruments	Black-Scholes options valuation model	Black-Scholes options valuation model
Accumulated liabilities arising from cash-settled share-based payment in liabilities	14,537,789.34	75,715,882.89
Total fees recognized in respect of cash-settled share-based payment during the period	4,107,744.22	(56,547,790.00)

The fair value of the SAR is measured by using the Black-Scholes Model, inputs used in the model are as follows:

Item	June 30, 2023	December 31, 2022
Share price (HKD)	1.8900	1.8600
Expected volatility	21.70%	28.24%
Expected dividend yield	5.119%	5.306%

The second stage of the implementation plan of the SAR:

Item	June 30, 2023	December 31, 2022
Exercise price (HKD)	1.6440	1.6440
Expected term	0.45 year	0.95 year
Risk-free rate	4.185%	4.300%
Fair value (HKD)	0.3363	0.2938

The variables and assumptions used in computing the fair value of the SAR are based on the Directors' best estimate. Changes in variables of specific assumptions may result in changes in the value of the SAR. The expected volatility is determined with reference to the historical volatility of the stock prices of the Group and other listed power generation companies. The expected term used in the model has been adjusted based on the management's best estimates on the restrictions imposed in respect of the non-transferability and behavioral considerations.

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### (XII) Commitments and Contingencies

#### 1. Important commitments

##### Capital commitments

Item	June 30, 2023	December 31, 2022
Commitment of acquisition and construction of long-term assets	12,701,857,659.34	15,666,063,121.79
Large-amount contracts	3,940,571,065.47	3,132,510,182.32
Total	16,642,428,724.81	18,798,573,304.11

#### 2. Contingencies

There are no important contingencies that should be disclosed by the Group.

### (XIII) Events after the Balance Sheet Date

There was no major event after the balance sheet date for the current period.

### (XIV) Other Important Matters

#### 1. Segment report

##### (1) Basis and accounting policies of reporting segments

According to the internal organization structure, management requirements and internal reporting system of the Group, the Group's business is divided into 2 reporting segments, namely nuclear power business operation and sales of electricity and related technical services segment, and engineering, construction and related technical services segment. These reporting segments are recognized based on income, nature, business model, etc. The major products and services provided by the reporting segments of the Group are electricity sales, engineering, construction and technical services. The Group's management regularly evaluates the operating results of these segments to determine the resources to be allocated and evaluates its results.

Segment reporting information is disclosed in accordance with the accounting policies and measurement basis adopted for reporting to the management by each segment, which are consistent with the accounting policies and measurement basis for preparing the financial statements.

## (2) Financial information of reporting segments

Item	Nuclear power business operation and sales of electricity and related technical services segment	Engineering, construction and related technical services segment	Inter-segment eliminations	June 30, 2023/ For the period from January 1 to June 30, 2023
Operating revenue	31,889,995,914.20	10,381,384,886.31	(2,995,556,477.62)	39,275,824,322.89
Revenue from external customers	31,620,544,205.67	7,655,280,117.22	-	39,275,824,322.89
Revenue from internal segments	269,451,708.53	2,726,104,769.09	(2,995,556,477.62)	-
Operating cost	15,122,696,998.97	10,502,525,936.79	(3,122,739,022.90)	22,502,483,912.86
Total assets	393,151,757,796.13	35,760,541,465.02	(15,773,421,516.21)	413,138,877,744.94
Total liabilities	230,923,361,031.35	29,586,299,949.25	(9,864,429,630.91)	250,645,231,349.69
Income from investment in associates	793,875,501.13	142,943,686.40	27,546,672.35	964,365,859.88
Long-term equity investment accounted by using the equity method	12,736,786,803.33	2,318,982,038.61	(341,612,830.09)	14,714,156,011.85
Operating profit	13,301,370,725.40	(160,992,705.11)	7,563,852.45	13,147,941,872.74
Income tax expenses	2,162,831,163.17	(3,104,586.60)	1,134,577.87	2,160,861,154.44
Net profit	11,062,553,779.84	(159,262,150.84)	6,429,274.58	10,909,720,903.58

Item	Nuclear power business operation and sales of electricity and related technical services segment (Restated)	Engineering, construction and related technical services segment (Restated)	Inter-segment eliminations (Restated)	December 31, 2022/ For the period from January 1 to June 30, 2022 (Restated)
Operating revenue	28,547,820,963.06	11,778,585,290.36	(3,704,312,768.60)	36,622,093,484.82
Revenue from external customers	27,998,992,969.80	8,623,100,515.02	-	36,622,093,484.82
Revenue from internal segments	548,827,993.26	3,155,484,775.34	(3,704,312,768.60)	-
Operating cost	13,875,592,449.52	11,272,047,707.04	(3,199,529,304.31)	21,948,110,852.25
Total assets	391,365,675,057.10	35,414,658,895.13	(17,764,433,946.62)	409,015,900,005.61
Total liabilities	233,583,033,413.78	29,032,532,088.13	(11,532,599,712.24)	251,082,965,789.67
Income from investment in associates	490,870,692.10	125,187,800.96	33,226,880.50	649,285,373.56
Long-term equity investment accounted by using the equity method	11,817,321,511.10	2,209,042,468.40	(369,159,502.44)	13,657,204,477.06
Operating profit	10,842,192,151.88	252,141,608.93	(475,405,231.11)	10,618,928,529.70
Income tax expenses	1,798,812,717.57	24,594,258.61	(70,623,255.55)	1,752,783,720.63
Net profit	9,019,809,652.26	234,720,279.13	(404,781,975.56)	8,849,747,955.83

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### Revenue from external customers by location of revenue sources and non-current assets by location of assets

Item	For the period from January 1 to June 30, 2023	For the period from January 1 to June 30, 2022
Revenue from external customers in the PRC	35,950,313,610.37	33,835,794,011.01
Revenue from external customers in other countries	3,325,510,712.52	2,786,299,473.81
<b>Total</b>	<b>39,275,824,322.89</b>	<b>36,622,093,484.82</b>

Item	June 30, 2023	December 31, 2022 (Restated)
Non-current assets in the PRC	340,171,958,155.75	338,480,866,820.97
Non-current assets in other countries	28,033,261.39	30,123,089.55
<b>Total</b>	<b>340,199,991,417.14</b>	<b>338,510,989,910.52</b>

### Dependence on major customers

Item	Operating revenue for the period from January 1 to June 30, 2023	Percentage to the operating revenue of the Group	Operating revenue for the period from January 1 to June 30, 2022	Percentage to the operating revenue of the Group
Guangdong Power Grid Co., Ltd.	18,027,413,235.36	45.90%	17,200,777,209.04	46.97%
Fujian Electric Power Co., Ltd.	5,446,102,358.38	13.87%	4,986,621,051.52	13.62%
Guangxi Power Grid Co., Ltd.	4,132,736,846.48	10.52%	2,875,888,753.57	7.85%
HKNIC	3,322,409,187.38	8.46%	2,776,722,372.84	7.58%
CGN Huizhou Nuclear Power Co., Ltd. (中廣核惠州核電有限公司)	3,185,291,906.89	8.11%	1,940,202,110.07	5.30%

## (XV) Notes to Major Items in the Financial Statements of the Parent Company

### 1. Accounts receivable

#### (1) Accounts receivable disclosed by category

Type	June 30, 2023					December 31, 2022				
	Carrying balance		Bad debt provisions			Carrying balance		Bad debt provisions		
	Amount	Percentage	Amount	percentage	Carrying value	Amount	Percentage	Amount	percentage	Carrying value
Accounts receivable for which provision for bad debts has been made	335,191,888.46	100.00%	3,244,711.34	0.97%	331,947,177.12	338,579,966.35	100.00%	3,457,627.10	1.02%	335,122,339.25
Including: Accounts receivable by subsidiaries within the scope of consolidation	203,561,922.26	60.73%	-	-	203,561,922.26	200,080,637.92	59.09%	-	-	200,080,637.92
Group 1	130,622,526.95	38.97%	3,241,689.02	2.48%	127,380,837.93	138,443,828.43	40.89%	3,457,460.60	2.50%	134,986,367.83
Group 2	1,007,439.25	0.30%	3,022.32	0.30%	1,004,416.93	55,500.00	0.02%	166.50	0.30%	55,333.50
Total	335,191,888.46	100.00%	3,244,711.34	0.97%	331,947,177.12	338,579,966.35	100.00%	3,457,627.10	1.02%	335,122,339.25

As part of the Company's credit risk management, the Company uses the age of accounts receivable to assess the impairment loss by grouping of accounts receivable with the same risk characteristics. The credit risk and expected credit loss of each group of accounts receivable are as follows:

Accounts receivable by subsidiaries within the scope of consolidation:

Aging	June 30, 2023				December 31, 2022			
	Expected credit loss rate	Carrying balance	Bad debt provisions	Carrying value	Expected credit loss rate	Carrying balance	Bad debt provisions	Carrying value
Within 1 year	-	169,319,367.90	-	169,319,367.90	-	192,539,379.34	-	192,539,379.34
1 to 2 years	-	34,094,495.78	-	34,094,495.78	-	5,018,913.31	-	5,018,913.31
2 to 3 years	-	98,983.11	-	98,983.11	-	2,473,269.80	-	2,473,269.80
3 to 4 years	-	49,075.47	-	49,075.47	-	49,075.47	-	49,075.47
Total		203,561,922.26	-	203,561,922.26		200,080,637.92	-	200,080,637.92

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### Group 1:

Aging	June 30, 2023				December 31, 2022			
	Expected credit loss rate	Carrying balance	Bad debt provisions	Carrying value	Expected credit loss rate	Carrying balance	Bad debt provisions	Carrying value
Within 1 year	0.30%	69,988,028.19	209,964.08	69,778,064.11	0.30%	91,598,953.38	274,796.85	91,324,156.53
1 to 2 years	5.00%	60,634,498.76	3,031,724.94	57,602,773.82	5.00%	41,242,075.05	2,062,103.75	39,179,971.30
2 to 3 years	20.00%	-	-	-	20.00%	5,602,800.00	1,120,560.00	4,482,240.00
<b>Total</b>		<b>130,622,526.95</b>	<b>3,241,689.02</b>	<b>127,380,837.93</b>		<b>138,443,828.43</b>	<b>3,457,460.60</b>	<b>134,986,367.83</b>

### Group 2:

Aging	June 30, 2023				December 31, 2022			
	Expected credit loss rate	Carrying balance	Bad debt provisions	Carrying value	Expected credit loss rate	Carrying balance	Bad debt provisions	Carrying value
Within 1 year	0.30%	1,007,439.25	3,022.32	1,004,416.93	0.30%	55,500.00	166.50	55,333.50

## (2) Changes in provision for bad debts of accounts receivable

	June 30, 2023	December 31, 2022
Opening balance	3,457,627.10	2,446,124.52
Provisions for the period/year	3,062,807.84	2,909,361.17
Recovered or reversed for the period/year	(3,275,723.60)	(1,897,858.59)
<b>Closing balance</b>	<b>3,244,711.34</b>	<b>3,457,627.10</b>

### (3) Top five debtors with the largest closing balances of accounts receivable

June 30, 2023

Name of entity	Carrying balance	Percentage to total receivables	Closing balance of provisions for bad debts
Yangjiang Nuclear	44,819,489.76	13.37%	–
CGN Solar Energy Development Co., Ltd.	40,318,793.74	12.03%	2,015,939.69
CGN Operations	35,434,951.45	10.57%	–
Taishan Nuclear	35,371,482.51	10.55%	–
Ningde Nuclear	23,178,987.59	6.92%	–
<b>Total</b>	<b>179,123,705.05</b>	<b>53.44%</b>	<b>2,015,939.69</b>

## 2. Other receivables

Item	June 30, 2023	December 31, 2022
Dividends receivable	3,641,773,598.00	4,795,253,178.45
Other receivables	16,949,058.10	22,116,091.38
<b>Total</b>	<b>3,658,722,656.10</b>	<b>4,817,369,269.83</b>

### (1) Dividends receivable

#### (a) Dividends receivable

Debtors with closing balances

Investee	June 30, 2023	December 31, 2022
Yangjiang Nuclear	1,493,593,035.82	408,000,000.00
Ling'ao Nuclear	1,009,511,940.10	1,569,511,940.10
CGN Engineering	479,626,192.13	479,626,192.13
Lingdong Nuclear	336,666,346.22	436,666,346.22
CGN Operations	322,376,083.73	300,000,000.00
CGN Nuclear Power Investment Co., Ltd. (中廣核電投資有限公司)	–	777,800,000.00
CGN Ninghe Investment Co., Ltd. (中廣核寧核投資有限公司)	–	551,917,800.00
CGN Fund Phase I	–	271,730,900.00
<b>Total</b>	<b>3,641,773,598.00</b>	<b>4,795,253,178.45</b>
Less: Bad debt provisions	–	–
<b>Carrying value</b>	<b>3,641,773,598.00</b>	<b>4,795,253,178.45</b>

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

- (b) As at June 30, 2023 and December 31, 2022, significant dividends receivable aged over 1 year of the Company are as follows:

Investee	Closing balance	Aging	Reason for being not recovered	Whether an impairment occurred and the basis for its judgment
Lingdong Nuclear	336,666,346.22	3 to 4 years	An internal unit, payment would be arranged according to funding situation	No impairment occurred and Lingdong Nuclear maintained sound operation
CGN Engineering	479,626,192.13	4 to 5 years	An internal unit, payment would be arranged according to funding situation	No impairment occurred and CGN Engineering maintained sound operation

### (2) Other receivables

- (a) Other receivables disclosed by category

Type	June 30, 2023					December 31, 2022				
	Carrying balance		Bad debt provisions			Carrying balance		Bad debt provisions		
	Amount	Percentage	Amount	Provisions percentage	Carrying value	Amount	Percentage	Amount	Provisions percentage	Carrying value
Other receivables by subsidiaries within the scope of consolidation	16,886,501.98	99.61%	-	-	16,886,501.98	16,886,501.98	76.30%	-	-	16,886,501.98
Provision for bad debts made by group	65,857.69	0.39%	3,301.57	5.01%	62,556.12	5,245,325.38	23.70%	15,735.98	0.30%	5,229,589.40
- Group 1	-	0.00%	-	0.00%	-	5,087,156.82	22.99%	15,261.47	0.30%	5,071,895.35
- Group 2	65,857.69	0.39%	3,301.57	5.01%	62,556.12	158,168.56	0.71%	474.51	0.30%	157,694.05
<b>Total</b>	<b>16,952,359.67</b>	<b>100.00%</b>	<b>3,301.57</b>	<b>0.02%</b>	<b>16,949,058.10</b>	<b>22,131,827.36</b>	<b>100.00%</b>	<b>15,735.98</b>	<b>0.07%</b>	<b>22,116,091.38</b>

(b) Changes in bad debt provisions for other receivables

Item	For the period from January 1 to June 30, 2023			Total
	Expected credit losses within 12 months	Expected credit losses for the entire duration (no credit impairment occurred)	Expected credit losses for the entire duration (credit impairment occurred)	
January 1, 2023	15,735.98	-	-	15,735.98
- Transferred to phase 2	(96.00)	96.00	-	-
Provisions for the period	-	3,104.00	-	3,104.00
Recovered or reversed for the period	(15,538.41)	-	-	(15,538.41)
June 30, 2023	101.57	3,200.00	-	3,301.57

(c) Debtors with the largest closing balances of other receivables

All of top five debtors with the largest closing balances were subsidiaries

Name of entity	Nature	Amount	Aging	Percentage to total other receivables	Closing balance of provisions
Yangjiang Nuclear	Advances	5,032,393.71	Within 1 year	29.69%	-
Ningde Nuclear	Advances	3,391,437.88	Within 1 year	20.01%	-
Fangchenggang Nuclear	Advances	3,391,437.88	Within 1 year	20.01%	-
GNPJVC	Advances	1,695,718.94	Within 1 year	10.00%	-
Lingdong Nuclear	Advances	1,695,718.94	Within 1 year	10.00%	-
Ling'ao Nuclear	Advances	1,695,718.94	Within 1 year	10.00%	-
Total		16,902,426.29		99.71%	-

(d) Other receivables by nature

Item	June 30, 2023	December 31, 2022
Related party payments	16,886,501.98	21,973,658.80
Others	65,857.69	158,168.56
Total	16,952,359.67	22,131,827.36
Less: Bad debt provisions	3,301.57	15,735.98
Carrying value	16,949,058.10	22,116,091.38

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### 3. Other current assets

Item	June 30, 2023	December 31, 2022
VAT retained at the end of the year	70,983,664.85	42,699,215.88
Loans entrusted to subsidiaries	12,529,499,999.99	14,791,499,999.99
Interest receivable for entrusted loans	9,636,958.36	12,675,918.06
<b>Total</b>	<b>12,610,120,623.20</b>	<b>14,846,875,133.93</b>

### 4. Debt investment

Item	June 30, 2023	December 31, 2022
Entrusted loans	9,349,963,326.36	11,449,963,326.36
Others	54,568,690.91	48,917,096.53
Less: Debt investment due within one year	5,062,500,000.00	3,992,500,000.00
<b>Net</b>	<b>4,342,032,017.27</b>	<b>7,506,380,422.89</b>

### 5. Long-term equity investments

(1) Long-term equity investments are classified as follows:

Item	June 30, 2023			December 31, 2022 (Restated)		
	Carrying balance	Impairment provisions	Carrying value	Carrying balance	Impairment provisions	Carrying value
Investments in subsidiaries	84,118,557,919.17	-	84,118,557,919.17	82,927,557,919.17	-	82,927,557,919.17
Investments in associates and joint ventures	4,008,059,307.93	-	4,008,059,307.93	3,676,975,556.61	-	3,676,975,556.61
<b>Total</b>	<b>88,126,617,227.10</b>	<b>-</b>	<b>88,126,617,227.10</b>	<b>86,604,533,475.78</b>	<b>-</b>	<b>86,604,533,475.78</b>

## (2) Investment in subsidiaries

	Balance at January 1, 2023	Additional investment	Changes in the current period Reduced investment	Other changes	Balance at June 30, 2023	Impairment provisions	Cash dividends announced to be distributed for the period
<b>I. Subsidiaries</b>							
GNIC	22,734,177,521.54	-	-	-	22,734,177,521.54	-	-
Ling'ao Nuclear	6,883,160,867.23	-	-	-	6,883,160,867.23	-	-
Lingdong Nuclear	2,195,503,954.06	-	-	-	2,195,503,954.06	-	-
Yangjiang Nuclear	6,162,481,639.48	-	-	-	6,162,481,639.48	-	1,085,593,035.82
CGN Operations	168,807,136.75	-	-	-	168,807,136.75	-	322,376,083.73
CNPRI	2,390,682,040.74	50,000,000.00	-	-	2,440,682,040.74	-	-
Daya Bay Nuclear Power Environment Protection	99,602,305.72	-	-	-	99,602,305.72	-	-
CGN Nuclear Power Investment Co., Ltd. (中廣核電投資有限公司)	9,562,835,909.32	-	-	-	9,562,835,909.32	-	-
CGN Ninghe Investment Co., Ltd. (中廣核寧核投資有限公司)	3,306,159,962.85	-	-	-	3,306,159,962.85	-	-
SNPI	1,061,032,900.00	-	-	-	1,061,032,900.00	-	-
Taishan Nuclear	3,600,022,661.30	-	-	-	3,600,022,661.30	-	-
Taishan Investment	8,769,244,739.87	-	-	-	8,769,244,739.87	-	-
CGN Engineering	4,619,094,819.39	-	-	-	4,619,094,819.39	-	-
Lufeng Nuclear	5,258,000,000.00	1,041,000,000.00	-	-	6,299,000,000.00	-	-
Fangchenggang Investment	4,655,911,100.00	-	-	-	4,655,911,100.00	-	-
Ocean Power	325,347,205.02	-	-	-	325,347,205.02	-	-
Power Sales Company	289,754,017.55	60,000,000.00	-	-	349,754,017.55	-	-
Hepeng Supervision Company	3,039,138.35	-	-	-	3,039,138.35	-	-
Zhaoyuan Nuclear	460,000,000.00	-	-	-	460,000,000.00	-	-
Guizhou Yuping Clean Thermal Energy Co., Ltd. (貴州玉屏清潔 熱能有限公司)	321,700,000.00	40,000,000.00	-	-	361,700,000.00	-	-
Guangxi Fangchenggang Third Nuclear Power Co., Ltd. (廣西防 城港第三核電有限公司)	61,000,000.00	-	-	-	61,000,000.00	-	-
Total	82,927,557,919.17	1,191,000,000.00	-	-	84,118,557,919.17	-	1,407,969,119.55

### Other explanations:

The Company pledged its long-term equity investment in Lingdong Nuclear and Taishan Nuclear as security for its subsidiaries' loans, and thus the ownership of which was restricted. As at June 30, 2023 and December 31, 2022, the Company's net long-term equity investment with restricted ownership in Lingdong Nuclear was RMB2,195,503,954.06. As at June 30, 2023 and December 31, 2022, the Company's long-term equity investment with restricted ownership in Taishan Nuclear was RMB3,600,022,661.30.

# Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

## (3) Investment in associates

Investee	Balance at January 1, 2023 (Restated)	Changes in the current period				Balance at June 30, 2023	Closing balance of impairment provisions
		Additional investment	Reduced investment	Investment income recognized under the equity method	Changes in other equity		
CGN Fund Phase I	3,656,975,556.61	-	-	289,767,274.16	2,455,554.71	3,949,198,385.48	-
Xiong'an Xingrong Nuclear Power Innovation Center Co., Ltd. (雄安興融核電創新中心有限公司)	20,000,000.00	-	-	-	-	20,000,000.00	-
CECC Engineering Company Limited (中諮工程有限公司)	-	36,721,827.68	-	2,139,094.77	-	38,860,922.45	-
Total	3,676,975,556.61	36,721,827.68	-	291,906,368.93	2,455,554.71	4,008,059,307.93	-

## 6. Long-term loans

Item	June 30, 2023	December 31, 2022
Credit loans	1,210,000,000.00	1,210,000,000.00
Total	1,210,000,000.00	1,210,000,000.00
Less: Long-term loans due within one year	–	–
Long-term loans due after one year	1,210,000,000.00	1,210,000,000.00

## 7. Operating revenue and operating costs

Item	For the period from January 1 to June 30, 2023		For the period from January 1 to June 30, 2022	
	Revenue	Cost	Revenue	Cost
From other operations	30,148,428.55	4,922,818.10	75,319,894.28	54,604,419.88

## 8. Investment income

### Details of investment income

Item	For the period from January 1 to June 30, 2023	For the period from January 1 to June 30, 2022 (Restated)
Income from long-term equity investments accounted for using the cost method	1,407,969,119.55	3,584,569,237.55
Income from long-term equity investments accounted for using the equity method	291,906,368.93	178,461,673.98
Interest income from entrusted loans	368,170,138.25	471,778,169.79
Gains or losses from disposal of subsidiaries	–	342,997.52
Others	5,651,594.38	–
Total	2,073,697,221.11	4,235,152,078.84

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### 9. Supplementary information to cash flow statements

#### (1) Supplementary information to cash flow statements

Supplementary information	For the period from January 1 to June 30, 2023	For the period from January 1 to June 30, 2022 (Restated)
<b>1. Reconciliation of net profits to cash flow from operating activities:</b>		
Net profit	1,678,640,121.25	3,666,019,225.10
Add: Losses from credit impairment	(225,350.17)	(1,398,180.34)
Depreciation of fixed assets	14,870,689.05	16,665,724.52
Amortization of intangible assets	57,809,846.90	49,370,710.68
Depreciation of right-of-use assets	29,337,649.56	30,222,922.41
Losses/(gains) from changes in fair value	133,038.78	(11,162,774.79)
Gains on disposal of fixed assets, intangible asset and other long-term assets	–	(1,555,764.32)
Losses on retirement of fixed assets	94,420.71	–
Finance costs	216,646,182.44	316,334,889.42
Investment income	(2,073,697,221.11)	(4,235,152,078.84)
(Increase)/decrease in operating receivables	(32,447,820.66)	394,715,485.78
(Decrease)/increase in operating payables	(116,692,866.01)	57,045,974.67
Net cash flows (used in)/from operating activities	(225,531,309.26)	281,106,134.29
<b>2. Net change in cash and cash equivalents:</b>		
Closing balance of cash and cash equivalents	10,402,191,996.99	13,635,083,947.69
Less: Opening balance of cash and cash equivalents	6,275,618,531.96	9,732,690,649.20
Net increase in cash and cash equivalents	4,126,573,465.03	3,902,393,298.49

## (XVI) Supplementary information

### 1. Breakdown of non-recurring gains or losses

Item	For the period from January 1 to June 30, 2023	For the period from January 1 to June 30, 2022
Gains or losses from disposal of non-current assets	3,017,244.01	54,518,471.74
Government grants recognized in profit or loss for the current period (except for those closely related to the Company's business and for fixed or quantitative purposes in accordance with national uniform standards)	67,285,936.19	117,259,476.69
Except for the effective hedging transactions related to the normal operation of the Company, the gains or losses from changes in fair value arising from holding financial assets and liabilities held for trading, as well as the investment income arising from disposal of financial assets and liabilities held for trading and available-for-sale financial assets	(682,446.62)	(7,899,765.02)
Other non-operating income and expenses other than the items above, net	(77,359,814.72)	(16,396,853.24)
Other gains or losses items that meet the definition of non-recurring gains or losses	(3,348,116.69)	56,547,790.00
Total	(11,087,197.83)	204,029,120.17
Income tax effect of non-recurring gains or losses	(16,274,941.31)	16,545,363.62
Effect of non-recurring gains or losses attributable to minority shareholders	(1,241,054.65)	7,720,938.42
Effect of non-recurring gains or losses attributable to shareholders of the parent company, net	6,428,798.13	179,762,818.13

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### 2. Return on equity and earnings per share

The statements for return on equity and earnings per share have been prepared by the Company in accordance with the relevant requirements under the Rules on the Preparation and Report of Information Disclosure for Companies Publicly Issuing Securities No. 9 – Calculation and Disclosure of Return on Equity and Earnings Per Share (2010 Revision) issued by China Securities Regulatory Commission.

	Weighted average return on equity	Earnings per share	
		Basic earnings per share	Diluted earnings per share
Profit for the reporting period (during the period from January 1 to June 30, 2023)			
Net profit attributable to holders of ordinary shares of the Company	6.34%	0.138	0.138
Net profit attributable to holders of ordinary shares of the Company (excluding the non-recurring gains or losses)	6.33%	0.138	0.138

	Weighted average return on equity	Earnings per share	
		Basic earnings per share	Diluted earnings per share
Profit for the reporting period (during the period from January 1 to June 30, 2022) (Restated)			
Net profit attributable to holders of ordinary shares of the Company	5.71%	0.117	0.117
Net profit attributable to holders of ordinary shares of the Company (excluding the non-recurring gains or losses)	5.54%	0.113	0.113

Note: For the period from January 1 to June 30, 2023 and the period from January 1 to June 30, 2022, the Group did not have any dilutive potential ordinary shares. Therefore, diluted earnings per share was the same as the basic earnings per share.

#### (1) Calculation of basic earnings per share

##### (a) Basic earnings per share

Please refer to Note (V) 58 for details of the calculation of basic earnings per share.

(b) **Basic earnings per share (excluding non-recurring gains or losses)**

Basic earnings per share (excluding non-recurring gains or losses) is calculated by dividing the consolidated net profit attributable to holders of ordinary shares of the Company (excluding non-recurring gains or losses) by the weighted average number of ordinary shares of the Company in issue:

	For the period from January 1, 2023 to June 30, 2023	For the period from January 1, 2022 to June 30, 2022 (Restated)
Consolidated net profit attributable to holders of ordinary shares of the Company	6,958,915,466.46	5,901,975,375.42
Non-recurring gains or losses attributable to holders of ordinary shares of the Company	6,428,798.13	179,762,818.13
Consolidated net profit attributable to holders of ordinary shares of the Company (excluding non-recurring gains or losses)	6,952,486,668.33	5,722,212,557.29
Weighted average number of ordinary shares of the Company in issue	50,498,611,100.00	50,498,611,100.00
Basic earnings per share (excluding non-recurring gains or losses) (RMB/share)	0.138	0.113

(2) **Calculation of weighted average return on equity**

(a) **Weighted average return on equity**

Weighted average return on equity is calculated by dividing the consolidated net profit attributable to holders of ordinary shares of the Company by the weighted average consolidated net assets attributable to holders of ordinary shares of the Company:

	For the period from January 1, 2023 to June 30, 2023	For the period from January 1, 2022 to June 30, 2022 (Restated)
Consolidated net profit attributable to holders of ordinary shares of the Company	6,958,915,466.46	5,901,975,375.42
Weighted average consolidated net assets attributable to holders of ordinary shares of the Company	109,791,645,521.65	103,299,046,157.24
Weighted average return on equity	6.34%	5.71%

## Notes to the Financial Statements

(All amounts in RMB unless otherwise stated)

### (b) Weighted average return on equity (excluding non-recurring gains or losses)

Weighted average return on equity (excluding non-recurring gains or losses) is calculated by dividing the consolidated net profit attributable to holders of ordinary shares of the Company (excluding non-recurring gains or losses) by the weighted average consolidated net assets attributable to holders of ordinary shares of the Company:

	For the period from January 1, 2023 to June 30, 2023	For the period from January 1, 2022 to June 30, 2022 (Restated)
Consolidated net profit attributable to holders of ordinary shares of the Company (excluding non-recurring gains or losses)	6,952,486,668.33	5,722,212,557.29
Weighted average consolidated net assets attributable to holders of ordinary shares of the Company	109,791,645,521.65	103,299,046,157.24
Weighted average return on equity (excluding non-recurring gains or losses)	6.33%	5.54%

# Company Information

## Headquarters in the PRC

18/F, South Tower, CGN Building, 2002 Shennan Road, Shenzhen, Guangdong Province, PRC

## Principal Place of Business in Hong Kong

31/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong

## Joint Company Secretaries

Mr. Yin Engang

Ms. Ng Sau Mei

## Auditor

KPMG Huazhen LLP

8/F, Tower E2, Oriental Plaza, 1 Chang'an Avenue, Dongcheng District, Beijing

## Legal Advisors

### Hong Kong Law

King & Wood Mallesons

13/F, Gloucester Tower, The Landmark, 15 Queen's Road Central, Central, Hong Kong

### PRC Law

King & Wood Mallesons

28/F, China Resources Tower, 2666 Keyuan South Road, Nanshan District, Shenzhen, PRC

## Principal Bankers

China Development Bank (Shenzhen Branch)

CDB Financial Center Building, 2003, Fuzhong 3rd Road, Futian District, Shenzhen, Guangdong Province, PRC

Bank of China Limited (Shenzhen Branch)

1/F, International Finance Building, 2022 Jianshe Road, Luohu District, Shenzhen, Guangdong Province, PRC

Industrial and Commercial Bank of China Limited (Shenzhen Branch)

1/F, North Tower, Financial Centre, 5005 Shennan East Road, Luohu District, Shenzhen, Guangdong Province, PRC

Agricultural Bank of China Limited (Shenzhen Branch)  
ABC Building,

5008 Shennan East Road, Luohu District, Shenzhen, Guangdong Province, PRC

Postal Savings Bank of China Co., Ltd. (Shenzhen Branch)

2/F and 41-43/F, Postal Information Complex Building, 48 Yitian Road, Futian District, Shenzhen, Guangdong Province, PRC

## Company Information

### Share Registrar

H shares

Computershare Hong Kong Investor Services Limited  
Address: Shops 1712-1716, 17th Floor, Hopewell  
Centre, 183 Queen's Road East, Wan Chai,  
Hong Kong

A shares

Shenzhen Branch of China Securities Depository and  
Clearing Corporation Limited  
Address: 25th Floor, Shenzhen Stock Exchange  
Building, 2012 Shennan Boulevard, Futian  
District, Shenzhen, Guangdong Province, PRC

### Our Stock Name and Stock Code

H Shares

Stock Name: CGN Power  
Stock Code: HKSE 1816

A Shares

Stock Name: CGN  
Stock Code: SZSE 003816

### Investors' Enquiry

Telephone: (86) 755 84430888  
Facsimile: (86) 755 83699089  
E-mail: IR@cgnpc.com.cn  
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### Collection of the Interim Report

This report will be published on the website of the Company ([www.cgnpc.com.cn](http://www.cgnpc.com.cn)) by August 30, 2023 and posted to shareholders who have elected to receive corporate communications from the Company in printed form by August 31, 2023.

In response to environmental protection, the Company encourages and recommends that H shareholders to receive this report electronically.

Those shareholders who (a) received our 2023 Interim Report electronically and would like to receive a printed copy or vice versa; or (b) received a printed copy of our 2023 Interim Report in either English or Chinese language only and would like to receive a printed copy of the other language version or to receive printed copies of both language versions in the future, are requested to write to the Company or the Company's registrar or via email to the Company.

Shareholders may at any time change their choice of the language version or means of receipt of the Company's corporate communications free of charge by notice in writing to the Company or the Company's registrar or via email to the Company.

# CGN Power

A world-class nuclear power supplier and service provider  
with international competitiveness



本中期報告以環保紙張印製。  
This Interim Report is printed on environmentally friendly paper.