

Guangdong Electric Power Development Co., Ltd.

2022 Annual Report



March 2023

I. Important Notice, Table of Contents and Definitions

The Board of Directors , Supervisory Committee ,Directors, Supervisors and Senior Executives of the Company hereby guarantees that there are no misstatement, misleading representation or important omissions in this report and shall assume joint and several liability for the authenticity, accuracy and completeness of the contents hereof.

Mr.Zheng Yunpeng, The company leader, Mr. Liu Wei, chief financial officer and the Mr.Meng Fei, the person in charge of the accounting department (the person in charge of the accounting)hereby confirm the authenticity and completeness of the financial report enclosed in this Annual report.

Directors other than the following ones have attended the Board meeting to review the annual report.

The name of director who did not attend the meeting in person	Position of absent director	Reason	The name of director who was authorized
Li Fangji	Director	Due to business	Zheng Yunpeng

This annual report involves the forecasting description such as the future plans, and does not constitute the actual commitments of the company to the investors. Investors and stakeholders should all maintain sufficient awareness of risks for this and understand the differences between plans, forecasts and commitments.

The company is mainly engaged in thermal power generation. The business of thermal power generation is greatly affected by factors including electric power demand and fuel price. For details, please refer to the possible risk factors that the company may face in the "Risks facing the company and countermeasures " in the Section III "Management Discussion & Analysis".

The company will not distribute cash dividend or bonus shares, neither capitalizing of common reserves.

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Documents available for inspection

1. Financial statements bearing the seal and signature of legal representative, financial controller and the person in charge of the accounting organ;
2. Original audit report seal with accounting firms and signature and seal from CPA;
3. All original copies of official documents and notices, which were disclosed in Securities Times, China Securities and Hong Kong Commercial Daily (Both English and Chinese version);
4. Chinese version of the semi-annual report.

The documents mentioned above are kept in office, and are ready for reference at any time (except public holidays, Saturday and Sunday).

Definition

Terms to be defined	Refers to	Definition
Guangdong Energy Group	Refers to	Guangdong Energy Group Co., Ltd.
Sha A Power plant	Refers to	Guangdong Electric Power Development Co., Ltd. Sha A Power plant
Xinjiang Branch	Refers to	Guangdong Electric Power Development Co., Ltd. Xinjiang Branch
Qinghai Branch	Refers to	Guangdong Electric Power Development Co., Ltd. Qinghai Branch
Zhanjiang Electric Power	Refers to	Zhanjiang Electric Power Co., Ltd.
Yuejia Company	Refers to	Guangdong Yuejia Electric Power Co., Ltd.
Shaoguan Power Generation Plant	Refers to	Guangdong Yudean Shaoguan Power Generation Co., Ltd.
Maoming Thermal Power Plant	Refers to	Guangdong Energy Maoming Thermal Power Plant Co., Ltd.
Jinghai Company	Refers to	Guangdong Yudean Jinghai Power Co., Ltd.
Humen Power Company	Refers to	Guangdong Yudean Humen Power Co., Ltd.
Technology Engineering Company	Refers to	Guangdong Yudean Technology Engineering Management Co., Ltd.
Zhanjiang Zhongyue	Refers to	Zhanjiang Zhongyue Energy Co., Ltd.
Bohe Company	Refers to	Guangdong Yudean Energy Co., Ltd.
Huadu Company	Refers to	Guangdong Huadu Natural Gas Thermal Power Co., Ltd.
Dapu Power Plant	Refers to	Guangdong Dapu Power Generation Co., Ltd.
Wind Power Company	Refers to	Guangdong Wind Power Co., Ltd.
Guangqian Company	Refers to	Shenzhen Guangqian Electric Power Co., Ltd.
Electric Power Sales Company	Refers to	Guangdong Yudean Electric Power Sales Co., Ltd.
Huizhou Natural Gas Company	Refers to	Guangdong Huizhou Natural Gas Power Co., Ltd.
Red Bay Company	Refers to	Guangdong Red Bay Power Co., Ltd.
Pinghai Power Plant	Refers to	Guangdong Huizhou Pinghai Power Co., Ltd.
Lincang Company	Refers to	Lincang Yudean Energy Co., Ltd.
Yongan Company	Refers to	Guangdong Yudean Yongan Natural Gas Thermal Power Co., Ltd.
Binhaiwan Energy Company	Refers to	Guangdong Yudean Binhaiwan Energy Co., Ltd.
Dayawan Energy	Refers to	Guangdong Yudean Dayawan Integrated Energy Co., Ltd.
Qiming Energy	Refers to	Guangdong Yudean Qiming Energy Co., Ltd.
Huaguoquan Company	Refers to	Shenzhen Huaguoquan Electric Industry Service Co., Ltd.
Dananhai Company	Refers to	Guangdong Yudean Dananhai Intelligence Energy Co., Ltd.
Yudean Baihua	Refers to	Guangdong Yudean Baihua Integrated Energy Co., Ltd.
Bijie Energy	Refers to	Guangdong Bijie New Energy Co., Ltd.
Shaoguan New Energy	Refers to	Guangdong Shaoguan Yuedianli New Energy Co., Ltd.
Henan New Energy	Refers to	Henan Yudean New Energy Co., Ltd.
Sha C Company	Refers to	Guangdong Shajiao(plant C) Power Generation Co., Ltd.
Yuehua Power Generation	Refers to	Guangdong Yuehua Power Generation Co., Ltd.
Yunhe Power Generation	Refers to	Guangdong Yudean Yunhe Power Generation Co., Ltd.
Tumu Thermal Power	Refers to	Tumushuke Thermal Power Co., Ltd.
Hanhai Energy	Refers to	Tumushuke Yudean Hanhai New Energy Co., Ltd.
Huibo Energy	Refers to	Guangdong Huibo New Energy Co., Ltd.
Jinxiu Energy	Refers to	Yudean Jinxiu Energy Co., Ltd.

Songshanhu Company	Refers to	Dongguan Songshanhu Yudean Energy Service Co., Ltd.
Senhong Energy	Refers to	Nanjing Senhong New Energy Co., Ltd.
Linyuan Senhai Energy	Refers to	Nanjing Linyuan Senhai New Energy Co., Ltd.
Zhennan Energy	Refers to	Yunfu Zhennan New Energy Co., Ltd.
Luoding Energy	Refers to	Yunfu Luoding Yudean New Energy Co., Ltd.
Alxa League Energy	Refers to	Alxa League Yudean New Energy Co., Ltd.
Sanmenxia Guangneng	Refers to	Sanmenxia Guangneng New Energy Co., Ltd.
Liangguang Energy	Refers to	Huazhou Yudean Liangguang New Energy Co., Ltd.
Caojiang Energy	Refers to	Gaozhou Yudean Caojiang New Energy Co., Ltd.
Dongrun Zhongneng	Refers to	Taishan Dongrun Zhongneng New Energy Co., Ltd.
Maoming Natural Gas	Refers to	Guangdong Yudean Maoming Natural Gas Co., Ltd.
Xingyue Energy	Refers to	Meizhou Xingyue New Energy Co., Ltd.
Xinguangyao Energy	Refers to	Laixi Xinguangyao New Energy Technology Co., Ltd.
Shache Energy	Refers to	Yudean Shache Comprehensive Energy Co., Ltd.
Zhenyun Energy	Refers to	Yunfu Yudean Zhenyun New Energy Co., Ltd.
Zhenneng Energy	Refers to	Yunfu Yudean New Energy Co., Ltd.
Zhuhai Energy	Refers to	Zhuhai Yudean New Energy Co., Ltd.
Liuzhou Energy	Refers to	Guangxi Liuzhou Yudean New Energy Co., Ltd.
Lvneng Energy	Refers to	Guangdong Yudean Lvneng New Energy Co., Ltd.
Dianbai Energy	Refers to	Maoming Dianbai New Energy Co., Ltd.
Tuoqian Energy	Refers to	Huanggang Tuoqian New Energy Co., Ltd.
Gaozhou Intelligence New Energy	Refers to	Gaozhou Yudean Intelligence New Energy Co., Ltd.
Hainan Guangneng	Refers to	Hainan Guangneng Yudean New Energy Co., Ltd.
Guangzhou New Energy	Refers to	Guangdong Yudean New Energy Development Co., Ltd.
Changha Energy	Refers to	Tumushuke Yudean Changhe New Energy Co., Ltd.
Caohu Energy	Refers to	Tumushuke Yudean Caohu New Energy Co., Ltd.
Xingneng Energy	Refers to	Qinghai Yudean Xingneng New Energy Co., Ltd.
Zhanjiang Guangneng	Refers to	Zhanjiang Guangneng Yudean New Energy Co., Ltd.
Baohe Energy	Refers to	Gaozhou Yudean Baohe New Energy Co., Ltd.
Fushun Energy	Refers to	Fushun Yudean New Energy Co., Ltd.
Leizhou Power Generation	Refers to	Guangdong Yudean Leizhou Power Generation Co., Ltd.
Jiuzhou New Energy	Refers to	Jiuzhou New Energy(Zhaoqing)Co., Ltd.
Changshan Wind Power	Refers to	Xiangtan Xiangdian Chanshan Wind Power Generation Co., Ltd.
Guangxi Xinyue	Refers to	Guangxi Xinyue New Energy Co., Ltd.
Zhanjiang Biomass Power Generation Company	Refers to	Guangdong Yudean Zhanjiang Biomass Power Generation Co., Ltd.
Shibeishan Wind Power	Refers to	Guangdong Yudean Shibeishan Wind Energy Development Co., Ltd.
Dianbai Wind Power Company	Refers to	Guangdong Yudean Dianbai Wind Power Co., Ltd.
Huilai Wind Power Company	Refers to	Huilai Wind Power Generation Co., Ltd.
Yangjiang Wind Power Company	Refers to	Guangdong Yudean Yangjiang Offshore Wind Power Co., Ltd.
Heping Wind Power Company	Refers to	Guangdong Yudean Heping Wind Power Co., Ltd.
Pingyuan Wind Power Company	Refers to	Guangdong Yudean Pingyuan Wind Power Co., Ltd.
Wuxuan Wind Power Company	Refers to	Guangxi Wuxuan Yudean New Energy Co., Ltd.
Xupu Wind Power Company	Refers to	Hunan Xupu Yuefeng New Energy Co., Ltd.

Pingdian Integrated Energy Company	Refers to	Huizhou Pingdian Integrated Energy Co., Ltd.
Zhuhai Wind Power Company	Refers to	Guangdong Yudean Zhuhai Offshore Wind Power Co., Ltd.
Zhanjiang Wind Power Company	Refers to	Guangdong Yudean Zhanjiang Wind Power Generation Co., Ltd.
Qujie Wind Power Company	Refers to	Guangdong Yudean Qujie Wind Power Generation Co., Ltd.
Leizhou Wind Power Company	Refers to	Guangdong Yudean Leizhou Wind Power Generation Co., Ltd.
Tongdao Wind Power Company	Refers to	Tongdao Yuexin Wind Power Generation Co., Ltd.
Yudean Fuel Company	Refers to	Guangdong Power Industry Fuel Co., Ltd.
Guangdong Energy Insurance Captive Company	Refers to	Guangdong Energy Property Insurance Captive Co., Ltd.
Shanxi Energy Company	Refers to	Shanxi Yudean Energy Co., Ltd.
Yudean Shipping Company	Refers to	Guangdong Yudean Shipping Co., Ltd.
Yueqian Company	Refers to	Guizhou Yueqian Electric Co., Ltd.
Guangdong Energy Finance Company	Refers to	Guangdong Energy Group Finance Co., Ltd.
Energy Financial Leasing Company	Refers to	Guangdong Energy Financial Leasing Co., Ltd.
Guoneng Taishan Company	Refers to	Guoneng Yudean Taishan Power Generation Co., Ltd.
Weixin Energy Co., Ltd.	Refers to	Yunnan Yuntou Weixin Energy Co., Ltd.
Zhongxinkeng hydropower station	Refers to	Yangshan Zhongxinkeng Power Co., Ltd.
Jiangkeng hydropower station	Refers to	Yangshan Jiangkeng hydropower station
Southern Offshore wind power	Refers to	Southern Offshore wind power Union Development Co., Ltd.
Sunshine Insurance	Refers to	Sunshine Insurance Group Co., Ltd.
Shenzhen Capital	Refers to	Shenzhen Capital Group Co., Ltd.
GMG	Refers to	GMG International Tendering Co., Ltd.
Shenzhen Energy	Refers to	Shenzhen Energy Group Co., Ltd.
Shenergy Company	Refers to	Shenergy Company Limited
Environmental Protection Company	Refers to	Guangdong Yudean Environmental Protection Co., Ltd.

II. Company Profile & Financial Highlights.

1. Company profile

Stock abbreviation	Yue Dian Li A, Yue Dian Li B	Stock code:	000539,200539
Stock exchange for listing	Shenzhen Stock Exchange		
Name in Chinese	广东电力发展股份有限公司		
Abbreviation of Registered Company Name in Chinese(粤电力		
English name (If any)	GUANGDONG ELECTRIC POWER DEVELOPMENT CO.,LTD		
English abbreviation (If any)	GED		
Legal Representative	Zheng Yunpeng		
Registered address	33-36/F, South Tower, Yudean Plaza, No.2 Tianhe Road East, Guangzhou,Guangdong Province		
Postal code of the Registered Address	510630		
Historical change of the company's registered address	No		
Office Address	33-36/F, South Tower, Yudean Plaza, No.2 Tianhe Road East, Guangzhou,Guangdong Province		
Postal code of the office address	510630		
Internet Web Site	http://www.ged.com.cn		
E-mail	ged@ged.com.cn		

2. Contact person and contact manner

	Board secretary	Securities affairs Representative
Name	Liu Wei	Huang Xiaowen
Contact address	35/F, South Tower, Yudean Plaza, No.2 Tianhe Road East, Guangzhou,Guangdong Province	35/F, South Tower, Yudean Plaza, No.2 Tianhe Road East, Guangzhou,Guangdong Province
Tel	(020)87570251	(020)87570251
Fax	(020)85138084	(020)85138084
E-mail	liuw@ged.com.cn	huangxiaowen@ged.com.cn

3. Information disclosure and placed

Newspapers selected by the Company for information disclosure	China Securities Daily, Securities Times and Hong Kong Commercial Daily(overseas newspaper for English version)
Internet website designated by CSRC for publishing the annual report of the Company	http://www.cninfo.com.cn
The place where the Annual report is prepared and placed	Affair Dept. Of the Board of directors of the Company

4.Changes in registration

Unified social credit code	91440000617419493W
Changes in principal business activities since listing (if any)	On August 25,2021, The company's main business consists of " investment, construction and operation management of power projects, production and sales of power, technical consulting and services in the power industry, leasing of terminal facilities, general cargo warehousing, loading and unloading, and transportation services. (projects subject to approval according to law, business activities can only be carried out after being approved by the relevant departments)" is changed to "investment, construction and operation management of power

	projects and new energy projects; production and sales of electric power; technical consulting and services in the power industry; leasing of terminal facilities; general cargo storage, loading and unloading ,shipment service. (projects subject to approval according to law, business activities can only be carried out after being approved by the relevant departments)".
Changes is the controlling shareholder in the past (is any)	No change

5. Other Relevant Information

CPAs engaged

Name of the CPAs	PWC Certified Public Accountants (special general partnership)
Office address	11/F,PricewaterhouseCoopers Center,2 Corporate Avenue 202 Hu Bin Road, Huangpu District, Shanghai
Names of the certified public accountants as the signatories	Li Xiaolei, Fan Xin

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

Applicable Not Applicable

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

Applicable Not Applicable

6.Summary of accounting data and financial index

Whether it has retroactive adjustment or re-statement on previous accounting data

Yes No

Retroactive adjustment or restatement of causes

Accounting policy change

	2022	2021		Changes of this period over same period of Last year(%)	2020	
		Before adjustment	After adjustment		After adjustment	Before adjustment
Operating income (Yuan)	52,661,088,436	44,167,223,887	44,457,866,542	18.45%	33,602,895,865	33,602,895,865
Net profit attributable to the shareholders of the listed company (Yuan)	-3,003,916,572	-3,147,754,234	-2,928,171,731	-2.59%	2,053,909,956	2,053,909,956
Net profit after deducting of non-recurring gain/loss attributable to the shareholders of listed company (Yuan)	-2,936,757,038	-2,905,313,714	-2,685,731,211	-9.35%	1,551,209,648	1,551,209,648
Cash flow generated by business operation, net (Yuan)	1,479,864,774	-40,304,011	122,174,668	1,111.27%	7,754,798,636	7,754,798,636
Basic earning per share(Yuan/Share)	-0.5721	-0.5995	-0.5577	-2.59%	0.3912	0.3912
Diluted gains per	-0.5721	-0.5995	-0.5577	-2.59%	0.3912	0.3912

share(Yuan/Share)						
Weighted average ROE(%)	-13.77%	-10.72%	-9.94%	-3.83%	6.95%	6.95%
	End of 2022	End of 2021		Changed over last year (%)	End of 2020	
		Before adjustment	After adjustment	After adjustment	Before adjustment	After adjustment
Gross assets (Yuan)	131,504,274,884	114,271,451,479	114,493,083,598	14.86%	99,479,773,162	99,479,773,162
Net assets attributable to shareholders of the listed company (Yuan)	20,241,872,479	23,185,079,805	23,386,185,436	-13.45%	31,820,079,621	31,820,079,621

Reasons of accounting policy change and correction of accounting errors

In 2021, the Ministry of Finance issued the Notice on Printing and Distributing the "Interpretation of Accounting Standards for Business Enterprises No. 15" (hereinafter referred to as "Interpretation No. 15"). The company implemented the provisions related to the trial operation sales of fixed assets in the Interpretation No. 15 from January 1, 2022, and retroactively adjusted the trial operation sales revenue incurred between January 1, 2021 and the implementation date. The comparative financial statements for 2021 were restated accordingly. The above accounting policy changes have no impact on the balance sheet as of January 1, 2021.

Yes No

The lower of the net profit before and after the deduction of the non-recurring gains and losses is negative.

Yes No

Items	2022	2021	Note
Operating income(Yuan)	52,661,088,436	44,457,866,542	Including electricity sales income, steam income, labor service income and a few other business income unrelated to the main business
Operating income after deduction(Yuan)	440,345,099	4,784,789,993	It is other business income unrelated to the main business.
Operating income after deduction(Yuan)	52,220,743,337	39,673,076,549	Including electricity sales income, steam income and labor service income

7.The differences between domestic and international accounting standards

1) Simultaneously pursuant to both Chinese accounting standards and international accounting standards disclosed in the financial reports of differences in net income and net assets.

Applicable Not applicable

None

2) Differences of net profit and net assets disclosed in financial reports prepared under overseas and Chinese accounting standards.

Applicable Not applicable

None

8.Main financial index by quarters

In RMB

	First quarter	Second quarter	Third quarter	Fourth quarter
Operating income	11,389,443,592	11,221,796,141	16,875,114,202	13,174,734,501

Net profit attributable to the shareholders of the listed company	-449,739,596	-925,999,569	-343,808,193	-1,284,369,214
Net profit after deducting of non-recurring gain/loss attributable to the shareholders of listed company	-461,615,643	-937,994,191	-350,046,170	-1,187,101,034
Net cash flow generated by business operation	-620,286,887	411,928,377	2,777,296,829	-1,089,073,545

Whether significant variances exist between the above financial index or the index with its sum and the financial index of the quarterly report as well as semi-annual report index disclosed by the company.

Yes No

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

√Applicable □Not applicable

In RMB

Items	Amount (2022)	Amount (2021)	Amount (2020)	Notes
Non-current asset disposal gain/loss(including the write-off part for which assets impairment provision is made)	30,802,837	82,842,178	340,976,361	It is mainly Yuejia is due to the settlement of houses and buildings
Government subsidy recognized in current gain and loss(excluding those closely related to the Company's business and granted under the state's policies)	51,267,272	37,606,578	30,457,198	It is various government funds received by branches and subsidies.
Gain equal to the amount by which investment costs for the Company to acquire subsidiaries, associates and joint ventures are lower than the Company's enjoyable fair value of identifiable net assets of investees when making investments	0	0	9,784,791	
Asset impairment provisions due acts of God such as natural disasters	-83,358,694	0	0	It is mainly because the some assets in Yangjiang Wind Power was seriously damaged by typhoon, causing operation failure. The Company evaluates the recoverable value of the damaged assets and makes provision for impairment according to the evaluation results.
Net gain and loss of the subsidiary under the common control and produced from enterprise consolidation from the beginning of the period to the consolidation date	0	-658,714,842	559,324,501	
Operating income and expenses other than the aforesaid items	46,299,376	16,979,172	36,323,955	
Other gains/losses in compliance with the definition of non-recurring gain/loss	-57,924,953	82,674,743	5,001,523	It is mainly the loss of asset retirement, claim settlement and compensation income of branches and subsidiaries.
Less :Influenced amount of income tax	38,582,624	55,885,342	106,635,578	
Influenced amount of minor shareholders' equity (after tax)	15,662,748	-252,056,993	372,532,443	
Total	-67,159,534	-242,440,520	502,700,308	--

Details of other profit and loss items that meet the non-recurring profit and loss definition

□ Applicable√ Not applicable

None

For the company's non-recurring gain/loss items as defined in the Explanatory Announcement No.1 on information disclosure for Companies Offering their Securities to the Public-Non-recurring Gains and Losses and its non-recurring gain/loss items as illustrated in the Explanatory Announcement No.1 on information Disclosure for Companies offering their securities to the public-non-recurring Gains and losses which have been defined as recurring gains and losses, it is necessary to explain the reason.

√ Applicable Not applicable

Items	Amount involved(RMB)	Reason
Value-added tax will be refunded immediately	28,893,040	According to the VAT refund policy, the company and its controlled subsidiaries are in compliance with relevant regulations and continue to enjoy the VAT refund immediately
Carbon emission quota used to fulfill the emission reduction obligation	-306,786,693	Comply with national policies and regulations, and continue to occur.

III. Management Discussion & Analysis

I. Industry information of the company during the reporting period

The company shall comply with the disclosure requirements of power-related industries in the Guideline No.3 for Self-regulation of Listed Companies of Shenzhen Stock Exchange-Industry Information Disclosure.

According to the statistics of the national power industry in 2022 published by the National Energy Administration, the electricity consumption of the whole society in China in 2022 was 8.64 trillion kWh, with a year-on-year increase of 3.6%. The electricity consumption of the primary industry was 114.6 billion kWh, with a year-on-year increase of 10.4%; The electricity consumption of the secondary industry was 5.7 trillion kWh, with a year-on-year increase of 1.2%; The electricity consumption of the tertiary industry was 1.49 trillion kWh, with a year-on-year increase of 4.4%; The domestic electricity consumption of urban and rural residents was 1.34 trillion kWh, with a year-on-year increase of 13.8%.

In terms of power supply, with the goal of "carbon peaking and carbon neutrality" and the development requirements of building a new power system, new energy sources such as wind power and solar power have entered the "fast lane" of high-quality development, and the installed capacity has increased year by year in the total installed capacity of power generation in China, with remarkable results of green and low-carbon transformation in the power industry. By the end of 2022, the cumulative installed power generation capacity in China was about 2.56 billion kilowatts, with a year-on-year increase of 7.8%, in which the installed capacity of wind power is about 370 million kilowatts, with a year-on-year increase of 11.2%; The installed power generation capacity of solar power is about 390 million kilowatts, with a year-on-year increase of 28.1%; The installed capacity of coal-fired power is about 1.121 billion kilowatts, with a year-on-year increase of 1%, and the power generation of coal-fired power is up 0.7% year-on-year, accounting for 58.4% of the total power generation. Combined with the installed capacity and power generation, coal-fired power is still the most important power supply in China, and it is also the "ballast stone" to ensure the safe and stable supply of electricity in China.

In 2022, the fuel price remains high, and the operation of thermal power enterprises is facing great challenges. According to the transaction results announced by Guangdong Power Exchange Center in December 2022, the average transaction price of bilateral negotiation transactions, annual listing transactions and annual centralized competition transactions in the province in 2023 increased year on year, with the average transaction price of bilateral negotiation being RMB 553.88/thousand kWh, which was RMB 56.84/thousand kWh higher than the previous year. At the same time, the Energy Bureau of Guangdong Province and the South China Energy Regulatory Office of Nation Energy Administration jointly issued the *Notice on Matters Related to Electricity Market Transactions in 2023*, proposing that when the price fluctuation of primary energy exceeds a certain range, the primary energy price fluctuation transmission mechanism shall be started according to the market operation to promote the transmission of cost pressure to the downstream. In addition, in the first half of 2022, the National Development and Reform Commission successively issued the *Notice on Further Improving the Price Formation Mechanism of the Coal Market* and related documents to strengthen the regulation and supervision of the coal market price, guide the coal price within a reasonable range, promote the coordinated development of coal and electricity upstream and downstream, and ensure the safe and stable supply of energy. To sum up, the increase of transaction price in the medium and long-term market is conducive to the reasonable diversion of the upstream coal price cost pressure to the downstream. Meanwhile, if the coal price can fall back to a reasonable range under the guidance of national policies, the company's operating pressure will be released to a certain extent, and its profit outlook will be improved.

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

The company shall comply with the disclosure requirements of power-related industries in the Guideline No.3 for Self-regulation of Listed Companies of Shenzhen Stock Exchange-Industry Information Disclosure.

The company is mainly engaged in the investment, construction, and operation management of electric power projects and new energy projects, as well as the production and sales of electric power. It belongs to the power, heat production and supply industry classified in the “Guidelines for the Industry Classification of Listed Companies” by the China Securities Regulatory Commission. Since its foundation, the company has always adhered to the business tenet of “Capital from the people, using it for electricity, and benefiting the public” and adheres to the business policy of “Centering on the main business of electricity, with diversified development”, focusing on the main business of power and making the power structure go diversified. In addition to the development, construction and operation of large-scale coal-fired power plants, it also has clean energy projects such as LNG power generation, wind power generation and hydropower generation, which provides reliable and clean energy to users through the grid company. As of the end of 2022, the company has controllable installed capacity of 31.444 million kilowatts, including holding installed capacity of 29.6962 million kilowatts and equity participation installed capacity of 1.7478 million kilowatts. Including: The holding installed capacity for coal-fired power generation was 20.55 million kilowatts, accounting for 69.2%; the holding installed capacity for gas and electricity of 6.392 million kilowatts, accounting for 21.52%; and renewable energy generation like wind power and hydropower of 2.7542 million kilowatts, accounting for 9.27%. In addition, the company is entrusted with managing the installed capacity of 8.854 million kilowatts. The above controllable installed capacity and entrusted management installed capacity totaled 39.986 million kilowatts.

Income source is primarily contributed by power production and sales, and main business income is derived from Guangdong province. The company electricity sales price is subject to the benchmark price verified by the price authority per relevant policies based on National Development and Reform Commission (NDRC) and the electricity transaction price through the market trade implementation per Guangdong Electricity Market Trade Basic Rules and supporting files. In the reporting period, the electricity sold is 107.679 billion kilowatt-hours, an increase of 2.16% YOY; average price stated in the consolidated statements is 545.55 Yuan/ thousands kilowatt-hours (tax included, the same below), an increase of 78.44 yuan/ thousands kilowatt-hours or an increase of 16.8% YOY; the total operating income was RMB 52,661.09 million, an increase of RMB 8,203.22 million or an increase of 18.45% YOY.

The company's business is dominated by coal-fired power generation, and the fuel costs account for a large portion of operating costs, thus the fluctuations in coal prices have a significant impact on the company's operating performance. During the reporting period, affected by the increase in power generation and the continuous increase in coal prices, the company's fuel costs were 43,252.48 million yuan, which accounted for 81.84% of the main business costs, affected by the sharp increase of power generation and coal price, the fuel cost increased by RMB 4,588.78 million year on year. an increase of 11.87%.

During the reporting period, benefiting from the YOY increase in on-grid electricity prices and the orderly promotion of production of new energy projects such as wind power and photovoltaics projects, the company's operating income increased significantly. However, affected by a variety of factors and the high-level fuel prices, the company's thermal power plants recorded serious losses, and the company achieved a net profit attributable to the parent company of -3,003.92 million yuan in 2022, down 2.59% YOY. In which, the company's coal power business achieved a net profit attributable to the parent company of -3,950.78 million yuan; The net profit attributable to the parent company of the gas power business was 186.04 million yuan; The net profit

attributable to the parent company from the hydropower business was - 27.23 million yuan; The new energy business achieved a net profit attributable to the parent company of 325.68 million yuan; The investment business of the company's headquarters achieved a net profit attributable to the parent company of 1042.98 million yuan.

Main Production and Operation Information

Items	This reporting period	Same period last year
Total installed capacity ('0,000 kW)	2,969.62	2,822.52
Installed capacity of units that are newly put into production ('0,000 kW)	147.10	218.12
Planned installed capacity of approved projects ('0,000 kW)	1,803.50	925.23
Planned installed capacity of projects under construction ('0,000 kW)	1,077.15	696.80
Power generation ('00,000,000 kWh)	1,140.59	1,111.77
On-grid electricity or electricity sales ('00,000,000 kWh)	1,076.79	1,053.98
Average on-grid price or selling price (RMB/ '00,000,000 kWh , including tax)	0.55	0.47
Average power consumption rate of power plant (%)	5.71	5.23
Power plant utilization hours (h)	3,980	4,219

(1) Operation Information of thermal power

Items	This reporting period	Same period last year
Total installed capacity ('0,000 kW)	2,694.2	2,602.2
Installed capacity of units that are newly put into production ('0,000 kW)	92	82
Planned installed capacity of approved projects ('0,000 kW)	852	664.8
Planned installed capacity of projects under construction ('0,000 kW)	745.60	570.80
Power generation ('00,000,000 kWh)	1,086.73	1,077.46
On-grid electricity or electricity sales ('00,000,000 kWh)	1,025.63	1,021.45
Average on-grid price or selling price (RMB/ '00,000,000 kWh , including tax)	0.54	0.46
Average power consumption rate of power plant (%)	5.62	5.23
Power plant utilization hours (h)	4,110	4,606

(2) Operation Information of wind power

Items	This reporting period	Same period last year
Total installed capacity ('0,000 kW)	234.50	197.04
Installed capacity of units that are newly put into production ('0,000 kW)	37.46	136.12
Planned installed capacity of approved projects ('0,000 kW)	11.50	0
Planned installed capacity of projects under construction ('0,000 kW)	100	104
Power generation ('00,000,000 kWh)	42.99	23.06
On-grid electricity or electricity sales ('00,000,000 kWh)	41.15	21.89
Average on-grid price or selling price (RMB/ '00,000,000 kWh , including tax)	0.73	0.68
Average power consumption rate of power plant (%)	4.27	4.61
Power plant utilization hours (h)	2,168	2,044

(3) Operation Information of water power

Items	This reporting period	Same period last year
Total installed capacity ('0,000 kW)	13.28	13.28
Installed capacity of units that are newly put into production ('0,000 kW)	0	0
Planned installed capacity of approved projects ('0,000 kW)	0	0

Planned installed capacity of projects under construction ('0,000 kW)	0	0
Power generation ('00,000,000 kWh)	3.76	3.44
On-grid electricity or electricity sales ('00,000,000 kWh)	3.70	3.39
Average on-grid price or selling price (RMB/ '00,000,000 kWh , including tax)	0.21	0.21
Average power consumption rate of power plant (%)	1.66	1.44
Power plant utilization hours (h)	2,833	2,589

(4) Operation Information of Biomass business

Items	This reporting period	Same period last year
Total installed capacity ('0,000 kW)	10	10
Installed capacity of units that are newly put into production ('0,000 kW)	0	0
Planned installed capacity of approved projects ('0,000 kW)	0	0
Planned installed capacity of projects under construction ('0,000 kW)	0	0
Power generation ('00,000,000 kWh)	7.09	7.89
On-grid electricity or electricity sales ('00,000,000 kWh)	6.28	7.25
Average on-grid price or selling price (RMB/ '00,000,000 kWh , including tax)	0.75	0.75
Average power consumption rate of power plant (%)	11.37	8.11
Power plant utilization hours (h)	7,087	7,890

(5) Operation Information of photovoltaic business

Items	This reporting period	Same period last year
Total installed capacity ('0,000 kW)	17.64	0
Installed capacity of units that are newly put into production ('0,000 kW)	17.64	0
Planned installed capacity of approved projects ('0,000 kW)	940	260.43
Planned installed capacity of projects under construction ('0,000 kW)	231.55	22
Power generation ('00,000,000 kWh)	0.03	0
On-grid electricity or electricity sales ('00,000,000 kWh)	0.03	0
Average on-grid price or selling price (RMB/ '00,000,000 kWh , including tax)	0.54	/
Average power consumption rate of power plant (%)	1.11	/
Power plant utilization hours (h)	146	/

Note: 1. The total installed capacity is the holding installed capacity, In 2021, the Company's photovoltaic power generation was only used in the factory.

Electricity sales business of the Company

√ Applicable □ Not applicable

Guangdong Yudean Electric Power Sales Co., Ltd. ("Sales company"), a wholly-owned subsidiary of the company, founded in July 2015, is the first power sales company in Guangdong province, and its power sales qualification code is SD01. Based on the business of purchasing and selling electricity, the sales company focuses on improving electricity efficiency, provides customers with services such as demand response strategy, energy saving renovation, energy consumption strategy consultation, contracted energy management, power energy storage, etc., and carries out comprehensive energy service projects (smart energy management, carbon asset management, energy trusteeship, energy audit, etc.) in vertical (industry) fields, large group enterprises and large parks.

In 2022, the electricity consumption of the sales company was 49.193 billion kWh, with a year-on-year decrease of 8.59%, in which the electricity of the holding subsidiary of the agency company is 41.084 billion kWh, accounting for 38.15% of the company's on-grid electricity.

Reasons for the significant changes in the relevant data

Applicable Not applicable

Related new energy power generation business

During the "14th Five-Year Plan" period, the company initially planned to add about 14 million kilowatts of new energy installed capacity, including 1.6 million kilowatts of onshore wind power, 2.8 million kilowatts of offshore wind power and 9.6 million kilowatts of photovoltaic power (the above-mentioned planned installed capacity and power generation type will be determined according to the actual situation of project approval for filing, investment and development, and be subject to some adjustment in specific implementation.) By the end of 2022, the company had a total installed capacity of about 2,521,400 kilowatts of new energy such as wind power and photovoltaic power, including about 1.2 million kilowatts of offshore wind power, 1.145 million kilowatts of onshore wind power and 176,400 kilowatts of photovoltaic power; In Jianyang Jiangqingzhou No.1 and No.2 offshore wind power projects and Xinjiang Hanhai photovoltaic projects, the total installed capacity is 3,315,500 million kilowatts; The scale of new energy projects that the Company has approved for filing is about 10 million kilowatts. In the future, the company will continue to actively grasp the development trend of accelerating energy transformation under the goal of "emission peak" and "carbon neutrality", implement the strategy of "1+2+3+X", actively expand the resources of new energy projects through self-construction and acquisition, fully promote the leap-forward development of new energy, and build an ecological and civilized power enterprise.

1. As of December 31, 2022, the new energy power generation projects controlled by the company that have been put into production are as follows:

Project type	Project name	Installed capacity ('0,000 kilowatts)	Shareholding ratio
Wind Power	Zhanjiang Xuwen Yangqian	4.95	70%
Wind Power	Zhanjiang Xuwen Yongshi	4.95	70%
Wind Power	Jieyang Huilai Shibeishan	10.0	70%
Wind Power	Jieyang Huilai Haiwanshi	1.4	90%
Wind Power	Maoming Dianbai Hot Water	4.95	100%
Wind Power	Zhanjiang Leizhou Hongxinlou	4.95	94%
Wind Power	Zhanjiang Xuwen Shibanling	4.95	100%
Wind Power	Zhanjiang Xuwen Qujie	4.95	100%
Wind Power	Wailuo I offshore wind power	19.8	100%
Wind Power	Xuwen Wutushan Wind Power	4.95	51%
Wind Power	Xuwen Dengjiaolou Wind Power	4.95	51%
Wind Power	Pingyuan Maoping	4.8	100%
Wind Power	Zhuhai Jinwan offshore Wind power	30	74.49%
Wind Power	Zhanjiang Xuwen Wailuo II Offshore Wind Power	20	100%
Wind Power	Zhanjiang Xuwen Xinliao offshore wind power	20.35	100%
Wind Power	Yangjiang Shapa offshore wind power	30	91.41%
Wind Power	Guangxi Wuxuan	5	100%
Wind Power	Yangjiang Shapa offshore wind	5	100%

	power		
Wind Power	Guangxi Wuxuan	5	100%
Wind Power	Decentralized Wind Power in Shanwei Power Plant	1.08	65%
Wind Power	Nanxiong Zhuan village	4.99	100%
Wind Power	Xiangtan Changshan	4.4	100%
Wind Power	Pingyuan Sishui	4	100%
Wind Power	Henan Xihua Wind Power	1.53	100%
Wind Power	Henan Wuzhi Wind power	2.5	100%
Wind Power	Hebei Ziyahe	10	80%
Wind Power	Zhanjiang Leigao	15.03	51%
Photovoltaic	Baojia Power generation	0.12	90%
Photovoltaic	Dapu Power plant	0.20	100%
Photovoltaic	Jiuzhou New Energy	1.73	100%
Photovoltaic	Xinhui Power Plant	1.06	46%
Photovoltaic	Yuehua Company	0.06	51%
Photovoltaic	Shandong Gaotang	4.05	100%
Photovoltaic	Jinxiu Wudeng	0.14	90%
Photovoltaic	Red Bay Power Plant	1	65%
Photovoltaic	Wushi Wudeng	0.014	100%
Photovoltaic	Sanhe Xihua	0.46	100%
Photovoltaic	Haiyan Shalan	1	100%
Photovoltaic	Shanxi Hongdong	4.8	100%
Photovoltaic	Meizhou Wuhua	3	100%
Total		252.14	

III. Analysis On core Competitiveness

1. The largest listed company of power in Guangdong

The company's main power generation assets are located in Guangdong province, with a total asset size of more than 131.504 billion. It is the largest listed company of power in Guangdong province. It is the only listed company with over 100 billion assets controlled by state-owned holdings in Guangdong province. As of December 31, 2022, the company, as the largest listed power company in Guangdong Province, has a total of 39.986 million kilowatts of controllable installed capacity and entrusted managed installed capacity, accounting for about a quarter of the total installed capacity in Guangdong province.

2. Strong background and resource advantages

Guangdong Energy Group, the controlling shareholder of the company, as a provincial key energy enterprise, has been actively supporting listed companies to become better and stronger by using the advantages of its resources, technology and asset scale. As the only listed company and main force of Guangdong Energy Group, the company has always been subordinated to serving the overall situation of the reform and development of Guangdong Province and Guangdong Yudean Group. It has deeply cultivated the main power industry, actively played the value discovery function and resource allocation function of the capital market, and assisted the reform and development of Guangdong province's energy resources.

3. Comprehensive advantages of main business

During the 14th five-year period, guided by the national energy development strategy, the company is

implementing the "1+2+3+X" strategy - to build a first-class green and low-carbon power listed company, coordinate safety and development, optimize and strengthen coal, gas and biomass power generation services, and vigorously develop new energy, energy storage, hydrogen energy and land park development. The company has abundant project reserves and broad development prospects; With clear main business, reasonable structure, outstanding industrial position and market share, it has strong comprehensive strength and broad development prospects.

4. Competitive advantage in electricity market

The company's generator set has high parameters, large capacity, high operation efficiency, low coal consumption, stable operation, superior environmental protection performance and strong market competitive advantage. In 2022, the company completed a total of 102.834 billion kilowatt-hours of electricity in the market, and the scale of electricity sales continued to rank first in the province, with electricity sales prices superior to the province's average. The company gives full play to its three advantages of scale, brand and service. With its marketing service network all over the province and its technical accumulation and comprehensive resources in the power industry, the company provides auxiliary value-added services such as peak regulation, frequency modulation and backup for the power grid, and provides high-quality value-added services such as comprehensive energy saving and power consumption consultation for users, thus realizing the transformation from a power generation enterprise to an energy comprehensive service enterprise.

5. Advantage of financial resources

At present, the company's total assets reach 100 billion, and the cash flow of its stock business is abundant, which provides a good support for the company's sustainable development. The company's financial position is good, with good financing channels such as bank credit, bonds and securities markets and rich financing methods. The company will make full use of internal and external financial resources to provide strong financial guarantee for the production and operation of enterprises, the construction of key projects and the rapid development of new energy industry.

6. Regional development advantages

As the main energy source in Guangdong province, the company shoulders the important task of helping Guangdong Province to build a clean, low-carbon, safe and efficient modern energy system. The company will actively integrate into the construction of Guangdong-Hong Kong-Macao Greater Bay Area, Shenzhen's advanced demonstration zone and the development of Guangdong's "one core, one belt and one area". It will steadily push forward the construction of key energy projects and the development of new energy resources in the province and actively seek to expand into regions with better resource conditions and higher power demand, helps the "30·60" target to be implemented.

IV. Main business analysis

I. General

In 2022, affected by the increasing downward pressure on the economy, the overall demand for electricity in Guangdong province remained almost flattened as the previous year, reaching 787.034 billion kWh-a YOY increase of 0.05%. In terms of installed capacity, by the end of 2022, the regulated installed capacity of Guangdong was 171 million kilowatts, with a year-on-year increase of 7.9%, of which the installed capacity of coal-fired power was 68.577 million kilowatts, with a year-on-year increase of 1%; The installed capacity of gas and electricity was 34.233 million kilowatts, with a year-on-year increase of 12.1%; The total installed capacity of wind power and solar power generation was 28.351 million kilowatts, with a year-on-year increase of 27.3%. During the reporting period, the company accumulated 107.679 billion kWh of on-grid electricity in

consolidated statements, with a year-on-year increase of 2.16%, in which, the on-grid electricity of coal machine is 87.805 billion kWh, the on-grid electricity of gas machine is 14.758 billion kWh, and the on-grid electricity of hydropower, wind power and photovoltaic power is 5.116 billion kWh.

In 2022, with the deepening of electricity marketization reform, and the continuous expansion in the scale of market-oriented transactions in Guangdong province, according to the data of Guangdong Power Exchange Center, the electricity directly traded in the province's market in 2022 was 298.57 billion kWh, of which the electricity negotiated bilaterally was 252.924 billion kWh, with a year-on-year increase of 17.62%, and the average transaction price is RMB 0.498/kWh; The average on-grid tariff of the consolidated statement of the company was RMB 545.55/thousand kWh (including tax, the same below), with a year-on-year increase of RMB 78.44/thousand kWh, i.e. 16.8%.

In 2022, facing the arduous test of balancing the multiple goals of ensuring supply, adjusting structure and stabilizing growth in the power energy industry, the company resolutely fulfilled the economic, political and social responsibilities of state-owned enterprises, and made every effort to ensure the safe production and stable supply of electricity. Despite the positive factors such as the YOY increase in on-grid electricity prices and the orderly promotion of production of new energy projects such as wind power and photovoltaics project, it's still difficult to cover high fuel costs, and the company's power generation business continued to lose money. By the end of 2022, the company's total assets in consolidated statements were 131.504 billion yuan, a YOY increase of 14.86%; The total liabilities in the consolidated statements were 102.782 billion yuan, with an asset-liability ratio of 78.16%; The equity attributable to shareholders of the parent company was 20.242 billion yuan, a YOY decrease of 13.45%. The company achieved a consolidated operating income of 52.661 billion yuan, a YOY increase of 18.45%; and realized that the net profit attributable to shareholders of the parent company was -3.004 billion yuan, with earnings per share was -0.57 yuan.

In 2022, the company added 920,000 kilowatts for Huadu Thermal Power, 44,000 kilowatts for Xiangtan Changshan Wind Power, 40,000 kilowatts for Pingyuan Sishui Wind Power, 100,000 kilowatts for Hebei Ziyahe Wind Power, 17,000 kilowatts for Zhaoqing Jiuzhou distributed photovoltaic power, The clean energy projects included the regulation wind power of 150,000 kilowatts project, and it had a total installed capacity of about 1.471 million kilowatts; By the end of 2022, the Company has a holding installed capacity of 9,146,200 kilowatts of clean energy power generation such as gas power, wind power, hydropower, photovoltaic, and biomass power, and the proportion increased to 30.79%. In addition, the Company actively promoted the construction of Daya Bay Integrated Energy Station, Ningzhou Alternative Power Source, ZhaoqingYongan Natural Gas Thermal Power, YangjiangQingzhou Offshore Wind Power, Xinjiang Hanhai Photovoltaic and other projects, continuously optimized the power supply structure, and promoted the company's green and low-carbon transformation.

2. Revenue and cost

(1)Component of Business Income

In RMB

	2022		2021		Increase /decrease
	Amount	Proportion	Amount	Proportion	
Total operating revenue	52,661,088,436	100%	44,457,866,542	100%	18.45%
On Industry					
Electric power , Steam sales and labor income	52,220,743,337	99.16%	43,864,972,613	98.67%	19.05%

Other	440,345,099	0.84%	592,893,929	1.33%	-25.73%
On products					
Sales Electric Power	51,889,521,596	98.53%	43,568,666,575	98.00%	19.10%
Steam income	202,658,611	0.38%	167,971,843	0.38%	20.65%
Labor income	128,563,130	0.24%	128,334,195	0.29%	0.18%
Comprehensive utilization of fly ash	365,533,200	0.69%	495,095,811	1.11%	-26.17%
Lease revenue	42,581,955	0.08%	48,557,619	0.11%	-12.31%
Other	32,229,944	0.06%	49,240,499	0.11%	-34.55%
Area					
Guangdong	51,738,933,176	98.25%	44,292,665,519	99.63%	16.81%
Xinjiang	724,019,436	1.37%	60,100,462	0.14%	1,104.68%
Hunan	81,219,984	0.15%	26,527,617	0.06%	206.17%
Yunnan	70,173,996	0.13%	64,581,623	0.15%	8.66%
Guangxi	46,017,681	0.09%	13,991,321	0.03%	228.90%
Henan, Hebei	724,163	0%	0	0%	/
Sub-sale model					
Direct selling	52,661,088,436	100%	44,457,866,542	100%	18.45%

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

√ Applicable □ Not applicable

The company shall comply with the disclosure requirements of power-related industries in the Guideline No.3 for Self-regulation of Listed Companies of Shenzhen Stock Exchange-Industry Information Disclosure.

In RMB

	Turnover	Operation cost	Gross profit rate(%)	Increase/decrease of revenue in the same period of the previous year(%)	Increase/decrease of business cost over the same period of previous year (%)	Increase/decrease of gross profit rate over the same period of the previous year (%)
On products						
Sales Electric Power	51,889,521,596	52,503,713,101	-1.17%	19.10%	12.78%	5.68%
Including:						
Fire coal Generation Power	40,624,681,752	43,377,979,331	-6.78%	15.14%	9.93%	5.06%
Gas Generation Power	8,110,431,935	7,419,474,635	8.52%	27.26%	21.97%	3.97%
Wind Generation Power	2,660,095,257	1,276,137,628	52.03%	94.30%	118.65%	-5.34%
Biomass Generation Power	414,276,939	374,369,738	9.63%	-13.37%	0.62%	-12.57%
Hydroelectric Generation power	70,172,853	54,756,193	21.97%	8.66%	-2.47%	8.90%
Photovoltaic Generation power	9,862,860	995,576	89.91%	/	/	/
Area						
Guangdong	51,738,933,176	51,870,231,552	-0.25%	16.81%	11.15%	5.11%

Reasons for great changes in related financial indicators

√ Applicable □ Not applicable

1) The company's operating income in Xinjiang increased by 1104.68% year on year, mainly because the company acquired Tumushuke Thermal Power Company in December 2021, and the operating income in Xinjiang in 2021 was only the operating income generated after the actual control of Tumushuke Thermal Power Company was acquired.

2) The company's operating income in Hunan increased by 206.17% year on year, mainly due to the trial operation of Xupu and Tongdao wind power in the second half of 2021, with less power generation in 2021, and the acquisition of Changshan wind power in 2022, which resulted in the year-on-year increase in electricity sales in this region;

3) The company's operating income in Guangxi increased by 228.90% year on year, mainly due to the trial operation of Wuxuan Wind Power in 2021. Due to the influence of trial operation and debugging, the power generation in 2021 was small, and the electricity sales in this region increased year on year.

(3) Whether the Company's Physical Sales Income Exceeded Service Income

Yes No

Classification	Items	Unit	2022	2021	Changes
Electric power, thermal production and supply	Sales volume	'00,000,000 kWh	1,076.79	1,053.98	2.16%
	Production	'00,000,000 kWh	1,140.59	1,111.77	2.59%

Explanation for a year-on-year change of over 30%

Applicable Not applicable

(4) Performance of the major sales contract, major procurement contract signed by the company till end of the Period

Applicable Not applicable

Implementation of Signed Major Sales Contracts as of this Reporting Period

Applicable Not applicable

In RMB10,000

Contract object	Counterparty	Total contract amount	Total fulfilled amount	Amount fulfilled during the reporting period	Amount to be fulfilled	Whether fulfilled properly	Description of the failure to fulfill the contract properly
Quantity of electricity	CHINA SOUTHERN POWER GRID			4,928,894.34		Yes	

Implementation of Signed Major Purchase Contracts as of this Reporting Period

Applicable Not applicable

(5) Component of business cost

Industry classification

In RMB

Industry	Items	2022		2021		Increase/Decrease
		Amount	Proportion in the operating costs (%)	Amount	Proportion in the operating costs (%)	
Electric power, thermal production and supply	Fuel cost	43,252,482,322	81.84%	38,663,701,630	82.57%	11.87%
Electric power, thermal production and supply	Depreciation expense	4,708,493,060	8.91%	4,094,729,526	8.74%	14.99%
Electric power, thermal	Labor cost	1,780,084,083	3.37%	1,815,101,550	3.88%	-1.93%

production and supply						
Electric power, thermal production and supply	Other	3,111,250,716	5.89%	2,253,972,767	4.81%	38.03%

Note

The company is in power sector and mainly engaged in power generation at present. The cost is composed of fuel cost, depreciation expenses, labour cost and other expenses. Fuel cost accounts for about 81.84% of total cost, affected by the high fuel price in 2022, the fuel cost further increased.

(6) Whether Changes Occurred in Consolidation Scope in the Report Period

Yes No

Name	Nature	New investment amount in this period (Yuan)	Paid-in capital at the end of period(Yuan)	Proportion (%)	Acquired
Yudean Jinxiu Integrated Energy Co., Ltd.	Photovoltaic power generation	2,621,800	2,913,114	90%	Invested
Guangdong Yudean Huibo New Energy Co., Ltd.	Photovoltaic power generation	15,492,360	15,492,360	100%	Invested
Nanjing Linyuan Senhai New Energy Co., Ltd.	Photovoltaic power generation	120,495,920	120,495,920	100%	Invested
Nanjing Senhong New Energy Co., Ltd.	Photovoltaic power generation	120,495,920	120,495,920	100%	Invested
Tumushuke Yudean Hanhai New Energy Co., Ltd.	Photovoltaic power generation	324,050,000	324,050,000	100%	Invested
Taishan Dongrun Zhongneng New Energy Co., Ltd.	Photovoltaic power generation	45,063,020	45,063,020	100%	Asset acquisition
Meizhou Xingyue New Energy Co., Ltd.	Photovoltaic power generation	9,977,500	9,977,500	100%	Invested
Guangdong Yudean Huixin Thermal Power Co., Ltd.	CHP	104,975,000	123,500,000	100%	Invested
Guangdong Yudean Maoming Natural gas Thermal Power Co., Ltd.	CHP	115,345,000	118,345,000	85%	Invested
Guangdong Shaoguan Yudean New Energy Co., Ltd.	Photovoltaic power generation	33,473,000	33,473,000	100%	Invested
Yudean Shache Integrated Energy Co., Ltd.	Photovoltaic power generation	1,206,110,470	1,206,110,470	100%	Invested
Laixi Xinguangyao New Energy Co., Ltd.	Photovoltaic power generation	32,923,000	33,255,555	99%	Asset acquisition
Jiuzhou New Energy(Zhaoqing) Co., Ltd.	Photovoltaic power generation	39,000,000	40,680,000	100%	Asset acquisition
Xiangtan Xiangdian Changshan Wind Power Generation Co., Ltd.	Wind Power generation	89,524,003	80,000,000	100%	Asset acquisition
Yunfu Luoding Yudean New Energy Co., Ltd.	Photovoltaic power generation	1,844,520	1,844,520	100%	Invested

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

Applicable Not applicable

(8) Situation of Main Customers and Main Supplier

Information of the company's top 5 sales customers

Total sales amount to top 5 customers (Yuan)	50,381,452,707
Proportion of sales to top 5 customers in the annual sales(%)	95.67%
Proportion of the sales volume to the top five customers in the total sales to the related parties in the year	0.49%

Information of the company's top 5 customers

No	Name	Amount (RMB)	Proportion
1	GPGC	49,288,943,416	93.60%
2	State Grid Xinjiang Electric Power Co., Ltd	667,525,369	1.27%
3	Guangdong Yudean Environmental Protection Co., Ltd	259,669,937	0.49%
4	State Grid Hunan Electric Power Co., Ltd	108,007,384	0.21%
5	Yunnan Power Grid Co., Ltd.	57,306,600	0.11%
Total	--	50,381,452,707	95.67%

Other explanation :

√Applicable □Not applicable

Guangdong Yudean Environmental Protection Co., Ltd. is a wholly-owned subsidiary of Guangdong Electric Power Industrial Fuel Co., Ltd., a joint venture company of the company. Therefore, Guangdong Yudean Environmental Protection Co., Ltd. is related to the company.

Principal suppliers

Total purchase of top 5 Suppliers (Yuan)	46,658,788,875
Percentage of total purchase of top 5 suppliers In total annual purchase(%)	81.78%
Proportion of purchase amount from the top 5 suppliers in the total purchase amount from the related parties in the year	66.59%

Information about the top 5 suppliers

No	Name	Amount (Yuan)	Proportion
1	Guangdong Energy Group	37,994,814,563	66.59%
2	China Energy Construction Group, Guangdong Electric Power Design & Research Institute Co., Ltd.	3,484,742,135	6.11%
3	Guangdong Zhujiang Investment Electric Fuel Co., Ltd.	2,140,672,790	3.75%
4	Guangdong Dapeng ING Co., Ltd	1,850,639,387	3.24%
5	Dongfang Electric Group, Dongfang Boiler Co., Ltd.	1,187,920,000	2.08%
Total	--	46,658,788,875	81.78%

Other explanation :

√ Applicable □Not applicable

Guangdong Energy Group Co., Ltd. (hereinafter referred to as "Guangdong Energy Group") is the controlling shareholder of the company, and has an associated relationship with the company. The amount of related suppliers between the company and Guangdong Energy Group listed here covers all related transactions between the company and Guangdong Energy Group and its subsidiaries.

3. Expenses

In RMB

	2022	2021	Increase/Decrease(%)	Notes
Sale expenses	69,108,603	65,407,040	5.66%	
Administration expenses	1,192,506,931	1,101,123,287	8.30%	
Financial expenses	2,135,900,012	1,371,365,945	55.75%	It is mainly caused by the increase of company investment and working capital demand and the expansion of debt financing scale.
R & Development expenses	1,229,311,572	584,714,979	110.24%	It is mainly because that the company and its subordinate units increase R&D investment and improve the centralized management of R&D expenses.

4. R& D Expenses

√ Applicable □ Not applicable

Name of main R&D project	Project purpose	Project progress	Goal to be achieved	Expected impact on the future development of the Company
Research on chlorine migration and transformation law and energy-saving operation optimization technology of bypass flue evaporation system in coal-fired power plant	Improve the safety and reliability of the system operation and promote the energy-saving and low-carbon economic operation of the system.	In operation	Form a research report on chlorine migration and transformation law and energy-saving operation optimization technology of bypass flue evaporation system in coal-fired power plant, compile operation guidelines of bypass flue evaporation system, and build a calculation software package that can provide guidance for optimal operation of bypass flue evaporation system in power plant, and provide theoretical basis and practical experience for engineering application.	Promote the safe, stable, energy-saving and low-carbon operation of the rotary atomizing evaporation system of the high-temperature bypass flue, and promote and apply the obtained results to other similar process units of the company.
Research on intelligent monitoring and early warning technology of ash conveying system for millions of units	Through the comprehensive study of compressed air from production to use, evaluate and analyze its energy-saving potential, so as to carry out targeted tests and transformation.	In operation	According to the different operation conditions of the current ash conveying system, it is estimated that the energy consumption of the air compressor can be reduced by 20~30%. Combined with advanced monitoring technology, by studying the main process of ash conveying system, develop an intelligent early warning system for ash accumulation in ash hopper and blockage of silo pump in ash conveying system.	Predict the dust accumulation in the ash hopper and the blockage of the warehouse pump in advance, find it in the early stage and deal with it as soon as possible to avoid more serious consequences.
Development of erosion resistance and	Solve the serious blow damage of the valve element	In operation	Solve the problem of frequent erosion of	Improve the economy and safety of the unit.

temperature reduction technology for reheater of ultra-supercritical generator set	and valve seat sealing surface of the regulating valve.		desuperheating water regulating valve of reheater and improve the reliability of equipment.	
Research and demonstration on key technologies of MW natural gas chemical looping combustion power generation	Research on the demonstration and application of MW natural gas zero carbon emission power generation technology based on natural gas chemical looping combustion technology.	In operation	Complete the R&D and demonstration verification of key technologies of 3MWth natural gas chemical loop combustion device.	Through the demonstration and application of MW natural gas zero-carbon emission power generation technology, provide an effective means to achieve the goal of carbon peaking and carbon neutrality.
Research and application of intelligent monitoring and analysis system for water saving in the whole plant	Establish the model, database system and application platform of intelligent monitoring and analysis system for water saving in the whole plant.	Completed	The average annual power generation water consumption of the whole plant decreased by 5% year on year.	Save water resources and reduce the production cost of the company.
Research on diversified fuel coupling power generation technology of large circulating fluidized bed boiler	Determine the fuel composition and component ratio that is reliable, stable and safe with maximum economic benefits.	In operation	Explore a set of diversified fuel blending mode suitable for Yunhe Power Generation Co., Ltd. to reduce the fuel cost.	Realize long-term stable and safe co-burning.
Research and application of key technologies of offshore wind power operation and maintenance	Establish a health management system for wind power operation and maintenance.	In operation	Realize equipment health state management and life prediction.	Establish a health management system for wind power operation and maintenance.
Research and application of intelligent unmanned driving technology for ship unloader	Develop the unmanned operation mode of wharf grab ship unloader to realize automatic ship unloading operation.	Completed	Achieve full-automatic ship unloading operation.	Reduce the labor input of ship unloading operation and reduce the production cost.
Detailed application of ambient intelligence monitoring system in coal yard based on 5G+ industrial Internet	Timely discover the abnormality in temperature, oxides and sulfides caused by spontaneous combustion of coal yard, and give early warning in time.	In operation	1. Remind related personnel to take cooling measures to reduce spontaneous combustion times of coal bunker; 2. Reduce the potential safety hazard of fire in coal conveying system.	Reduce the natural loss of coal during storage and reduce the emission of atmospheric pollutants.
Research and application of new processing technology for weld defects of drum downcomer.	1. Develop and apply a variety of innovative welding technologies to complete the defect treatment of metal parts; 2. Innovate and apply post-weld heat treatment technology for large thick-walled steam drum; 3. Optimize the heat treatment process and reduce the deformation of steam drum.	Completed	Provide reference and experience for dealing with the defects of important container parts in the future.	Reduce the risk of safe operation of the unit.

Company's research and development personnel situation

	2022	2021	Increase /decrease
Number of Research and Development persons (persons)	1,333	1,075	24%
Proportion of Research and Development persons	15.08%	11.65%	3.43%
Academic structure of R&D personnel			
Bachelor	961	755	27.28%
Master	87	104	-16.35%
Doctor	2	2	0%
Age composition of R&D personnel			
Under 30 years old	127	84	51.19%
30-40 years old	455	371	22.64%
Over 40 years old	751	620	21.13%

The company's R & D investment situation

	2022	2021	Increase /decrease
Amount of Research and Development Investment (Yuan)	1,229,311,572	584,714,979	110.24%
Proportion of Research and Development Investment of Operation Revenue	2.33%	1.32%	1.01%
Amount of Research and Development Investment Capitalization (Yuan)	0	0	0%
Proportion of Capitalization Research and Development Investment of Research and Development Investment	0%	0%	0%

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

Applicable Not applicable

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

Applicable Not applicable

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

Applicable Not applicable

5.Cash Flow

In RMB

Items	2022	2021	Increase/Decrease(%)
Subtotal of cash inflow received from operation activities	61,684,580,742	48,934,312,736	26.06%
Subtotal of cash outflow received from operation activities	60,204,715,968	48,812,138,068	23.34%
Net cash flow arising from operating activities	1,479,864,774	122,174,668	1,111.27%
Subtotal of cash inflow received from investing activities	2,063,345,623	2,047,927,008	0.75%
Subtotal of cash outflow for investment activities	15,215,449,730	11,341,567,109	34.16%
Net cash flow arising from investment activities	13,152,104,107	-9,293,640,101	-41.52%
Subtotal cash inflow received from financing activities	51,212,894,586	39,504,863,355	29.64%
Subtotal cash outflow for financing activities	36,129,964,664	31,715,363,283	13.92%

Net cash flow arising from financing activities	15,082,929,922	7,789,500,072	93.63%
Net increase in cash and cash equivalents	3,410,691,561	-1,381,965,670	346.80%

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

Applicable Not applicable

(1) The cash inflow from operating activities increased by 26.06%, mainly due to the year-on-year increase in the on-grid tariff.

(2) The cash outflow from operating activities increased by 23.34%, mainly due to the increase in fuel cost caused by the increase in coal and gas prices this year.

(3) The net cash flow from operating activities increased by 1,112.27% year on year, mainly due to the fact that the income this year increased more than the fuel cost, and the net cash inflow in 2021 was 120 million, which was caused by a small comparative base.

(4) The cash outflow from investment activities increased by 34.16%, mainly due to the year-on-year increase in fixed assets and intangible assets purchased and built by infrastructure units such as Hanhai and Yong'an and the second-phase projects such as Jinghai, Bohe and Dapu.

(5) The cash inflow from fund-raising activities increased by 29.64%, and the net cash flow from fund-raising activities increased by 93.63%, mainly due to the increase in investment and working capital demand and the expansion of debt financing this year.

(6) The net increase in cash and cash equivalents increased by 346.8%, mainly due to the year-on-year increase in cash flow from operating activities as well as the increasing borrowed funds.

Reasons for the significant difference between the net cash flow generated by the company's operating activities during the reporting period and the net profit of this year

Applicable Not applicable

V. Analysis of Non-core Business

Applicable Not applicable

VI. Condition of Asset and Liabilities

1. Condition of Asset Causing Significant Change

In RMB

	End of 2022		End of 2021		Proportion on increase /decrease	Notes to the significant change
	Amount	Proportion in the total assets(%)				
Monetary fund	11,503,523,618	8.75%	8,105,320,953	7.08%	1.67%	
Accounts receivable	7,578,636,244	5.76%	7,030,685,357	6.14%	-0.38%	
Contract assets	4,910,263	0.004%	4,754,820	0.004%	0%	
Inventories	3,376,868,100	2.57%	2,998,894,539	2.62%	-0.05%	
Investment real estate	365,285,301	0.28%	378,796,932	0.33%	-0.05%	
Long-term equity investment	9,198,053,183	6.99%	8,074,149,836	7.05%	-0.06%	
Fixed assets	62,400,175,057	47.45%	57,145,099,423	49.91%	-2.46%	

Construction in process	11,768,828,161	8.95%	8,710,691,766	7.61%	1.34%	
Use right assets	7,352,044,966	5.59%	5,256,124,979	4.59%	1.00%	
Short-term loans	16,261,444,860	12.37%	12,360,296,429	10.80%	1.57%	
Contract liabilities	4,960,974	0%	5,864,811	0.01%	-0.01%	
Long-term borrowing	42,860,932,628	32.59%	28,940,577,856	25.28%	7.31%	It is mainly the expansion of debt financing scale due to the increase of company investment and working capital demand.
Lease liabilities	6,870,820,017	5.22%	4,728,167,142	4.13%	1.09%	

Overseas assets account for a relatively high proportion.

Applicable Not applicable

2. Asset and Liabilities Measured by Fair Value

Applicable Not applicable

In RMB

Items	Opening amount	Gain/Loss on fair value change in the reporting period	Cumulative fair value change recorded into equity	Impairment provisions in the reporting period	Purchased amount in the reporting period	Sold amount in the reporting period	Other changes	Closing amount
Financial assets								
Other equity Instrument Investment	3,232,028,682	-175,957,628	2,115,908,438		2,000,000			3,058,071,054
Subtotal of financial assets	3,232,028,682	-175,957,628	2,115,908,438		2,000,000			3,058,071,054
Total	3,232,028,682	-175,957,628	2,115,908,438		2,000,000			3,058,071,054
Financial Liability	0	0	0					0

Other changes

None

3. Restricted asset rights as of the end of this Reporting Period

On December 31, 2022, some subsidiaries of the Group pledged the right to charge electricity fees to the banks to obtain the long-term loans of RMB 6,052,250,122, of which the balance of long-term loans due within one year was RMB 512,741,564 (as of December 31, 2021: the long-term loans were RMB 6,002,119,898, of which the balance of long-term loans due within one year was RMB 386,056,214).

VII. Investment situation

1. General

√ Applicable □ Not applicable

Investment of the period	Investment of same period of last year	Scale of change
8,056,177,802	4,542,474,730	77.35%

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

√ Applicable □ Not applicable

In RMB

Name of the company Invested	Main Business	Investment Way	Investment Amount	Share Proportion %	Capital Source	Partner	Investment Horizon	Product Type	Progress up to Balance Sheet Date	Anticipated Income	Gain or Less or the Current Investment	Whether to Involve in Lawsuit	Date of Disclosure (if any)	Disclosure Index (if any)
Guangdong Wind Power Generation Co., Ltd.	Wind Power Generation	Capital increase	832,000,000	100%	Self Funds	No	Long-term	Electric Power	In normal operation		327,934,905	No	November 9, 2021, August 31, 2022, December 1, 2022.	Published in China Securities Daily, Securities Times, Shanghai Securities News, Securities Daily and http://www.cninfo.com.cn . (Announcement No.: 2021-78, 2022-37 and 2022-60)
Guangdong Yudean Bohe Coal power Co., Ltd.	Thermal power	Capital increase	321,600,000	67%	Self Funds	Guangdong Energy Group (Share Proportion: 33%)	Long-term	Electric Power	In normal operation		5,932,120	No	September 17, 2022	Published in China Securities Daily, Securities Times, Shanghai Securities News, Securities Daily and http://www.cninfo.com.cn . (Announcement No.: 2022-47)
Yudean Jinxiu Intelligence Energy Co., Ltd.	Solar power generation	New establishment	2,621,800	90%	Self Funds	Jinxiu Jinheng New Energy Technology Co., Ltd. (Share Proportion: 10%)	Long-term	Electric Power	In normal operation		50,567	No	Not applicable	Not applicable

						10%)								
Meizhou Xingyue New Energy Co., Ltd.	Solar power generation	New establishment	9,977,500	100%	Self Funds	No	Long-term	Electric Power	In normal operation		0	No	Not applicable	Not applicable
Yunfu Luoding Yudean New Energy Co., Ltd.	Solar power generation	New establishment	1,844,520	100%	Self Funds	No	Long-term	Electric Power	In normal operation		-408	No	Not applicable	Not applicable
Laixi Xinguangyao New Energy Technology Co., Ltd.	Solar power generation	Purchase	32,923,000	99%	Self Funds	Qingdao Liantech New Technology Co., Ltd. (Share Proportion: 1%)	Long-term	Electric Power	In normal operation		-15,320	No	Not applicable	Not applicable
Guangdong Yudean Maoming Natural gas Thermal Power Co., Ltd.	Thermal power	Capital increase	115,345,000	85%	Self Funds	Maoming Maonan Chengjian Intelligence Development Co., Ltd. (Share Proportion: 15%)	Long-term	Electric Power	In normal operation		-21,075	No	Not applicable	Not applicable
Yudean Shache Intelligence Energy Co., Ltd.	Solar power generation	New establishment	1,206,110,470	100%	Self Funds	No	Long-term	Electric Power	In normal operation		-46,915	No	December 1, 2022	Published in China Securities Daily, Securities Times, Shanghai Securities News, Securities Daily and http://www.cninfo.com.cn .(Announcement No.: 2022-60)
Taishan Dongrun Zhongneng New Energy Co., Ltd.	Solar power generation	Purchase	45,063,020	100%	Self Funds	No	Long-term	Electric Power	In normal operation		-97,554	No	Not applicable	Not applicable
Guangdong	Solar	New	104,975,000	100%	Self	No	Long-term	Electric	In normal		-119,560	No	Not	Not applicable

Yudean Huixin Thermal power Co., Ltd.	power generation	establishment			Funds		term	c Power	operation				applicable	
Nanjing Linyuan Senhai New Energy Co., Ltd.	Solar power generation	Purchase	120,495,920	100%	Self Funds	No	Long-term	Electric Power	In normal operation		-150,081	No	Not applicable	Not applicable
Nanjing Senhong New Energy Co., Ltd.	Solar power generation	Purchase	120,495,920	100%	Self Funds	No	Long-term	Electric Power	In normal operation		-153,982	No	Not applicable	Not applicable
Guangdong Shaoguan Yudean New Energy Co., Ltd.	Solar power generation	New establishment	33,473,000	100%	Self Funds	No	Long-term	Electric Power	In normal operation		-181,362	No	Not applicable	Not applicable
Guangdong Yudean Huibo New Energy Co., Ltd.	Solar power generation	New establishment	15,492,360	100%	Self Funds	No	Long-term	Electric Power	In normal operation		-321,876	No	Not applicable	Not applicable
Tumushuke Yudean Hanhai New Energy Co., Ltd.	Solar power generation	New establishment	324,050,000	100%	Self Funds	No	Long-term	Electric Power	In normal operation		-384,601	No	March 26, 2022	Published in China Securities Daily, Securities Times, Shanghai Securities News, Securities Daily and http://www.cninfo.com.cn .(Announcement No.: 2022-11)
Xiangtan Xiangdian Changshan Wind Power Generation Co., Ltd.	Wind Power Generation	Purchase	89,524,003	100%	Self Funds	No	Long-term	Electric Power	In normal operation		-870,557	No	Not applicable	Not applicable
Jiuzhou New Energy (Zhaoqing)	Solar power generation	Purchase	29,819,878	100%	Self Funds	No	Long-term	Electric Power	In normal operation		-1,331,073	No	Not applicable	Not applicable

Co., Ltd.	n													
Guangdong Yudean Dananhai Smart Energy Co., Ltd	Thermal power	Capital increase	156,000,000	100%	Self Funds	No	Long-term	Electric Power	In normal operation		-2,681,463	No	April 22,2022	Published in China Securities Daily, Securities Times , Shanghai Securities News , Securities Daily and http//.www.cninfo.com.cn .(Announcement No.: 2022-16)
Guangdong Yudean Bijie New Energy Co., Ltd.	Solar power generation	Capital increase	9,500,000	100%	Self Funds	No	Long-term	Electric Power	In normal operation		-7,339,672	No	Not applicable	Not applicable
Guangdong Yudean Yongan Natural Gas Thermal power Co., Ltd.	Thermal power	Capital increase	180,000,000	90%	Self Funds	Zhaoqing Hejiang Electric Power Development Co., ltd. (Share Proportion: 10%)	Long-term	Electric Power	In normal operation		-7,036,717	No	October 13,2020	《 Published in China Securities Daily, Securities Times , Shanghai Securities News , Securities Daily and http//.www.cninfo.com.cn .(Announcement No.: 2022-52)
Guangdong Yudean Binhaiwan Energy Co., Ltd.	Thermal power	Capital increase	100,000,000	100%	Self Funds	No	Long-term	Electric Power	In normal operation		-12,097,004	No	April 11,2020	Published in China Securities Daily, Securities Times , Shanghai Securities News , Securities Daily and http//.www.cninfo.com.cn .(Announcement No.: 2020-13)
Guangdong Yudean Dananhai Intelligence Energy Co., Ltd.	Thermal power	Capital increase	84,729,500	70%	Self Funds	Huizhou Dayawan Petrochemical Investment Group Co., Ltd (Share Proportion: 20%) , Huizhou Port Investment Group Co., Ltd. (Share	Long-term	Electric Power	In normal operation		-9,483,850	No	July 17,2021	Published in China Securities Daily, Securities Times , Shanghai Securities News , Securities Daily and http//.www.cninfo.com.cn .(Announcement No.: 2021-43)

						Proportion: 10%)								
Guangdong Yudean Qiming Energy Co., Ltd.	Thermal power	Capital increase	18,000,000	100%	Self Funds	No	Long-term	Electric Power	In normal operation		-14,732,505	No	Not applicable	Not applicable
Guangdong Yudean Yunhe Power Generation Co., Ltd.	Thermal power	Capital increase	785,236,675	90%	Self Funds	Yunfu Yunda Investment Holdings Co., Ltd. (Share Proportion: 10%)	Long-term	Electric Power	In normal operation		-189,268,096	No	October 8,2021	Published in China Securities Daily, Securities Times , Shanghai Securities News , Securities Daily and http//.www.cninfo.com.cn .(Announcement No.: 2021-64)
Guangdong Yudean Dapu Power Generation Co., Ltd.	Thermal power	Capital increase	867,100,000	100%	Self Funds	No	Long-term	Electric Power	In normal operation		-348,122,830	No	September 17,2022	Published in China Securities Daily, Securities Times , Shanghai Securities News , Securities Daily and http//.www.cninfo.com.cn .(Announcement No.: 2022-47)
Guangdong Yudean Jinghai Power Generation Co., Ltd.	Thermal power	Capital increase	520,000,000	65%	Self Funds	Guangdong Qichuang Investment Development Co., Ltd. (Share Proportion: 25%) , Guangzhou Development Power Group (Share Proportion: 10%)	Long-term	Electric Power	In normal operation		-228,346,057	No	September 17,2022	Published in China Securities Daily, Securities Times , Shanghai Securities News , Securities Daily and http//.www.cninfo.com.cn .(Announcement No.: 2022-47)
Guangdong Yuehua Power Generation Co., Ltd.	Thermal power	Purchase	522,234,384	51%	Self Funds	China Huaneng Group (Share Proportion: 49%)	Long-term	Electric Power	In normal operation		-185,022,315	No	October 8,2021	Published in China Securities Daily, Securities Times , Shanghai Securities News , Securities Daily and

														(Announcement No.:2021-64, 2022-01)
Guangdong Shajiao (C)	Thermal power	Purchase	1,275,565,852	51%	Self Funds	Guangdong Energy Group (Share Proportion: 49%)	Long-term	Electric Power	In normal operation		-466,057,894	No	October 8,2021	Published in China Securities Daily, Securities Times , Shanghai Securities News , Securities Daily and (Announcement No.:2021-64)
Shanxi Yudean Energy Co., Ltd.	Power generation and coal mine development	Capital increase	130,000,000	40%	Self Funds	Guangdong Energy Group (Share Proportion: 60%)	Long-term	Electricity and coal	In normal operation		526,175,689	No	Not applicable	Not applicable
Xinjiang Yuejian New Energy Co., Ltd.	Facility manufacturing	New establishment	2,000,000	10%	Self Funds	Guangdong Hydropower Equipment Group Co., Ltd (Share Proportion: 90%)	Long-term	Metal	In normal operation		0	No	Not applicable	Not applicable
Total	--	--	8,056,177,802	--	--	--	--	--	--	0	-613,789,486	--	--	--

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

Applicable Not applicable

4.Investment of Financial Asset

(1) Securities investment

Applicable Not applicable

In RMB

Security category	Security code	Stock Abbreviation:	Initial investment cost	Mode of accounting measurement	Book value balance at the beginning of the reporting period	Changes in fair value of the period	Cumulative fair value changes in equity	Purchase amount in the this period	Sale amount in the this period	Gain/loss of the reporting period	Book value balance at the end of the reporting period	Accounting items	Source of the shares
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Domestic and foreign stocks	000027	Shenzhen Energy	15,890,628	FVM	122,472,000	-26,308,800	80,272,572	0	0	0	96,163,200	Other equity instrument Investment	Self funds
Domestic and foreign stocks	600642	Shenergy	235,837,988	FVM	409,272,682	-104,400,630	69,034,064	0	0	0	304,872,052	Other equity instrument Investment	Self funds
Domestic and foreign stocks	831039	NEEQ	3,600,000	FVM	15,984,000	-7,452,000	4,932,000	0	0	0	8,532,000	Other equity instrument Investment	Self funds
Domestic and foreign stocks	HK6963	Sunshine insurance	356,000,000	FVM	1,653,500,000	42,203,802	1,339,703,802	0	0	0	1,695,703,802	Other equity instrument Investment	Self funds
Total			611,328,616	--	2,201,228,682	-95,957,628	1,493,942,438	0	0	0	2,105,271,054	--	--

(2) Investment in Derivatives

Applicable Not applicable

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

5. Application of the raised capital

Applicable Not applicable

The company had no application of the raised capital in the reporting period.

VIII. Sales of major assets and equity

1. Situation of Significant Asset Sale

Applicable Not applicable

None

2. Sales of major equity

Applicable Not applicable

2. Sales of major equity

Applicable Not applicable

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

Applicable Not applicable

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

In RMB

Company Name	Company type	Sectors engaged in	Registered capital	Total assets	Net assets	Turnover	Operating profit	Net Profit
Guangqian Electric Power Company	Subsidiary	Power generation and power station construction	1,030,292,500	2,323,945,514	2,120,392,943	1,855,652,467	645,563,626	483,783,920
Wind Power Generation Company	Subsidiary	Power generation and power station construction	2,801,252,900	36,506,474,756	8,391,187,503	2,657,392,548	478,241,449	378,955,775
Huizhou Natural Gas Company	Subsidiary	Power generation and power station construction	1,499,347,500	3,247,488,299	2,105,862,677	3,250,426,792	257,801,418	206,626,438
Pinghai Power Generation Company	Subsidiary	Power generation and power station construction	1,370,000,000	4,500,781,512	1,829,701,460	5,210,093,742	-14,169,597	116,092,947
Bohe Energy Company	Subsidiary	Power generation and power	6,200,891,390	9,344,286,527	4,623,477,504	4,246,193,380	15,973,641	8,853,910

		station construction							
Zhanjiang Electric Power Company	Subsidiary	Power generation and power station construction	2,875,440,000	3,711,371,535	3,388,420,159	2,527,747,682	-352,327,595	-316,547,774	
Red Bay Power Generation Company	Subsidiary	Power generation and power station construction	2,749,750,000	6,265,611,224	2,393,430,116	5,565,503,172	-383,893,013	-327,351,941	
Dapu Power Generation Company	Subsidiary	Power generation and power station construction	1,907,100,000	4,788,048,351	865,887,191	2,490,196,938	-424,015,354	-348,122,830	
Jinghai Power Generation Co., Ltd.	Subsidiary	Power generation and power station construction	2,919,272,000	8,376,697,495	2,631,645,005	6,996,344,270	-439,776,070	-351,301,626	
Yuehua Power Generation Company	Subsidiary	Power generation and power station construction	1,004,714,000	3,510,282,504	573,181,347	1,339,461,805	-391,222,030	-363,681,512	
Maoming Thermal power Plant	Subsidiary	Power generation and power station construction	1,437,985,100	2,654,286,406	286,671,144	2,288,380,934	-474,361,478	-527,375,955	
Zhongyue Energy Company	Subsidiary	Power generation and power station construction	1,454,300,000	3,337,678,505	-215,919,541	1,826,121,216	-619,516,888	-708,545,498	
Shaoguan Power Generation Company	Subsidiary	Power generation and power station construction	1,070,000,000	5,177,449,723	-1,091,061,040	2,820,816,898	-844,059,353	-922,264,795	
Shajiao C Company	Subsidiary	Power generation and power station construction	2,500,000,000	5,846,009,096	2,039,262,655	5,330,603,384	-830,059,486	-913,839,007	
Shanxi Yudean Energy Co., Ltd.	Shareing Company	Investment in electric power, mining, new energy and other projects	1,620,749,000	10,010,740,679	7,706,474,053	193,310,933	1,320,834,464	1,319,342,256	

Acquirement and disposal of subsidiaries in the Reporting period

√ Applicable □ Not applicable

Company name	Way of acquiring and	Impact on the whole producing operation and performance
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	disposing of subsidiary corporations within the reporting period	
Guangdong Shaoguan Yudean New Energy Co., Ltd.	Invested	During the reporting period, the photovoltaic project in the plant is in the preliminary stage and construction has not started; the distributed PV project in Wushi Town is under construction.
Tumushuke Yudean Hanhai New Energy Co., Ltd.	Invested	During the reporting period, the project was in the process of infrastructure construction.
Yudean Jinxiu Intelligence Energy Co., Ltd.	Invested	During the reporting period, the project was in the process of infrastructure construction.
Nanjing Senhong New Energy Co., Ltd.	Purchase	During the reporting period, the project was in the process of infrastructure construction.
Nanjing Linyuan Senhai New Energy Co., Ltd.	Purchase	During the reporting period, the project was in the process of infrastructure construction.
Guangdong Yudean Huibo New Energy Co., Ltd.	Invested	During the reporting period, the project was in the process of infrastructure construction.
Taishan Dongrun Zhongneng New Energy Co., Ltd.	Purchase	During the reporting period, the project was in the process of infrastructure construction.
Guangdong Yudean Maoming Natural Gas Thermal power Co., Ltd.	Invested	During the reporting period, this project was in the preliminary stage, and the construction was not commenced.
Meizhou Xingyue New Energy Co., Ltd.	Invested	During the reporting period, the project was in the process of infrastructure construction.
Guangdong Yudean Huixin Thermal power Co., Ltd.	Invested	During the reporting period, this project was in the preliminary stage, and the construction was not commenced.
Yudean Shache Intelligence Energy Co., Ltd.	Invested	During the reporting period, the project was in the process of infrastructure construction.
Laixi Xinguangyao New Energy Technology Co., Ltd.	Purchase	During the reporting period, the project was in the process of infrastructure construction.
Jiuzhou New Energy (Zhaoqing) Co., Ltd.	Purchase	During the reporting period, the project achieved an operating income of 7.27 million yuan and a net profit of -1.33 million yuan, which had no significant impact on the company's overall production and operation and performance.
Xiangtan Xiangdian Changshan Wind Power Generation Co., Ltd.	Purchase	During the reporting period, the project achieved an operating income of 2.7 million yuan and a net profit of -870,000 yuan, which had no significant impact on the company's overall production and operation and performance.
Yunfu Luoding Yudean New Energy Co., Ltd.	Invested	During the reporting period, this project was in the preliminary stage, and the construction was not commenced.

Note

1. During the reporting period, due to the high price of coal and gas, the company's power generation cost remained high, and some thermal power plants continued deficit.
2. In 2022, due to the commissioning of Yangjiang, Xinliao, Wailuo and other projects, the wind power revenue increased year on year.
3. Mainly because the coal price remained high this year, and the investment income in Shanxi energy increased year on year.

X. Structured vehicle controlled by the Company

Applicable Not applicable

XI. Prospect for future development of the Company

(I) The Development Trend of the Industry

In January 2023, the *Blue Book of New Power System Development (Draft for Comment)* issued by the National Energy Administration pointed out that China would promote new energy as the main resource for incremental power generation. By 2030, the installed capacity will account for more than 40%, and the power generation will account for more than 20%. However, China's coal-based energy resource endowment determines that coal will still occupy a high proportion in the energy supply structure for a long time. As one of the clean and efficient utilization ways of coal, coal-fired power is still the basic guarantee power supply in the power system. Therefore, before 2030, the installed capacity and power generation of coal-fired power will still increase moderately, and the layout will be optimized around the large-scale new energy base, main load center and important nodes of the power grid. Coal-fired generating units gradually transform into the clean and low-carbon type through flexibility transformation and energy-saving and emission-reduction transformation, which further enhances the regulation ability, better support the "carbon peaking and carbon neutrality" strategy and the stable operation of the power system. Meanwhile, the clean and efficient gas generator set is conducive to enhancing the peak-shaving capacity and safety reliability of the new power system with new energy as the main body, and to building a clean, low-carbon, safe and efficient energy system, with certain development space. To sum up, in the future, the thermal power industry will mainly rely on developing coal power with large capacity, high parameters, advanced energy-saving, and accelerating the development of gas power to optimize the power supply structure, promote the quality improvement and efficiency increase by enhancing the technical R&D strength, strive for high electricity quantity and price by active marketing, and reduce the cost by refined management. In addition, the company will adhere to the new development concept, continue to promote the optimization and adjustment of power supply structure, actively, steadily and orderly promote the completion and commissioning of new energy power generation projects, and contribute to building a clean, low-carbon, safe and efficient energy system.

(II) Corporate development strategy

In the future, it will focus on energy production and supply, with consideration of comprehensive energy services, centered by the goals of carbon peaking and carbon neutralization. Based on Guangdong and targeted at the whole country, it will implement the "1+2+3+X" strategy- to build a first-class green low-carbon power listed company, coordinate safety and development, optimize and strengthen the coal power, gas power and biomass power generation business, and vigorously develop new energy, energy storage, hydrogen energy and land park development. It will fully promote the leap-forward development of new energy; Grasp the window phase of thermal power development and accelerate the development and construction of key projects; Explore the distribution of multi-energy joint supply project of "integration of source network, load and storage", promote the integrated development of "integration of wind, light and fire hydrogen storage", and build an ecological and civilized power generation enterprise.

(III) Production and operation plans

In 2023, the company's consolidated statement has a budget target value of 120.356 billion kilowatt hours of on-grid electricity, which is 11.77% higher than the actual on-grid power in 2022; The budgetary target value of the main business revenue is RMB 61.287 billion, and an increase of 9.071 billion yuan compared to the actual amount of main business operating revenue of RMB 52.216 billion; The annual planned investment budget of the parent company is RMB 6.275 billion, with a decrease of RMB 1.781 billion compared with the actual investment of RMB 8.056 billion in 2022.

(Note: The above operating plan does not represent the company's profit forecast for 2023, whether it can be achieved depending on various factors such as changes in the electricity market and coal market conditions, thus there is considerable uncertainty, and investors should pay special attention to it.)

(IV) Possible risks and countermeasures

1. Safety production risks

The increasingly frequent occurrence of extreme weather events has brought certain adverse effects to the normal production and operation of enterprises, and the company needs to further strengthen the defense work against natural disasters; Due to the long running years of some of the company's thermal power units, there are problems such as reduced efficiency level, aging equipment, and decline in operation safety and reliability; In addition, some contractors may have insufficient safety awareness and safety management may not in place.

Countermeasures: First, pay close attention to rain and flood conditions, and do well in flood prevention and typhoon prevention in a strict and down-to-earth manner; The second is to strengthen equipment maintenance and operation management, seriously carry out maintenance work, operation management and technical supervision, improve the equipment management system, do well in equipment defect elimination, and improve the reliability of unit equipment; The third is to strictly manage contractors, well managethe "threshold", resolutely root out illegal subcontracting and illegal subcontracting, encourage the evaluation activity of outstanding contractors, strengthen the safety education and training of contractors, and continuously improve the safety management of contractors.

2. Fuel cost risk

Domestic coal production capacity continues to be released under the policy of ensuring supply and stable price, but seasonal and regional supply and demand tensions still exist, and coal prices remain high. At the same time, due to the intensification of geopolitical gaming in the international energy market, global coal and natural gas supply expectations are unclear, and the future trend of overseas fuel prices is increasingly uncertain. Fuel costs account for a large proportion of the company's main business costs, and fluctuations in fuel prices have a significant impact on the company's operating performance. If fuel prices remain high, the company's operating efficiency will continue to be under serious pressure.

Countermeasures: First, the company shall optimize the fuel procurement, reduce costs through the "precision inventory" strategy, increase the mixing of economic coal, optimize the energy consumption of units, etc.; The second is to broaden coal procurement channels, comprehensively consider domestic trade coal and imported coal such as Russian coal, Australian coal and Mongolian coal according to the guidance of national policies, adhere to that the procurement principle of economic efficiency is first, and reduce fuel costs; The third is to track the price trend of natural gas in real time, optimize the power generation business strategy, generate more cost-effective electricity, and actively seek subsidies for gas and electricity from superior departments, strengthen safety production management and cost control, and strive to achieve a stable supply of gas and electricity.

3. Risk of power supply structure adjustment

Under the background of the "30•60" goal of carbon peaking and carbon neutrality, the transition to low-carbon energy production and consumption has been accelerated. According to the requirements of the state to optimize the energy structure, the thermal power will gradually change from the main power supply to the basic power

supply of peak regulation and frequency regulation, and the installed capacity and power growth of new energy such as wind power and photovoltaic power will further squeeze the living space of coal-fired power units. As of the end of December 2022, the company's holding capacity of coal power accounts for 69.2%, that is a relatively high proportion, and the pressure of transformation of power to clean and low-carbon energy is high.

Countermeasures:

The first is to steadily promote the transformation and upgrading of the power supply structure, strive to achieve greater breakthroughs in structural adjustment, accelerate the progress of key energy projects, and solidly promote the Daya Bay Integrated Energy Station, Zhaoqing Yongan Natural Gas Thermal Power Project, Xinjiang Hanhai Photovoltaic Project, and Yunfu Natural Gas Cogeneration Project, Yangjiang Qingzhou offshore wind power project, etc., to ensure that project investment and construction plans are completed on schedule. The second is to continue to enrich the reserve of new energy projects, actively explore new energy development space in other provinces and regions in China, and increase the development of new energy in Xinjiang, Guizhou, Hebei, Qinghai, Guangxi and other regions. The third is to deeply explore the distributed energy supply of cold, heat, electricity and gas, as well as the construction of infrastructure such as power exchange, charging piles and energy storage, and the development and utilization of hydrogen energy. The fourth is to continuously optimize carbon asset management, make full use of internal and external resources, strengthen carbon emission data management and carbon asset management, promote energy conservation and carbon reduction, and realize the value-added and income of carbon assets.

XII. Particulars about researches, visits and interviews received in this reporting period

√ Applicable □ Not applicable

Reception time	Place of reception	Way of reception	Types of visitors	Visitors received	Main contents discussed and information provided	Basic index
February 17, 2022	Meeting room of the company	Field research	Organization	Zhongjin Company, Senjin Investment, Lingze Investment, Huamei Investment, Zhengxigu Capital, Huachuang Securities, Guangfa Fund, Ruitian Investment, Guotai Fund	Please refer to the investor activity record form for details of the discussion. No information is provided by the company	For details, please refer to the "Record Form of Investor Relations Activities of Guangdong Electric Power Development Co., Ltd." disclosed by the interactive platform (2022001)
March 21, 2022	Online research	Other	Organization	Industrial Securities, Maxwealth Fund, Fuguo Fund, Taiping Asset, Shenwan Hongyuan Securities, Bank of China Investment Management, Yangtze River endowment insurance	Please refer to the investor activity record form for details of the discussion. No information is provided by the company	For details, please refer to the "Record Form of Investor Relations Activities of Guangdong Electric Power Development Co., Ltd." disclosed by the interactive platform (2022002)
May 5, 2022	Online research	Other	Organization	Industrial Securities, Yinhua Fund, Southern fund, Jinglin Asset,	Please refer to the investor activity record form for details of the discussion. No	For details, please refer to the "Record Form of Investor Relations Activities of Guangdong Electric Power

				CCB Principal Asset Management, Xincheng Fund, Boshi Fund	information is provided by the company	Development Co., Ltd."disclosed by the interactive platform (2022003)
May 13,2022	The panoramic network	Other	Other	Investors who participated in the Company's performance briefing through the panoramic network platform	Please refer to the investor activity record form for details of the discussion. No information is provided by the company	For details, please refer to the "Record Form of Investor Relations Activities of Guangdong Electric Power Development Co., Ltd."disclosed by the interactive platform (2022004)
May 23,2022	Online research	Other	Organization	Huatai Asset	Please refer to the investor activity record form for details of the discussion. No information is provided by the company	For details, please refer to the "Record Form of Investor Relations Activities of Guangdong Electric Power Development Co., Ltd."disclosed by the interactive platform (2022005)
May 24,2022	Online research	Other	Organization	Industrial Securities, (HSBC Global AssetManagement	Please refer to the investor activity record form for details of the discussion. No information is provided by the company	For details, please refer to the "Record Form of Investor Relations Activities of Guangdong Electric Power Development Co., Ltd."disclosed by the interactive platform (2022006)
June 21,2022	Online research	Other	Organization	Industrial Securities,Zhongrong Fund	Please refer to the investor activity record form for details of the discussion. No information is provided by the company	For details, please refer to the "Record Form of Investor Relations Activities of Guangdong Electric Power Development Co., Ltd."disclosed by the interactive platform (2022007)
June 30,2022	Meeting room of the company	Field research	Organization	Zhengyuan Investment, Huachuang Securities	Please refer to the investor activity record form for details of the discussion. No information is provided by the company	For details, please refer to the "Record Form of Investor Relations Activities of Guangdong Electric Power Development Co., Ltd."disclosed by the interactive platform (2022008)
July 22,2022	Online research	Other	Organization	Dongbei Securities, Southern fund, Changjiang Securities, BOCOM Schroders	Please refer to the investor activity record form for details of the discussion. No information is provided by the company	For details, please refer to the "Record Form of Investor Relations Activities of Guangdong Electric Power Development Co., Ltd."disclosed by the interactive platform (2022009)
July 26,2022	Meeting room of the company	Field research	Organization	Bongbei Securities, Boshi Fund, Huatai Securities	Please refer to the investor activity record form for details of the discussion. No information is	For details, please refer to the "Record Form of Investor Relations Activities of Guangdong Electric Power Development Co.,

					provided by the company	Ltd."disclosed by the interactive platform (2022010)
September 2,2022	Online research	Other	Organization	Caitong Fund, GuotaiJunan Securities	Please refer to the investor activity record form for details of the discussion. No information is provided by the company	For details, please refer to the "Record Form of Investor Relations Activities of Guangdong Electric Power Development Co., Ltd."disclosed by the interactive platform (2022011)
September 22,2022	The panoramic network	Other	Other	Investors who participated in the company's performance briefing through the panoramic network platform	Please refer to the investor activity record form for details of the discussion. No information is provided by the company	For details, please refer to the "Record Form of Investor Relations Activities of Guangdong Electric Power Development Co., Ltd."disclosed by the interactive platform (2022012)
September 23,2022	Meeting room of the company	Other	Organization	Jiashi Fund, Guotai Junan,CITIC Securities, Wangfang Asset, Invesco Great wall,Zhengyuan Investment, LuoJia Fangyuan, Tianchuang Capital	Please refer to the investor activity record form for details of the discussion. No information is provided by the company	For details, please refer to the "Record Form of Investor Relations Activities of Guangdong Electric Power Development Co., Ltd."disclosed by the interactive platform (2022013)
September 28,2022	Meeting room of the company	Other	Organization	Yinhua Fund, Penghua Fund, CS Richland Asset, Jinglin Asset, Xitai Investment, Industrial Securities, Guangfa Securities,AXA SPDB Investment Managers, UBS SDIC, Anxin Fund, Guoxin Securities	Please refer to the investor activity record form for details of the discussion. No information is provided by the company	For details, please refer to the "Record Form of Investor Relations Activities of Guangdong Electric Power Development Co., Ltd."disclosed by the interactive platform (2022014)
October 31,2022	Online research	Other	Organization	Guoxin Securities, Caitong Fund, Fuguo Fund	Please refer to the investor activity record form for details of the discussion. No information is provided by the company	For details, please refer to the "Record Form of Investor Relations Activities of Guangdong Electric Power Development Co., Ltd."disclosed by the interactive platform (2022015)
November 11,2022	Online research	Other	Organization	Invesco Great wall,Dongbei Securities, Great Wall Fund, TF Securities, CITIC AMC, Huachuang Securities	Please refer to the investor activity record form for details of the discussion. No information is provided by the company	For details, please refer to the "Record Form of Investor Relations Activities of Guangdong Electric Power Development Co., Ltd."disclosed by the interactive platform (2022016)
November	Online	Other	Organiza	Industrial	Please refer to the	For details, please refer to

23,2022	research		tion	Securities,CCB Principal Asset management, Guangfa Fund,CINDA FUND, Anxin Securities, Penghua Fund, MIRA Asset	investor activity record form for details of the discussion. No information is provided by the company	the "Record Form of Investor Relations Activities of Guangdong Electric Power Development Co., Ltd."disclosed by the interactive platform (2022017)
November 28,2022	Online research	Other	Organization	Guoxin Securities, Zhonggeng Fund, Yangtze River endowment insurance,Huaan Fund, Zhongjia Fund	Please refer to the investor activity record form for details of the discussion. No information is provided by the company	For details, please refer to the "Record Form of Investor Relations Activities of Guangdong Electric Power Development Co., Ltd."disclosed by the interactive platform (2022018)
November 30,2022	Online research	Other	Organization	Guangfa Securities	Please refer to the investor activity record form for details of the discussion. No information is provided by the company	For details, please refer to the "Record Form of Investor Relations Activities of Guangdong Electric Power Development Co., Ltd."disclosed by the interactive platform (2022019)
December 7,2022	Online research	Other	Organization	Shenwan Hongyuan Securities,	Please refer to the investor activity record form for details of the discussion. No information is provided by the company	For details, please refer to the "Record Form of Investor Relations Activities of Guangdong Electric Power Development Co., Ltd."disclosed by the interactive platform (2022020)
December 20,2022	Online research	Other	Organization	MAXWEALTH Fund, Guangfa Securities	Please refer to the investor activity record form for details of the discussion. No information is provided by the company	For details, please refer to the "Record Form of Investor Relations Activities of Guangdong Electric Power Development Co., Ltd."disclosed by the interactive platform (2022021)

IV. Corporate Governance

I. General situation

The company is strictly in accordance with “Company Law”, “Securities Law”, “Governance Standards of Listed Company”, “Listing Rules of Stocks” and other laws and regulations requirements, constantly perfects the corporate governance structure, standardizes corporate operations and further enhances the level of corporate governance. The company has established the corporate “Articles of Association”, the rules of procedure of three meetings’ operation, the working rules of the board of directors special committee, the working rules of the general manager of company and working conditions and internal control system which basically covers all aspects of the operation management like financial management, investment management, information disclosure, associated trade, external guarantees and fund-raising. These systems are implemented better. During the reporting period, the company has amended part of the clauses in “Inside Information Management System” based on the original systems and the requirements of the CSRC.

In 2022, the company continue implement the Guidelines for Corporate Governance of Listed Companies and the relevant requirements of China Securities Regulatory Commission on improving the quality of listed companies, and earnestly achieved a steady and prudent management, abided by laws and regulations, highlighted and refined its main business, respected investors, and constantly improved the corporate governance level and the development quality of listed companies. The Board of Directors organized 6 on-site meetings and 5 communication meetings, and completed the examination and approval of 65 proposals of the Board of Directors, including regular reports, internal control evaluation, comprehensive risk management, profit distribution plan, major investment and financing, major related party transactions, etc., all of which were passed and effectively implemented. The Board of Directors also convened 4 general meeting of shareholders, and all 19 proposals submitted at the general meeting of shareholders were passed and effectively implemented. The company successfully completed the preparation and disclosure of regular reports and temporary announcements, and issued 104 announcements throughout the year. The information disclosure has been assessed as "A" by Shenzhen Stock Exchange for eight consecutive years.

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

Yes No

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

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

The company has implemented separation of operation, separation of human resource, separation of assets, separation of organization and financial independence between controlling shareholder. And it has a complete business and operations management ability. 1. Separation of operation: the company is principally engaged in the electricity generation and sales to Guangdong Electric Power Holding Co.(“GPHC”) or customers directly. The company has subcontracted the subsidiary of Yudean, the holding company, to purchase the fuels, which is solely for the purpose of better utilization of large-scale purchase and cost control. 2. Separation of human resource: the General Manager and all his subordinates, Secretary to the Board of Directors, Financial Manager are paid by the company and take no position in the holding company. 3. Separation of assets: the company has independent production system, supporting system and other facilities. The company owns its intangible assets such as

intellectual property rights, trademarks and non-patent technology; 4. Separation of organization: the company has established integrated operating institution of its own.5.. Financial independence: the company has an independent financial department and has established independent accounting system and financial management system. It opened independent bank accounts for its own operation.

III. Competition situations of the industry

√Applicable □ Not Applicable

Problem Types	Types of relationship with listed companies	Name of the Controlling Shareholders	Property of the Controlling Shareholders	Problems and Causes	Countermeasures	Time Schedule of Works and Follow-up Program
Horizontal competitions	Controlling shareholder	Guangdong Energy Group Co., Ltd.	Local SASAC	Energy Group was established when Guangdong Provincial Government took the lead in the implementation of the “plant and network separation” power system reform in China, and was separated and formed from Guangdong Provincial Power Group Corporation. It is the largest and most powerful power generation enterprise in Guangdong Province. Yudean Power is the only listed company under the Energy Group and is engaged in power production business. At present, Energy Group still has some remaining power generation assets that have not been included in Yudean Power temporarily. Considering the situation of these power generation assets, it is temporarily not in line with the listing conditions, and it is difficult to solve these problems in the short term. Therefore, there is a certain degree of	On January 3, 2018, the company disclosed Announcement on Controlling Shareholders' Commitment to Perform Related Matters (public notice No.: 2018-01); on January 13, 2018, the company disclosed Announcement of Related Transactions on the "Equity Custody Agreement" signed with Guangdong Energy Group Co., Ltd. (public notice No.: 2018-04). In order to avoid competition in the same industry and to fulfill the relevant horizontal competition commitments, Energy Group has signed the Entrusted Management Agreement with the company, and all the shareholders' rights other than the ownership, income, and disposal rights of the company that temporarily fails to meet the listing conditions in the company's custody area of the Energy Group are escrowed to our company.	Our company will actively fulfill the trusteeship and responsibilities according to the “Equity Custody Agreement” and participate in the management and decision-making and inspection and supervision of the custody target. The company will cooperate with Energy Group to push forward the defect rectification of the underlying assets, study the rectification and solution to the defects and obstacles in the relevant assets that do not meet the listing conditions, promote relevant rectification work from the aspects of improving project approval or approval procedures, clarifying land and property ownership, enhancing asset profitability, and implementing legal compliance. For custody assets that meet the listing conditions in the future, Energy Group will, in accordance with the unified deployment of the Guangdong Provincial Party Committee and the provincial government and the overall requirements for the reform of state-owned enterprises, actively create conditions for the injection into listed companies in accordance with the status of the assets under custody, combined with enterprise

				horizontal competition.		restructuring, structural adjustment arrangements, electricity market and capital market conditions.
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IV. Annual General Meeting and Extraordinary Shareholders' Meetings in the Reporting Period

1. Annual General Meeting

Sessions	Type	Investor participation ratio	Meeting Date	Disclosure date	Disclosure index
The first provisional shareholders' General meeting in 2022	Provisional shareholders' General Meeting	72.75%	February 22,2022	February 23,2022	《Announcement of Resolution of the first Provisional shareholders' general meeting in 2022, Announcement No.:2022-10, Published in China Securities Daily, Securities Times and http//.www.cninfo.com.cn
2021 Shareholders' general meeting	Annual General Meeting	72.68%	May 20,2022	May 21,2022	Announcement of Resolution of 2021 shareholders' general meeting , Announcement No.:2022-29. Published in China Securities Daily, Securities Times and http//.www.cninfo.com.cn
The Second provisional shareholders' General meeting in 2022	Provisional shareholders' General Meeting	73.29%	September 16,2022	September 17,2022	Announcement of Resolution of the Second Provisional shareholders' general meeting in 2022, Announcement No.:2022-46, Published in China Securities Daily, Securities Times and http//.www.cninfo.com.cn
The Third provisional shareholders' General meeting in 2022	Provisional shareholders' General Meeting	74.29%	November 16,2022	November 17,2022	Announcement of Resolution of the Third Provisional shareholders' general meeting in 2022, Announcement No.:2022-57 Published in China Securities Daily, Securities Times and http//.www.cninfo.com.cn

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

Applicable Not applicable

V. Information about Directors, Supervisors and Senior Executives

1. Basic situation

Name	Positions	Office status	Sex	Age	Starting date of tenure	Expiry date of tenure	Shares held at the year-begin(share)	Amount of shares increased at the reporting period(share)	Amount of shares decreased at the reporting period(share)	Other changes(share)	Number of shares held at the end of the period(share)	Reasons for increase or decrease of shares
Wang Jin	Board chairman	In office	Male	59	June 11,2018	February 20,2023						
Zheng Yunpeng	Vice Board chairman	In office	Male	54	June 28,2018							
Zheng	General	In	Male	54	June							

Yunpeng	Manager	office			11,2018							
Li Fangji	Director	In office	Male	55	June 28,2018							
Li Xiaoqing	Director	In office	Female	51	May 20,2022	March 16,2023						
Li Baobing	Director	In office	Male	48	November 19,2019							
Chen Yanzhi	Employee director	In office	Male	47	August 2,2021							
Mao Qinghan	Director	In office	Male	48	August 2,2019							
Ma Xiaoqian	Independent director	In office	Male	58	September 18,2017							
Zhang Hanyu	Independent director	In office	Female	57	September 16,2022							
Wu Zhanchi	Independent director	In office	Male	47	September 16,2022							
Cai Guowei	Independent director	In office	Male	43	September 16,2022							
Zhou Zhijian	Chairman of the Supervisory Committee	In office	Male	50	August 2,2021							
Li Ruiming	Employee supervisor	In office	Male	59	August 2,2021							
Shi Yan	Supervisor	In office	Female	45	November 19,2019							
Li Qing	Employee supervisor	In office	Male	45	May 20,2014							
Sha Qilin	Independent director	In office	Male	62	August 2,2021							
Guo Yongxiong	Deputy GM	In office	Male	48	April 27,2021							
Liu Wei	Deputy GM, Finance manager	In office	Male	43	September 18,2017							
Liu Wei	Board secretary	In office	Male	43	October 24,2006							
Shen Hongtao	Independent director	Dismission	Female	55	May 20,2016	September 16,2022						
Wang Xi	Independent director	Dismission	Male	52	May 20,2016	September 16,2022						
Yin Zhongyu	Independent director	Dismission	Male	53	September 18,2017	September 16,2022						
Tang Yongguang	Deputy GM	Dismission	Male	60	November 28,2019	December 31,2022						
Total	--	--	--	--	--	--	0	0	0	0	0	--

Indicate whether any director, supervisor or senior management resigned before the expiry of their tenure during the Reporting Period

Yes No

1. Due to the expiration of their terms of office and personal reasons, the independent directors of the company- Ms. Shen Hongtao, Mr. Wang Xi and Mr. Yin Zhongyu-submitted resignation applications to the board of directors respectively;

2. Because having reached the statutory retirement age, Mr. Tang Yongguang will no longer serve as the deputy general manager of the company, and will no longer hold any position in the company and its subsidiaries after leaving his post.

Changes of directors, supervisors and senior executives

√ Applicable □ Not applicable

Name	Positions	Types	Date	Reason
Li Xiaoqing	Director	Elected	May 20,2022	
Zhang Hanyu	Independent director	Elected	September 16,2022	
Wu Zhanchi	Independent director	Elected	September 16,2022	
Cai Guowei	Independent director	Elected	September 16,2022	
Shen Hongtao	Independent director	Left for term expiration	September 16,2022	
Wang Xi	Independent director	Left for term expiration	September 16,2022	
Yin Zhongyu	Independent director	Dimission	September 16,2022	Personal reasons
Tang Yongguang	Deputy GM	Dimission	December 31,2022	Retire
Wang Jin	Board chairman	Dimission	February 20,2023	Work Adjustment
Zheng Yunpeng	Board chairman	Elected	February 20,2023	
Li Xiaoqing	Director	Dimission	March 16,2023	Personal reasons

2.Posts holding

Work Experience in the past five years of Directors, supervisors and senior Executives in Current office

Mr. Wang Jin, born in May 1963. He holds a Bachelor of Engineering from Nanjing Institute of Technology and a Master of Business Administration from Jinan University. He is now a senior engineer, and currently serves as Full-time external directors of Guangdong Wind Power Generation Co., Ltd., Guangdong Energy Group Science and Technology Research Institute Co., Ltd and Shanxi Yuedian Energy Co., Ltd.. He once served as director of boiler maintenance workshop in Shaoguan Power Plant, director of Engineering Technology Department of Zhuhai Power Plant's Planning and Construction Department, deputy director of Zhuhai Power Plant, executive deputy general manager of Guangzhu Power Generation Co., Ltd. and general manager of Zhuhai Power Plant Co., Ltd., general manager and secretary of the Party Committee of Guangdong Zhuhai Jinwan Power Generation Co., Ltd., general manager of Guangzhu Power Generation Co., Ltd., the deputy chief engineer and the manager of the Department of Management and the secretary of the Party Branch of Guangdong Energy Group Co., Ltd., and Deputy Chief Engineer of Guangdong Energy Group Co., Ltd., Secretary of the Party Committee and Chairman of Guangdong Electric Power Development Co., Ltd.

Mr. Zheng Yunpeng, born in October 1968, Bachelor of South China University of Technology and MBA of Jinan University, is a senior engineer. Currently, he serves as chairman and the general manager of Guangdong Electric Power Development Co., Ltd. He had served as Deputy Minister of Strategy Development Department of Guangdong Yudean Asset Management Co., Ltd., Deputy Minister of Strategy Development Department of Guangdong Energy Group Co., Ltd., Minister of Strategy Development Department of Guangdong Energy Group Co., Ltd., Secretary of the Party Branch and General Manager of Branch company of Guangdong Yudean Environmental Protection Engineering Management company, Factory Director and Secretary of the Party

Committee of Huangpu Power Plant, General Manager of Yuehua Power Generation company, General Manager and Secretary of the Party Branch of Guangdong Yudean Natural Gas Co., Ltd.

Mr. Li Fangji, born in November 1967, is a senior engineer. He holds a bachelor degree from Beijing Institute of Water Resources and Electric Power Economics and Management and a master degree in engineering from Tianjin University. He currently serves as Deputy Chief Engineer of Guangdong Energy Group Co., Ltd. and concurrently serves as Minister of Strategy Development Department and Secretary of Party Branch of Energy Group Corporation, Director of Guangdong Electric Power Development Co., Ltd. He had served as Engineer of Shenzhen Energy Corporation, Assistant to General Manager and Deputy General Manager of Shenzhen Qianwan Electric Power Development Co., Ltd., Assistant to General Manager, Chairman of the Labor Union, Deputy General Manager, General Manager, and Secretary of the Party Committee of Shenzhen Guangqian Electric Power Co., Ltd., Secretary of Party Committee and General Manager of Guangdong Yudean Jinghai Power Generation Co., Ltd., Minister of strategy Development Dept and party branch secretary of Energy Group.

Ms. Li Xiaoqing, born in September 1971, was graduated from Chongqing University with a master's degree. She is a senior economist. She used to be secretary clerk of general manager's office, manager assistant, board secretary and manager of board affairs department, deputy general manager of Guangdong Electric Power Development Co., Ltd, and she concurrently served as the general manager of Guangdong Yudean Financial Leasing Co., Ltd; she was the party branch secretary and general manager of Guangdong Yudean Financial Leasing Co., Ltd; and she served as secretary of the General Party Branchland chairman of Guangdong Energy Group Finance Co., Ltd, and she was the secretary of the Head quarter Party Branch of the of Guangdong Energy Group Finance Co., Ltd, and the secretary of the board of directors, the secretary and general manager of the party branch of the legal affairs and capital operation department, and the director of the general manager office and the director of the board office of Guangdong Energy Group Co., Ltd, Director of Guangdong Electric Power Development Co., Ltd.

Mr. Li Baobing, born in September 1974, graduated from Xi'an Jiaotong University with a master degree, is a senior economist. Currently he is the Minister of Finance Department and Secretary of the Party Branch of Guangdong Energy Group Co., Ltd., Director of Guangdong Electric Power Development Co., Ltd .He served as Assistant to General Manager of Budget and Finance Department and Director of Asset Management Department of Guangzhou Lingnan International Enterprise Group Co., Ltd., Manager of Investment Department and Deputy General Manager of Guangdong Yudean Finance Co., Ltd., and had concurrently served as General Manager of Shenzhen Tianxin Insurance Brokers Co., Ltd.and Vice Minister, Minister and Secretary of the Party Branch of Finance Department of Guangdong Energy Group Co., Ltd.

Mr. Mao Qinghan, born in October 1974, Bachelor of Hunan University and Master of Engineering from South China University of Technology. Engineer. He once served as the secretary and director of the party branch of Xicun Thermal Power Plant in Guangzhou power plant, the deputy general manager of Guangzhou Power Plant, the secretary of the party branch of Guangzhou Power Plant Co., Ltd., the secretary and general manager of the party branch of Guangzhou Wanglong Thermal Power Co., Ltd., the safety director and general manager of the Health and Safety Management Department of Guangzhou Development Group Co., Ltd., and the secretary and general manager of the Party Committee of Guangzhou Development Power Group Co., Ltd.

Ms. Zhang Hanyu was born in January 1965, with a Doctor of Philosophy from Renmin University of China. She is currently the vice chairman of Shenzhen Hualing Derui Equity Investment Fund Management company, and concurrently holds an independent director of JSTI Group Co., Ltd and Guangdong Electric Power Development Co., Ltd. She used to serve asLecturer at Capital University of Economics and Business, Section Chief of China Securities Regulatory Commission, Assistant General Manager of China Securities Depository and

Clearing Corporation, and Deputy General Manager of Ping An Securities.

Mr. Wu Zhanchi was born in October 1975, with a Doctor of Management from Southwestern University of Finance and Economics. He is a Professor and doctoral supervisor, and he is non-practicing member of Chinese Institute of Certified Public Accountants. He is currently a professor of Jinan University, an expert of the Guangdong Provincial Department of Finance and the State-owned Assets Supervision and Administration Commission, an independent director of Jitai Co., Ltd, an independent director of Jiahe Intelligent Co., Ltd, an independent director of Shenzhen Baiguoyuan Co., Ltd, and an independent director of Minbang Optoelectronics Co., Ltd, an independent director of Guangdong Electric Power Development Co., Ltd. He used to be the auditor of Hunan Yingte Accounting Firm and the executive director of the Accounting Master Education Center of Jinan University.

Mr. Cai Guowei was born in November 1979, with a Doctor of Economics from Sun Yat-Sen University. He is professor and doctoral supervisor. He is currently a professor and doctoral supervisor of Lingnan College of Sun Yat-sen University, and he is the head of the Institute of Digital Economy and Policy of Sun Yat-sen University. He is also the executive director of the China World Economics Association, the deputy secretary-general and director of the Guangdong Economic Association, the director of the China Institutional Economics Forum, the member of the Youth Committee of the China Optimal Law Coordination Law and Economic Mathematics Research Association, the consultant expert of the Guangzhou and Huizhou Municipal Governments, and the evaluation expert of the National Natural Science Foundation of China and the National Social Science Fund, and independent director of Guangdong Electric Power Development Co., Ltd . He used to be the assistant dean and vice dean of Lingnan College of Sun Yat-Sen University.

Mr. Ma Xiaoqian, born in March 1964, is Ph.D.of engineering thermophysics from South China University of Technology. He is a professor and currently serving as the director of the Key Laboratory of the Electric Power School of South China University of Technology and concurrently serving as the deputy director of teaching guiding committee of energy and power professional of high education of the Ministry of Education, the chairman of the Guangzhou Energy Institute, the outside director of Guangzhou Environmental Protection Investment Group Co., Ltd., and the independent director of Guangzhou Development Group Co., Ltd and Guangdong Electric Power Development Co., Ltd. He used to be the dean and vice president of Electric Power College of the South China University of Technology.

Mr. Sha Qilin, born in October 1960. Master of Wuhan Institute of Technology. Associate Professor, practicing lawyer. He is currently a lawyer of Guangdong Nanguo Desai Law Firm, member of the Professional Committee of Financial and Securities of Guangzhou Lawyers Association, and concurrently an independent director of Guangdong Electric Power Development Co., Ltd. He was an associate professor of Wuhan Institute of Technology (now Wuhan University of Technology), head of investment and development department of China Huandao Group company, deputy chief engineer of group and chief manager of overseas listed leading group.

Mr. Chen Yanzhi, born in July 1975, graduated from Guangdong University of Technology with a bachelor's degree, Senior Political Engineer. He is currently the Deputy Secretary of the Party Committee and Chairman of the Trade Union and Employee Director of Guangdong Electric Power Development Co., Ltd. He used to be the Assistant Engineer of the Technical Improvement company of Guangdong Electric Power Industry Bureau, the special person in charge of the Labor and Wage Division, the special person in charge of the personnel of Tianshengqiao First-class Hydropower Development Co., Ltd., the special person in charge of the Human Resources Department and the Manager and Deputy Head of the Personnel Division of Guangdong Yudean Group Co., Ltd.

Mr. Zhou Zhijian, was born in October 1972, with bachelor of Economics from Zhongnan University of

Finance and Economics and Master of Business Administration from Jinan University, and he is senior accountant. He is currently the Chief Auditor, General Manager and Secretary of the Party Branch of the Audit Department of Guangdong Energy Group Co., Ltd, and Chairman of the Supervisory Board of Guangdong Electric Power Development Co., Ltd. He served as Manager of the Asset Operation Division of the Strategic Development Department of Guangdong Yudean Asset Management Co., Ltd, Deputy Minister of the Finance Department of Guangdong Yudean Asset Management Co., Ltd, Deputy Minister and Minister of the Finance Department of Guangdong Yudean Group Co., Ltd, and Deputy Secretary and General Manager of the General Party Branch of Guangdong Energy Group Finance Co., Ltd.

Ms. Shi Yan, born in December 1977, Master graduate from Sun Yat-sen University, Senior accountant. Currently, she is the manager of the comprehensive branch of the Finance Department of Guangdong Energy Group Co., Ltd and Supervisor of Guangdong Electric Power Development Co., Ltd. Previously, she was the special manager, director and general manager of the Cost Accounting Division of the Finance Department of Guangdong Energy Group Co., Ltd.

Mr. Li Ruiming, born in December 1963. Bachelor degree from Guangdong Administration College, Master of Power Engineering from Zhejiang University, Professor-level Senior Engineer. He is currently the Deputy Secretary of the Party Committee and Secretary of Committee for Discipline Inspection and Employee Supervisor of Guangdong Electric Power Development Co., Ltd. He used to be Operation Workshop Director and Branch Secretary, Assistant to Plant Manager and Director of Coal Water Slurry Project Office of Maoming Thermal Power Plant, Deputy Secretary of Party Committee, Secretary of Committee for Discipline Inspection, Chairman of Trade Union of Maoming Thermal Power Plant, Plant Manager, Secretary of Party Committee, Secretary of Committee for Discipline Inspection and Chairman of Trade Union of Maoming Thermal Power Plant, Head of Preparatory Group of Bohe Coal and Electricity Company, Plant Manager and Secretary of Party Committee of Yunfu Power Plant, General Manager and Secretary of Party Committee of Yunhe Power Plant, Secretary of Party Committee, Secretary of Party Committee, Secretary of Committee for Discipline Inspection and Chairman of Trade Union of Shajiao C Power Plant.

Mr. Li Qing, born in May 1977. Bachelor of Economics, Shanghai University of Finance and Economics. senior accountant. The current Guangdong Electric Power Development Co., Ltd. employee supervisor, director of the audit room. Former Yunfu Power Plant Finance Department Accounting, Guangdong Yulong Power Co., Ltd.

Mr. Guo Yongxiong, born in January 1974, Bachelor of Engineering from Hehai University, Master of Engineering from South China University of Technology, is Senior Engineer. Currently, he is deputy general manager of Guangdong Electric Power Development Co., Ltd. He used to be in charge for the production preparation department of Zhuhai Guangzhu Power Generation Co., Ltd, specially in charge of Engineering Department for steam turbines of Guangdong Zhuhai Power Generation Co., Ltd as a loaned staff borrowed by Zhuhai Power Plant, and used to be team leader and planning supervisor of Zhuhai Power Plant Maintenance Department, Engineer of Zhuhai Guangzhu Power Generation Co., Ltd, Planning Director of Planning and Contract Department and Planning Director of Zhuhai Power Plant Unit 3 and 4 Extension Office, Deputy Manager of Planning and Contract Department and Planning Director of Jinwan Power Generation Company, Manager of Human Resources Department, Manager of Equipment Department, Party Committee Member, Chief Engineer of Guangdong Zhuhai Jinwan Power Generation Co., Ltd, and served as Deputy General Manager of Guangdong Red Bay Power Generation Co., Ltd.

Mr. Liu Wei, born in April 1979, is Bachelor of finance from Zhongnan University of Economics and Law. He is an economist and currently serves as the Company's deputy general manager, chief financial officer,

secretary of the board of directors, had served as the specialist of the financial department of Guangdong Electric Power Group Co., Ltd, the specialist and the principal officer for the board affairs department , the representative of the company's securities affairs of Guangdong Yudean Group Co., Ltd, the manager of the board affairs department.

Office taking in shareholder companies

√Applicable □Not applicable

Names of the persons in office	Names of the shareholders	Titles engaged in the shareholders	Sharing date of office term	Expiry date of office term	Does he /she receive remuneration or allowance from the shareholder
Li Fangji	Guangdong Energy Group Co., Ltd.	Vice chief engineer, General Manager of Operating Management Dept and Secretary of Party Branch	April 1,2018		Yes
Li Baobing	Guangdong Energy Group Co., Ltd.	Vice Chief accountant, General Manager of the Finance Department and Secretary of the Party Branch	September 1,2019		Yes
Zhou Zhijian	Guangdong Energy Group Co., Ltd.	General Auditor, General Manager of the Audit Department, secretary of Party Branch	January 1,2021		Yes
Shi Yan	Guangdong Energy Group Co., Ltd.	Deputy GM of Finance Dept	June 1,2020		Yes
Mao Qinghan	Guangzhou Development Group Co., Ltd.	Assistant general manager	July 1,2021		No
Notes to post-holding in shareholder's unit	Where there are more than one post, the starting time of appointment shall be the starting time of the main post.				

Offices taken in other organizations

√Applicable □Not applicable

Name	Other unit	Title	Start date of office term	End date of office term	Drawing remuneration and allowance from of other unit(Y/N)
Wang Jin	Guangdong Energy Maoming Thermal Power Plant Co., Ltd.	Board chairman	March 1,2022		No
Wang Jin	Guangdong Red Bay Power Generation Co., Ltd.	Board chairman	December 1, 2020		No
Wang Jin	Guangdong Yudean Jinghai Power Generation Co., Ltd.	Board chairman	December 1,2021		No
Wang Jin	Guangdong Huizhou Natural Gas Power Generation Co., Ltd.	Board chairman	May 1,2021		No
Wang Jin	Guizhou Yueqian Electric Power Co., Ltd.	Board chairman	March 1,2021		No
Wang Jin	Guangdong Huizhou Pinghai Power Generation Co., Ltd.	Board chairman	April 1,2021		No
Zheng Yunpeng	Guangdong Yudean Huadu Natural Gas Thermal Power Co., Ltd.	Board chairman	June 1,2021		No

Zheng Yunpeng	Guangdong Yudean Bohe Coal Power Co.,Ltd.	Board chairman	June 1,2021		No
Zheng Yunpeng	Guangdong Yudean Binhaiwan Energy Co., Ltd.	Executive director	June 1,2019		No
Zheng Yunpeng	Guangdong Yudean Dayawan Integrated Energy Co., Ltd	Board chairman	February 1,2020		No
Zheng Yunpeng	Guangdong Yudean Dananhai Intelligent Energy Co., Ltd.	Executive director	January 1,2021		No
Zheng Yunpeng	Guangdong Yudean Baihua Integrated Energy Co., Ltd	Executive director	February 1,2021		No
Zheng Yunpeng	Guangdong Yudean Qiming Energy Co., Ltd.	Executive director	April 1,2021		No
Zheng Yunpeng	Guangdong Yudean Technology Engineering Co., Ltd.	Board chairman	September 1,2022		No
Zheng Yunpeng	Guangdong Yudean Huixin thermal Power Co., Ltd.	Board chairman	August 1,2022		No
Li Baobing	CSPG Energy Co., Ltd.	Supervisor	June 1,2018		No
Li Baobing	Guangdong Yudean Finance Lease Co., Ltd.	Board chairman	September 1,2020		No
Li Baobing	Guangdong Energy Group Finance Co., Ltd.	Director	Guangdong Yudean Finance Lease Co., Ltd.		No
Chen Yanzhi	Shanxi Yudean Energy Co., Ltd.	Vice Board chairman	June 1,2022		No
Chen Yanzhi	Guangdong Yudean Shipping Co., Ltd.	Director	April 1,2021		No
Chen Yanzhi	Guangdong Energy Group Xinjing Company	Director	December 1,2022		No
Chen Yanzhi	Guangdong Yudean Technology Management Co., Ltd.	Director	September 1,2022		No
Mao Qinghan	Guangzhou Development Electric Power Enterprise Co., Ltd.	Executive director (legal representative) , secretary of the party committee	December 1,2017		Yes
Mao Qinghan	Guangzhou Development Electric Power Enterprise Co., Ltd.	Executive director,General Manager (legal representative)	April 1,2018		No
Sha Qilin	Guangdong Guangyue Law firm	A lawyer, Partner	July 1,2022		Yes
Ma Xiaoqian	Provincial Key Laboratory, School of Electric Power, South China University of Technology	Director	July 1,2014		Yes
Ma Xiaoqian	Guangzhou Environmental protection Investment Group Co., Ltd.	External director	September 1,2016		Yes
Ma Xiaoqian	Guangzhou Development Group Co., Ltd.	Independent Director	June 1,2016		Yes
Ma Xiaoqian	Guangzhou Hengyun Enterprise Group Co., Ltd.	Independent Director	March 1,2021		Yes
Ma Xiaoqian	Guangzhou Steel Gas Energy Co., Ltd	Independent Director	July 1,2021		Yes
Zhang Hanyu	Shenzhen Hualing Derui Investment Fund Management Company	Vice Chairman	January 1,2020		Yes
Zhang Hanyu	JSTI	Independent Director	September 1,2021		Yes
Wu Zhanchi	Jinan University	Professor	July 1,2006		Yes

Wu Zhanchi	Guangzhou Jitai Chemical Co., Ltd.	Independent Director	April 1,2021		Yes
Wu Zhanchi	Jiahe Intelligent Technology Co., LTD	Independent Director	September 1,2016	September 1,2022	Yes
Wu Zhanchi	Shenzhen Baiuoyuan Industrial (Group) Co., Ltd	Independent Director	April 1,2020		Yes
Wu Zhanchi	Shenzhen Minbao Photoelectricity Co., Ltd.	Independent Director	July 1,2019		Yes
Cai Guowei	Sun Yat-sen University	Professor	July 1,2008		Yes
Zhou Zhijian	Yangjiang Nuclear Power Co., Ltd.	Chairman of the Supervisory Committee	February 1,2020		No
Zhou Zhijian	Taishan Nuclear Power Industry Investment Co., Ltd.	Supervisor	February 1,2021		No
Zhou Zhijian	Guangdong Energy Group Finance Co., Ltd.	Director	January 1,2020		No
Shi Yan	Guangdong Electric Power Development Corporation	Chairman of the Supervisory Committee	February 1,2021		No
Shi Yan	Guangdong Energy Group Guizhou Co., Ltd.	Director	August 1,2020		No
Li Qing	Zhanjiang Electric Power Co., Ltd	Convenor of the Board of Supervisors	October 1,2022		No
Li Qing	Guangdong Yudean Technology Management Co., Ltd.	Chairman of the Supervisory Committee	September 1,2022		No
Li Qing	Guangdong Yudean Huixin Co., Ltd.	Chairman of the Supervisory Committee	August 1,2022		No
Li Qing	Guangdong Yudean Bohe Energy Co., Ltd.	Chairman of the Supervisory Committee	June 1,2021		No
Li Qing	Guangdong Yudean Yongan Natural Gas thermal Power Co., Ltd.	Chairman of the Supervisory Committee	March 1,2022		No
Li Qing	Yunnan Nengtou Weixin Energy Co., Ltd.	Convenor of the Board of Supervisors	March 1,2022		No
Li Qing	Shenzhen Guangqian Electric Power Co., Ltd.	Convenor of the Board of Supervisors	July 1,2022		No
Li Qing	Zhanjiang Zhongyue Energy Co., Ltd.	Chairman of the Supervisory Committee	August 1,2019		No
Li Qing	Guangdong Yudean Baihua Integrated Energy Co., Ltd	Supervisor	February 1,2021		No
Li Qing	Guangdong Yudean Shipping Co., Ltd.	Convenor of the Board of Supervisors	April 1,2021		No
Li Qing	Guangdong Energy Finance lease Co., Ltd.	Supervisor	November 1,2020		No
Guo Yongxiong	Zhanjiang Electric Power Co., Ltd.	Board chairman	October 1,2022		No
Guo Yongxiong	Guoneng Yudean Taishan Power Generation Co., Ltd.	Director	December 1,2021		No
Guo	Guangdong Yuelong Power Generation	Board chairman	January 1,2022		No

Yongxiong	Co., Ltd.				
Guo Yongxiong	Guangdong Yudean Yongan Natural Gas thermal Power Co., Ltd.	Board chairman	March 1,2022		No
Guo Yongxiong	Guangdong Yudean Maoming Natural Gas thermal Power Co., Ltd.	Board chairman	September 1,2022		No
Guo Yongxiong	Guangdong Yudean Leizhou Power Generation Co., Ltd.	Executive director	November 1,2022		No
Guo Yongxiong	Guangdong Yudean Bijie New Energy Co., Ltd.	Executive director	October 1,2021		No
Guo Yongxiong	Zhuhai Yudean New Energy Co., Ltd.	Executive director	June 1,2022		No
Guo Yongxiong	Guandong Energy Group Xinjiang Co., Ltd.	Director	December 1,2022		No
Liu Wei	Guangdong Wind Power Generation Co., Ltd.	Director	May 1,2022		No
Liu Wei	Guangdong Energy Group Finance Co., Ltd.	Director	June 1,2022		No
Liu Wei	Guangdong Yudean Electric Power Sales Co., Ltd.	Director	April 1,2020		No
Liu Wei	Shenzhen Capital Group Co., Ltd.	Supervisor	October 1,2019		No
Liu Wei	Guangdong Yuejia Electric Power Co., Ltd.	Vice Board chairman	March 1,2019		No
Liu Wei	Guangzhou Zhujiang Natural Gas Power Generation Co., Ltd.	Vice Board chairman	April 1,2022		No
Liu Wei	Guangdong Energy Finance lease Co., Ltd.	Director	November 1,2020		No
Liu Wei	Guangdong Yudean Zhongshan Thermal Power Plant Co., Ltd.	Board chairman	April 1,2021		No
Liu Wei	Tumushuke Thermal Power Co.,Ltd.	Director	December 1,2021		No
Liu Wei	Guangdong Energy Group Xinjiang Co., Ltd.	Chairman of the Supervisory Committee	December 1,2022		No
Liu Wei	Guangdong Yudean Humen Power Generation Co., Ltd.	Director	April 1,2021		No
Liu Wei	Yunnan Nengtou Weixin Energy Co., Ltd.	Vice Board chairman	March 1,2022		No

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

Applicable Not applicable

3. Remuneration to directors, supervisors and senior executives

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

Directors, supervisors and senior executives of the company shall obtain labor remuneration and enjoy corresponding employee benefits according to their position and the company's wage system. Except such remuneration and benefits, no other remuneration and fringe benefits shall be additionally provided; The allowance for the independent directors and independent supervisors of the company shall be paid according to the standards approved by the shareholders' general meeting. At the end of the report period, the directors, supervisors and senior executives received the actual remuneration before tax was total RMB 6.1244 million .

Remuneration to directors, supervisors and senior executives in the reporting period

In RMB10,000

Name	Positions	Sex	Age	Office status	Total remuneration received from the shareholder	Remuneration actually receives at the end of the reporting period
Wang Jin	Board chairman	Male	59	In office	85.34	No
Zheng Yunpeng	Director, General Manager	Male	54	In office	84.6	No
Li Fangji	Director	Male	55	In office		Yes
Li Baobing	Director	Male	48	In office		Yes
Li Xiaoqing	Director	Female	51	In office		Yes
Chen Yanzhi	Employee director	Male	47	In office	63.71	No
Mao Qinghan	Director	Male	48	In office		Yes
Ma Xiaoqian	Independent director	Male	58	In office	12.17	No
Cai Guowei	Independent director	Male	43	In office	2.68	No
Zhang Hanyu	Independent director	Female	57	In office	3.21	No
Wu Zhanchi	Independent director	Male	47	In office	2.68	No
Zhou Zhijian	Chairman of the Supervisory Committee	Male	50	In office		Yes
Li Ruiming	Employee supervisor	Male	59	In office	71.96	No
Shi Yan	Supervisor	Female	45	In office		Yes
Li Qing	Employee supervisor	Male	45	In office	41.65	No
Sha Qilin	Independent supervisor	Male	62	In office	7.14	No
Guo Yongxiong	Deputy GM	Male	48	In office	70.03	No
Liu Wei	Deputy General manager, Finance Manager, Board secretary	Male	43	In office	71.27	No
Tang Yongguang	Deputy GM	Male	60	Dimission	72.68	No
Shen Hongtao	Independent director	Female	55	Dimission	8.48	No
Wang Xi	Independent director	Male	52	Dimission	9.02	No
Yin Zhongyu	Independent director	Male	53	Dimission	5.82	No
Total	--	--	--	--	612.44	--

VI. Performance of directors' duties during the reporting period

1. Information of the board meetings during the reporting period

Session	Convening date	Disclosure date	Meeting resolution
The First meeting of the Tenth Board of Directors	January 20,2022	January 22,2022	Announcement No.:2022-04, Published in China Securities Daily, Securities Times and http//.www.cninfo.com.cn
The Second meeting of the Tenth Board of Directors	March 25,2022	March 26,2022	Announcement No.:2022-11, Published in China Securities Daily, Securities Times and http//.www.cninfo.com.cn
The 6th meeting of the Tenth Board of Directors	April 20,2022	April 22,2022	Announcement No.:2022-16, Published in China Securities Daily, Securities Times and http//.www.cninfo.com.cn
The 3rd Meeting of the Tenth Board of Directors by Correspondence of 2022	April 27,2022	April 28,2022	Announcement No.:2022-24, Published in China Securities Daily, Securities Times and http//.www.cninfo.com.cn
The 7th meeting of the Tenth Board of Directors	June 22,2022	June 23,2022	Announcement No.:2022-30, Published in China Securities Daily, Securities Times and http//.www.cninfo.com.cn

The 8th meeting of the Tenth Board of Directors	August 29,2022	August 31,2022	AnnouncementNo.:2022-37,Published in China Securities Daily, Securities Times and http//.www.cninfo.com.cn
The 9th meeting of the Tenth Board of Directors	September 16,2022	September 17,2022	AnnouncementNo.:2022-47,Published in China Securities Daily, Securities Times and http//.www.cninfo.com.cn
The 10th meeting of the Tenth Board of Directors	October 27,2022	October 29,2022	AnnouncementNo.:2022-53,Published in China Securities Daily, Securities Times and http//.www.cninfo.com.cn
The Fourth Meeting of the Tenth Board of Directors by Correspondence of 2022	November 16,2022	November 17,2022	AnnouncementNo.:2022-58,Published in China Securities Daily, Securities Times and http//.www.cninfo.com.cn
The 11th meeting of the Tenth Board of Directors	November 29,2022	December 1,2022	AnnouncementNo.:2022-60,Published in China Securities Daily, Securities Times and http//.www.cninfo.com.cn
The Fifth Meeting of the Tenth Board of Directors by Correspondence of 2022	December 16,2022	December 17,2022	AnnouncementNo.:2022-62,Published in China Securities Daily, Securities Times and http//.www.cninfo.com.cn

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

Attendance of directors at the board meetings and the general meeting of shareholders							
Name of director	Number of board meetings attended during the reporting period	Number of board meetings attended in person	Number of board meetings attended by means of communication	Number of board meetings attended by proxy	Number of board meetings absent from	Whether to attend the board meeting in person twice in a row	General meetings of shareholders attended
Wang Jin	11	6	5	0	0	No	3
Zheng Yunpeng	11	5	5	1	0	No	4
Li Fangji	11	4	5	2	0	No	4
Li Xiaoqing	7	4	2	1	0	No	3
Li Baobing	11	5	5	1	0	No	3
Chen Yanzhi	11	5	5	1	0	No	4
Mao Qinghan	11	3	5	3	0	No	1
Ma Xiaoqian	11	6	5	0	0	No	4
Zhang Hanyu	5	3	2	0	0	No	2
Wu Zhanchai	5	3	2	0	0	No	2
Cai Guowei	5	3	2	0	0	No	2
Shen Hongtao	6	3	3	0	0	No	2
Wang Xi	6	3	3	0	0	No	2
Yin Zhongyu	6	1	3	2	0	Yes	0

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

During the reporting period, Yin Zhongyu is an independent director due to traffic restrictions, Failure to attend board meetings in person for two consecutive occasions, however he entrusted other independent director to attend and vote in all meetings.

3. Directors' objections to related matters of the Company

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

Yes No

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

4. Other descriptions of directors' performance of duties

Whether the directors' suggestions on the company have been adopted

Yes No

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

In 2022, the directors of the company faithfully and diligently performed their corresponding duties in strict accordance with the Company Law, Securities Law, Listing Rules for Stocks of Shenzhen Stock Exchange and other relevant laws and regulations, as well as the Articles of Association and the Rules of Procedure of the Board of Directors, paid close attention to the company's standardized operation, production and management, carefully reviewed the reports and related documents submitted by the company, actively attended the company's board meetings, special committee meetings and general meeting of shareholders, carefully considered all proposals, made professional, independent, objective and fair judgments, and put forward constructive opinions and suggestions on the company's development strategy, corporate governance and business decisions, which played an important role in the company's scientific decision-making and steady development. During the reporting period, the company's directors performed their duties diligently, honestly and faithfully, ensured scientific, timely and efficient decision-making through continuous supervision and promotion of the implementation of the resolutions of the Board of Directors, and earnestly protected the overall interests of the company and the legitimate rights and interests of minority shareholders.

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

Committee name	Member information	Number of meetings convened	Convening date	Meeting content	Put forward important opinions and suggestions	Other information of duty performance	Details of objections (if any)
Audit and Compliance Committee	Shen Hongtao, Li Xiaoqing, Li Baobing, Wang Xi, Yin Zhongyu	2	April 2, 2022	1. It reviewed the accounting statements and notes in the 2021, 2021 Financial Report;. 2. It reviewed the proposal of the report on the evaluation of the Company's internal control for 2021; 3. It reviewed the Proposal of internal control self-evaluation work plan in 2022; 4. It reviewed the Proposal on the 2021 annual Risk management report; 5. It reviewed the Proposal of the provision for impairment of assets; 6. It reviewed the Proposal on the Write-offs Asset; 7. It reviewed the Proposal for Hiring the Annual Financial Report Audit Agency.	The Audit Compliance Committee worked in strict accordance with the Company Law, the regulatory rules of China Securities Regulatory Commission, the Articles of Association and other relevant regulations, performed its duties diligently and conscientiously, and unanimously passed all proposals according to the actual situation of the company		
Audit and Compliance Committee	Shen Hongtao, Li Xiaoqing, Li Baobing, Wang Xi, Yin Zhongyu	2	August 19, 2022	1. It reviewed the Proposal on Change in the Accounting Policy; 2. It reviewed the proposal Concerning Financial Report for the semi-annual of 2022; It reviewed the accounting statements and notes for the semi-annual of 2022; 4. It reviewed the Proposal on Formulating "Guangdong Electric Power Development Co., Ltd's Internal Control Self-Assessment Management Measures; 5. It reviewed the Proposal on Formulating the Management Measures for Comprehensive Risk Management and Internal Control of Guangdong Electric Power Development Co., Ltd.; 6. It reviewed the Proposal on the Company's 2021 Annual Compliance Management Report.	The Audit Compliance Committee worked in strict accordance with the Company Law, the regulatory rules of China Securities Regulatory Commission, the Articles of Association and other relevant regulations, performed its duties diligently and conscientiously, and unanimously passed all proposals according to the actual situation of the company		
Audit and Compliance Committee	Wu Zhanchi, Li Xiaoqing, Li Baobing, Zhang	1	December 23, 2022	1. It reviewed the Proposal on the Work Plan of Financial Final Accounts in 2022; 2. It reviewed the Proposal on <Administrative Measures for Compliance of Guangdong Electric Power Development Co., Ltd.>; 3. It reviewed the 2022 Annual Audit Report.	The Audit Compliance Committee worked in strict accordance with the Company Law, the regulatory rules of China Securities Regulatory Commission, the Articles of Association and other relevant regulations, performed its		

	Hanyu, Cai Guowei				duties diligently and conscientiously, and unanimously passed all proposals according to the actual situation of the company		
Budget Committee	Wang Jin, Zheng Yunpeng , Li Fangji, Li Baobing, Shen Hongtao	1	April 2,2022	1. It reviewed the company's 2021 Budget Implementation Report; 2. It reviewed the company's 2021 Budget Report.	The Budget Committee worked in strict accordance with the <i>Company Law</i> , the regulatory rules of China Securities Regulatory Commission, the <i>Articles of Association</i> and other relevant regulations, performed its duties diligently and conscientiously, and unanimously passed all proposals according to the actual situation of the company.		
Nominatio n Committee	Ma Xiaoqing , Wang Jin, Chen Yanzhi, Shen Hongtao, Yin Zhongyu	2	April 27,2022	It reviewed the Proposal on Recommending Li Xiaoqing as a candidate for director of the company	The Nomination Committee worked in strict accordance with the <i>Company Law</i> , the regulatory rules of China Securities Regulatory Commission, the <i>Articles of Association</i> and other relevant regulations, performed its duties diligently and conscientiously, and unanimously passed all proposals according to the actual situation of the company.		
Nominatio n Committee	Ma Xiaoqian , Wang Xi, Chen Yanzhi, Shen Hongtao, Yin Zhongyu	2	August 29,2022	It reviewed the Proposal on Recommending some candidates for independent directors of the 10th Board of Directors.	The Nomination Committee worked in strict accordance with the <i>Company Law</i> , the regulatory rules of China Securities Regulatory Commission, the <i>Articles of Association</i> and other relevant regulations, performed its duties diligently and conscientiously, and unanimously passed all proposals according to the actual situation of the company.		
Remunerat ion and Assessmen	Wang Xi, Li Fangji,	2	April 2,2022	1.It reviewed the proposal on determining the salary and position coefficient of managers of Guangdong Electric Power Development Co., Ltd. in 2021 ;2.It reviewed the Proposal on determining the business performance assessment	The Remuneration and Assessment Committee worked in strict accordance with the <i>Company Law</i> ,		

t Committee	Mao Qinghan, Ma Xiaoqian , Yin Zhongyu			scores of managers of Guangdong Electric Power Development Co., Ltd in 2021; 3.It reviewed the proposal on the Budget Management Measures of Guangdong Electric Power Development Co., Ltd.	the regulatory rules of China Securities Regulatory Commission, the <i>Articles of Association</i> and other relevant regulations, performed its duties diligently and conscientiously, and unanimously passed all proposals according to the actual situation of the company.		
Remunerat ion and Assessmen t Committee	Wang Xi, Li Fangji, Mao Qinghan, Ma Xiaoqian , Yin Zhongyu	2	June 22,2022	It reviewed the proposal on the 2022 Annual Business Performance Responsibility Letter for the Management Members of Guangdong Electric Power Development Co., Ltd.”	The Remuneration and Assessment Committee worked in strict accordance with the <i>Company Law</i> , the regulatory rules of China Securities Regulatory Commission, the <i>Articles of Association</i> and other relevant regulations, performed its duties diligently and conscientiously, and unanimously passed all proposals according to the actual situation of the company.		
Strategic Developm ent Committee	Wang Jin, Zheng Yunpeng , Li Xiaoqing , Ma Xiaoqian , Zhang Hanyu	1	October 26,2022	It reviewed the Proposal of the Outline of the company's Fourteen Five Plan	The Strategic Development Committee worked in strict accordance with the <i>Company Law</i> , the regulatory rules of China Securities Regulatory Commission, the <i>Articles of Association</i> and other relevant regulations, performed its duties diligently and conscientiously, and unanimously passed all proposals according to the actual situation of the company.		

VIII. The working status of the board of supervisors

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

Yes No

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

IX. Particulars about employees.

1. Number of staff, professional structure and educational background

Number of in-service staff of the parent company (person)	850
Number of in-service staff of the main subsidiaries (person)	7,987
Total number of the in-service staff (person)	8,837
Total number of staff receiving remuneration in the current period (person)	9,139
The number of the parent company and the main subsidiary's retired staffs who need to bear the cost (person)	3,108
Professional	
Classified according by Professions	Number of persons (person)
Production	5,244
Sales	185
Technical	1,704
Financial	267
Administrative	1,437
Total	8,837
Education	
Classified according by education background	Number of persons (person)
Doctor	2
Master	318
Universities	4,756
Colleges	2,294
Technical secondary school	329
High school and Below	1,138
Total	8,837

2. Remuneration policies

The company's staff received the salaries and enjoyed the benefits according to the relevant provisions stipulated in the company's Salary Management Approach. The salary of the company's staff (Except the management staff who categorized in the annual salary system) basically constituted by the basic salary, post salary, performance salary, allowance and special bounties and so on.

3. Training plan

The company formulated the Temporary Provisions for the Management of Staff Education and Training. The staff training was adhered to the principle of learning integrated with application, learning by the needs and stressing of practical effect, focused on the main contents of the post and the practical operation skills. The training contents included the new staff orientation training, post training, continuing education, overseas training and other trainings.

4. Outsourcing situation

Applicable Not applicable

X. Specification of profit distribution and capitalizing of common reserves

Formulation, implementation or adjustment of the profit distribution policy, especially the cash dividend policy during the reporting period

Applicable Not applicable

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

Applicable Not applicable

Profit distribution and capitalization of capital reserve during the reporting period

Applicable Not applicable

The company Will not distribute cash dividend or bonus shares, neither capitalizing of common reserves.

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

Applicable Not applicable

None

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

1. Construction and implementation of internal control

(I) Organization setup and operation

The company has established a perfect organizational structure system, and its corporate governance structure, internal organization design and operation mechanism meet the requirements of modern enterprise system. The Board of Directors of the company shall bear the ultimate responsibility for the evaluation of internal control; The Audit and Compliance Committee shall be responsible for organizing, leading and supervising the internal control evaluation, reviewing the internal control evaluation report, and examining and approving the rectification opinions of major and important defects in internal control. The management of the company is responsible for organizing the implementation of the internal control evaluation, proposing the business or matters that should be focused on in the internal control evaluation, and examining and approving the internal control evaluation plan and the internal control evaluation report.

As the centralized department of internal control management, the Board Affairs Department of the company is responsible for organizing the internal control self-inspection, testing and evaluation in the company, proposing rectification schemes and specific rectification plans for the design and operation defects found, supervising the completion of rectification, and cooperating with the internal audit department and external auditors to carry out internal control evaluation at the enterprise level.

The Board of Directors, the Audit and Compliance Committee, the management and functional departments of the company earnestly perform their duties of internal control and management. Every year, the company conducts a comprehensive self-evaluation on the effectiveness of the internal control system, timely corrects the internal control defects, continuously optimizes the internal control system, and effectively improves the

company's management level and risk prevention ability.

(II) Establishment and implementation of internal control system

According to the Basic Standards for Internal Control of Enterprises and its supporting guidelines, Guideline No.1 for Self-discipline Supervision of Listed Companies of Shenzhen Stock Exchange -Standardized Operation of Listed Companies on Main Board, Listing Rules for Stocks of Shenzhen Stock Exchange and relevant laws and regulations, combined with the actual situation of the company, from the perspective of business management, function management and post management, the company formulates basic management systems including financial accounting system, procurement system, asset management system, engineering project management system, human resource management system, administrative management system, internal audit system, guarantee management system, related party transaction system, investment and financing management system, and subsidiary management system, to make decisions and management on major issues of the company.

(III) Overall evaluation

In 2022, the company conscientiously implemented the national and industry laws and regulations, the latest supervision standards and the regulatory standards and normative requirements of state-owned assets and the group company, constantly improved the compliance of the standard system, and well ensured revising, improving and upgrading the internal control system; strictly implemented the "three important and one major" system, standardized major decision-making behaviors, effectively prevented decision-making risks, enhanced scientific decision-making and avoided decision-making mistakes; carried out in-depth internal control self-evaluation, continuously strengthened the rectification of internal control defects, formed an effective internal control management closed loop of "control-evaluation-improvement-control", continuously and dynamically improved the internal control management system, and ensured that the company maintained effective internal control in all major aspects according to the requirements of the enterprise internal control standard system and relevant regulations, and no factors that affect the evaluation conclusion of internal control effectiveness would occur.

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

Yes No

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

Company name	Integration plan	Integration progress	Problems encountered in integration	Measures taken for solution	Solution progress	Subsequent planned solution
Nanjing Linyuan Senhai New Energy Co., Ltd.	Acquired 100% equity of the company.	Merge completed	No	Not applicable	Not applicable	Not applicable
Nanjing Senhong New Energy Co., Ltd.	Acquired 100% equity of the company .	Merge completed	No	Not applicable	Not applicable	Not applicable
Taishan Dongrun Zhongneng New Energy Co., Ltd.	Acquired 100% equity of the company.	Merge completed	No	Not applicable	Not applicable	Not applicable
Laixi Xinguangyao New Energy Technology Co., Ltd.	Acquired 99% equity of the company.	Merge completed	No	Not applicable	Not applicable	Not applicable
Jiuzhou New Energy (Zhaoqing) Co.,	Acquired 100% equity of the company .	Merge completed	No	Not applicable	Not applicable	Not applicable

Ltd.						
Xiangtan Xiangdian Wind Power Generation Co., Ltd.	Acquired 100% equity of the company .	Merge completed	No	Not applicable	Not applicable	Not applicable
Zhanjing Shangyang Energy Technology Co., Ltd.l	Acquired 100% equity of the company .	Merge completed	No	Not applicable	Not applicable	Not applicable

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

1. Self-evaluation report on internal control

Disclosure date of appraisal report on internal control	April 1,2023	
Disclosure index of appraisal report on internal control	Juchao Website: (http://www.cninfo.com.cn) , Self-evaluation report of internal control in 2022	
The ratio of the total assets of units included in the scope of evaluation accounting for the total assets on the company's consolidated financial statements	92.81%	
The ratio of the operating income of units included in the scope of evaluation accounting for the operating income on the company's consolidated financial statements	99.76%	
Standards of Defects Evaluation		
Category	Financial Report	Non-financial Report
Qualitative criteria	A. significant deficiency: ① the ineffective environmental control; ② irregularities appearing between company directors, supervisors and senior executives; ③ serious mistakes in the financial statements of the current period found by external audit but not the inner control in the process of operating; ④ ineffective supervision of inner control from directorate and inner audit institution.B. significant deficiency: ① accounting policy chosen and applied is not based on the GAAP; ② anti-irregularity procedure and control measures are not established; ③ very few relative control measures are established or implemented in terms of the accounting treatment related to unconventional or special transaction; C. common deficiency means, apart from the above “significant deficiency” and “serious deficiency”, other deficiencies exist in the inner control process.	A. significant deficiency : (1) The company lacks democratic and scientific decision-making procedures; (2) Serious violation of national laws and regulations; (3) The company's important business lacks institutional control or the system control fails. B. Important defects: (1) Large-scale and long-term interruption of important business may cause the company to deviate from the control goal in the field; (2) The important defects of the previous year have not been rectified; (3) There are deficiencies in the company's important business systems. C. General defects: other internal control deficiencies in financial reporting that do not constitute material defects or important defects.
Quantitative standard	A. Quantitative standards for material defects: (1) The amount of misstatement \geq 0.5% of operating income; (2) the amount of misstatement \geq 5% of the total profit; (3) The amount of misstatement \geq 0.5% of the total assets. B. Quantitative standards for	(1)A significant deficiency means that the direct property loss is between 50 million yuan .(2) the significant deficiency means hat the direct property loss is between 30 million yuan (including 30 million yuan) ; the serious

	important defects: (1) 0.2% of operating income ≤ misstatement amount < 0.5% of operating income; (2) 5% of total profits ≤ misstatement amount < 1% of total profits; (3) 0.2% of total assets ≤ misstatement amount < 0.5% of total assets. C. General defect quantitative standards: (1) The amount of misstatement < 0.2% of operating income; (2) the amount of misstatement < 1% of the total profit; (3) The amount of misstatement < 0.2% of total assets.	deficiency means that the direct property loss is between 30 million.
Number of major defects in financial reporting (a)		0
Number of major defects in non financial reporting (a)		0
Number of important defects in financial reporting (a)		0
Number of important defects in non financial reporting (a)		0

2. Internal Control audit report

Applicable Not applicable

Review opinions in the internal control audit report	
We believe that Guangdong Electric Power Development Co., Ltd. has maintained effective internal control over financial reporting in all material respects as of 31 December 2022 as per the Basic Rules for Enterprise Internal Control and relevant regulations.	
Disclosure date of audit report of internal control (full-text)	Disclosure
Index of audit report of internal control (full-text)	April 1, 2023
Internal audit report's opinion	Juchao Website: (http://www.cninfo.com.cn) 2022 Audit report of internal control
Type of audit report on internal control	Unqualified auditor's report
Whether there is significant defect in non-financial report	No

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

Yes No

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

Yes No

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

In accordance with the relevant requirements of the Notice on Well Implementation in Self-Inspection and Self-Correction of Special Actions for the Governance of Listed Companies (No. 156-[2020]Guangdong Securities Regulatory Issuance), the company submitted the Special Self-Inspection List for the Governance of Listed Companies on April 8, 2021. The company attached great importance to the deficiencies and problems found in the self-inspection, actively carried out rectification in accordance with the established rectification measures, and reported the "Rectification Report on Corporate Governance for Self-Inspection Issues" on August 31, 2021. As present, issues found by the company's self-inspection were all rectified.

V. Environmental & Social Responsibility

I. Significant environmental issues

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

√ Yes □ No

Environmental protection related policies and industry standards

The company and its subordinate units strictly abide by the "Environmental Protection Law of the People's Republic of China", "Atmospheric Pollution Prevention and Control Law of the People's Republic of China", "Water Pollution Prevention and Control Law of the People's Republic of China", "Law of the People's Republic of China on the Prevention and Control of Environmental Pollution of Solid Waste", "Air Pollutant Emission Standards for Thermal Power Plants" (GB13223), "Comprehensive Sewage Discharge Standards" (GB8978) and other relevant laws, regulations and industry standards to carry out production and business activities.

Environmental protection administrative licensing

The company and its subsidiaries all have obtained environmental protection administrative permits in accordance with regulations, and the pollution discharge permits are currently within the validity period.

Industrial emission standards and the specific situation of the pollutant emission involved in the production and business activities

Company or subsidiary name	Main pollutant and specific pollutant type	Main pollutant and specific pollutant name	Emission way	Emission port number	Emission port distribution condition	Emission concentration	Implemented pollutant emission standards	Total emission	Verified total emission	Excessive emission condition
Shajiao A power plant	Air pollutant	Smoke	Concentrated emission through chimney	1	Within the factory	1.64	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	24.83	121.90	No
Shajiao A power plant	Air pollutant	SO ₂	Concentrated emission through chimney	1	Within the factory	16.94	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	256.93	426.65	No
Shajiao A power plant	Air pollutant	NO _x	Concentrated emission through chimney	1	Within the factory	30.51	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	462.74	609.5	No
Bohe Company	Air pollutant	Smoke	Concentrated emission through chimney	2	Within the factory	2.07	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	50.92	72	No
Bohe Company	Air pollutant	SO ₂	Concentrated emission through chimney	2	Within the factory	10.2	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	413.04	974	No
Bohe Company	Air pollutant	NO _x	Concentrated emission through chimney	2	Within the factory	33.45	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	1071.20	1195	No
Dapu Power Plant	Air pollutant	Smoke	Concentrated emission through	2	Within the factory	2.29	Emission Standard of Air Pollutants for Thermal Power Plants	53.473	593	No

			chimney				(GB13223-2011)			
Dapu Power Plant	Air pollutant	SO ₂	Concentrated emission through chimney	2	Within the factory	14.03	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	328.153	1447	No
Dapu Power Plant	Air pollutant	NO _x	Concentrated emission through chimney	2	Within the factory	39.03	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	912.710	1502	No
Red Bay Company	Air pollutant	Smoke	Concentrated emission through chimney	4	Within the factory	2.13	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	90.25	1512	No
Red Bay Company	Air pollutant	SO ₂	Concentrated emission through chimney	4	Within the factory	9.61	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	513.82	4851	No
Red Bay Company	Air pollutant	NO _x	Concentrated emission through chimney	4	Within the factory	33.28	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	1254.95	4851	No
Jinghai Company	Air pollutant	Smoke	Concentrated emission through chimney	4	Within the factory	2.28	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	151.63	1770	No
Jinghai Company	Air pollutant	SO ₂	Concentrated emission through chimney	4	Within the factory	15.34	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	1008.1	6449.52	No
Jinghai Company	Air pollutant	NO _x	Concentrated emission through chimney	4	Within the factory	32.72	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	2156.15	3395.39	No
Maoming Power Plant	Air pollutant	Smoke	Concentrated emission through chimney	2	Within the factory	1.17	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	24.60	168.12	No
Maoming Power Plant	Air pollutant	SO ₂	Concentrated emission through chimney	2	Within the factory	14.29	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	326.56	385.51	No
Maoming Power Plant	Air pollutant	NO _x	Concentrated emission through chimney	2	Within the factory	24.88	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	568.76	751.82	No
Pinghai Power Plant	Air pollutant	Smoke	Concentrated emission through chimney	2	Within the factory	3.21	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	112.25	700	No
Pinghai Power Plant	Air pollutant	SO ₂	Concentrated emission through chimney	2	Within the factory	23.29	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	811.17	1670	No
Pinghai Power Plant	Air pollutant	NO _x	Concentrated emission through chimney	2	Within the factory	38.61	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	1316.40	2423	No

Shaoguan Power Generation Plant	Air pollutant	Smoke	Concentrated emission through chimney	2	Within the factory	2.01	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	46.57	717.78	No
Shaoguan Power Generation Plant	Air pollutant	SO ₂	Concentrated emission through chimney	2	Within the factory	17.85	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	412.52	2303.55	No
Shaoguan Power Generation Plant	Air pollutant	NO _x	Concentrated emission through chimney	2	Within the factory	38.20	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	883.08	2254.42	No
Yunhe Power Generation Plant	Air pollutant	Smoke	Concentrated emission through chimney	1	Within the factory	1.72	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	17.83	360	No
Yudean Yunhe Power Generation Plant	Air pollutant	SO ₂	Concentrated emission through chimney	1	Within the factory	8.06	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	88.81	2400	No
Yunhe Power Generation Plant	Air pollutant	NO _x	Concentrated emission through chimney	1	Within the factory	33.95	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	335.77	2400	No
Zhanjiang Electric	Air pollutant	Smoke	Concentrated emission through chimney	2	Within the factory	1	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	36	528	No
Zhanjiang Electric	Air pollutant	SO ₂	Concentrated emission through chimney	2	Within the factory	14	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	390	1320	No
Zhanjiang Electric	Air pollutant	NO _x	Concentrated emission through chimney	2	Within the factory	35	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	988	1990.7	No
Zhanjiang Zhongyue	Air pollutant	Smoke	Concentrated emission through chimney	2	Within the factory	0.99	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	17.14	480	No
Zhanjiang Zhongyue.	Air pollutant	SO ₂	Concentrated emission through chimney	2	Within the factory	14.80	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	257.37	1200	No
Zhanjiang Zhongyue	Air pollutant	NO _x	Concentrated emission through chimney	2	Within the factory	28.48	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	495.29	1290.08	No
Guangqian Company	Air pollutant	NO _x	Concentrated emission through chimney	3	Within the factory	11.19	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	180.96	1312.5	No
Huizhou Natural Gas	Air pollutant	Smoke	Concentrated emission through chimney	6	Within the factory	0.22	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	8.39	242.61	No

Huizhou Natural Gas	Air pollutant	NO _x	Concentrated emission through chimney	6	Within the factory	26.58	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	977	1774.98	No
Yuehua Power Generation	Air pollutant	SO ₂	Concentrated emission through chimney	2	Within the factory	0.149	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	1.586	27.54	No
Yuehua Power Generation	Air pollutant	NO _x	Concentrated emission through chimney	2	Within the factory	38.297	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	493.13	1367.55	No
Xinhui Power Generation	Air pollutant	Smoke	Concentrated emission through chimney	2	Within the factory	0	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	0.5	85.6	No
Xinhui Power Generation	Air pollutant	SO ₂	Concentrated emission through chimney	2	Within the factory	0.12	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	1.5	45	No
Xinhui Power Generation	Air pollutant	NO _x	Concentrated emission through chimney	2	Within the factory	13.36	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	303.5	1104	No
Tumushuke Thermoelectric	Air pollutant	Smoke	Concentrated emission through chimney	2	Within the factory	2.072	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	25.28	135	No
Tumushuke Thermoelectric Co., Ltd	Air pollutant	SO ₂	Concentrated emission through chimney	2	Within the factory	14.572	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	175.56	474	No
Tumushuke Thermoelectric	Air pollutant	NO _x	Concentrated emission through chimney	2	Within the factory	27.451	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	329.21	675	No
Shajia C	Air pollutant	Smoke	Concentrated emission through chimney	3	Within the factory	2.16	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	59.56	277.8	No
Shajiao C	Air pollutant	SO ₂	Concentrated emission through chimney	3	Within the factory	12.51	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	345.66	972.3	No
Shajiao C	Air pollutant	NO _x	Concentrated emission through chimney	3	Within the factory	32.66	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	902.4	1389	No
Huadu Company	Air pollutant	Smoke	Concentrated emission through chimney	3	Within the factory	5	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	0.1083	92.39	No
Huadu Company	Air pollutant	SO ₂	Concentrated emission through chimney	3	Within the factory	20	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	0.2225	6.7	No
Huadu	Air pollutant	NO _x	Concentrated	3	Within the	50	Emission Standard of	87.5777	586.6	No

Company			emission through chimney		factory		Air Pollutants for Thermal Power Plants (GB13223-2011)			
Zhanjiang Biomass Power Generation	Air pollutant	Smoke	Concentrated emission through chimney	2	Within the factory	8	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	26.6	80.94	无
Zhanjiang Biomass Power Generation	Air pollutant	SO ₂	Concentrated emission through chimney	2	Within the factory	8	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	33.8	183	No
Zhanjiang Biomass Power Generation	Air pollutant	NO _x	Concentrated emission through chimney	2	Within the factory	120	Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)	293.6	397	No

Treatment of contaminants

In 2022, the company took the large-scale development of new energy and energy conservation and carbon reduction as an important starting point to accelerate the construction of ecological civilization and pollution prevention and control, and continuously improved the energy security and clean and low-carbon levels, and all emission indicators were better than the industry average. The company adhered to the goal of building a resource-saving and environment-friendly enterprise, and step-by-step actively promoted the upgrading and transformation of existing coal-fired generator sets by a planned manner through the formulation and implementation of measures such as energy consumption management improvement, operation optimization, equipment management, maintenance and technological transformation, and strived to reduce the emission intensity of coal-fired units.

Emergency plan for emergency environmental incidents

Combining with the Environmental Protection Law of the People's Republic of China and the Opinions of the Ministry of Environmental Protection on Strengthening Environmental Emergency Management Work and other laws and regulations on the monitoring of environmental risks, the company's subordinate power generation enterprises have formulated the Emergency Plan for Emergency Environmental Incidents according to their actual conditions, which has standardized and improved the handling of emergent environmental events from the aspects of environmental accident risk analysis, emergency command organization and responsibilities, disposal procedures, and disposal measures, improved the ability to respond to unexpected environmental events, and ensured that after an outbreak of an environmental incident, the company can organize emergency rescue work in a timely, orderly and efficient manner to prevent pollution of the surrounding environment, minimize the damage and social harm caused by the incident, maintain social stability, and protect public health and property safety.

Environmental self-monitoring program

During the reporting period, the company's subordinate power generation companies organized annual environmental self-monitoring programs in accordance with the national Administrative Measures on Automatic Monitoring of Pollution Sources and other laws and regulations, and conducted self-monitoring of the environment in accordance with the monitoring program, and announced its own monitoring results in Guangdong Province's key pollution source regulatory information platform and the national pollution source monitoring information and sharing platform. Both the announced rate and completion rate had reached 100%.

Investment in environmental governance and protection and payment of environmental protection tax

In 2022, The company purchased desulfurization and denitration materials totaling about 297.7089 million yuan, The company paid environmental protection tax of 20.78 million yuan.

Measures taken to reduce their carbon emissions during the reporting period

Applicable Not applicable

In 2022, the company added a total of 19 new energy projects, including 6 wind power projects and 13 photovoltaic projects, with a total installed capacity of 551,000 kilowatts, which's expected to contribute about 1.027 billion kilowatt-hours of clean energy per year, saving about 321,000 tons of standard coal and reducing carbon dioxide emissions by about 863,700 tons, equivalent to recreating 2,183 hectares of forest; it added 1 new gas power project, with a total installed capacity of 920,000 kilowatts, and it's expected to have an annual on-grid electricity of more than 3.8 billion kilowatt hours. Compared with coal-fired power plants, it can save about 440,000 tons of standard coal consumption per year, reduce carbon dioxide emissions by about 1.76 million tons, and provide about 8.15 million GJ of annual heat, which's of great significance for optimizing the regional energy structure and layout and promoting the company to build a clean, low-carbon, safe and efficient energy system. Meanwhile, the company actively promoted the high-quality development of coal power, actively carried out energy-saving and carbon-reduction transformation, formulated an action plan for energy conservation and efficiency improvement, centered on the steam turbine flow transformation for 15 units of 600,000 kW grade and above, and strived to reduce the coal consumption for coal-fired power units. In 2022, 1 steam turbine flow transformation has been completed, 4 units have entered the equipment manufacturing stage and it's planned to implement the transformation in the second half of 2023, as well as the other 10 units will be completed by the end of 2025, and each unit is expected to save 8~10 g/kWh of coal after the completion of the transformation.

Administrative penalties for environmental problems during the reporting period

None

Other environmental information that should be disclosed

None.

Other environmental protection related information None

The company shall comply with the disclosure requirements of power-related industries in the Guideline No.3 for Self-regulation of Listed Companies of Shenzhen Stock Exchange-Industry Information Disclosure.

1. The company strictly abides by the Environmental Protection Law of the People's Republic of China, Air Pollution Prevention Law of the People's Republic of China, Water Pollution Prevention Law of the People's Republic of China and Law of the People's Republic of China on Prevention and Control of Environmental Pollution by Solid Waste, and the current environmental protection policies and regulations have no impact on the company. In 2022, the operating expenses required by the company's thermal power plants to implement environmental protection policies and regulations are mainly to purchase limestone and denitration materials, totaling about RMB 297.7089 million.

2. In 2022, according to the standard, the coal consumption for comprehensive power supply of the company's thermal power plants is 302.85 g/kWh of coal, the sulfur dioxide emission performance value is 0.048g/kWh, nitrogen oxide emission performance value is 0.120g/kWh, and soot emission performance value is 0.006g/kWh. Where, the commissioning rate of desulfurization device is 100%, and the average desulfurization efficiency is 99.21%; The average operation rate of denitration device is 99.82%, and the average denitration efficiency is 89.39%; The average operation rate of wet electric dust removal is 99.98%, and the average dust removal

efficiency is 99.84%.

Information related to environmental accidents of the listed company

In 2022, there were no environmental accidents in the company.

II. Social responsibilities

For details of the company's social responsibility report, please refer to the Social Responsibility Report 2022 published by the company on CNINF (<http://www.cninfo.com.cn>)

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

In 2022, the company conscientiously implemented the national rural revitalization strategy, and its subordinate units actively carried out consumption assistance in combination with local development, and set up a special working group to carry out field visits and assistance, invested funds and resources to help rural construction of infrastructure, improve rural living standards, and help rural revitalization work further elevated.

1. Shaoguan Power Generation company's Counterpart-assistance to Ruyuan Dongping Town

In 2022, Shaoguan Power Generation company vigorously promoted the consumption assistance, strictly abided by the bottom line of not letting returning to poverty on a large scale to be happened, strengthened the dynamic monitoring of preventing poverty return, reasonably formulated assistance project plans, and soundly did well in consolidating and expanding the achievements of poverty alleviation and effective linking of rural revitalization. The company's labor union actively carried out consumption assistance procurement activities, expanded consumption assistance channels, broadened the sales channels of local agricultural and sideline products, and increased farmers' income. So far, the cumulative consumption assistance has been more than 160,000 yuan, effectively solving the problem of farmers' troublesome of income increasing and laying a solid foundation for the industrial revitalization of Dongping Town.

2. Zhanjiang Electric Power company's Counterpart-assistance to Xuwen Xilian Town

In 2022, Zhanjiang Electric Power company resolutely implemented the national rural revitalization strategy. As always, it helped the rural revitalization of Xilian Town, and practiced the responsibility of state-owned enterprises. The staff of the company stationed in Xilian Town to help the town and support the village were courageous to take responsibility, actively planned measures according to local conditions, soundly implemented the work of rural revitalization in detail, and as the main force participated in the preparation of the overall planning plan of Xilian Town from 2021 to 2026. The work results won the "Excellent Award" of Excellent Town Rural Revitalization Plan of Guangdong Province in the 2022. In addition, the company's labor union helped purchase 303 boxes of dried golden pomfret by consumption assistance, effectively helping the people who were lifted out of poverty to expand the sales channels of agricultural and marine products, leading the people in the poverty alleviation areas to increase income and being conducive rural revitalization.

3. Tai Pu Power Generation company's Counterpart-assistance to Huilai Jinghai Town

In order to do a good job in helping towns and villages, Tai Pu Power Generation company selected Comrade Guo Jie, deputy general manager of the company, stationed as the first secretary of the village and a member of the township help and support team, made pairing-off assistance to help Jinghai Town, Huilai County, Jieyang City, and actively promoted the rural revitalization. On the Guangdong Poverty Alleviation Day in 2022, the company actively carried out poverty alleviation and relief activities, raising a total of 63,200 yuan to support rural revitalization.

4. Zhongyue Energy company's Counterpart-assistance to Leizhou Jijia Town

In 2022, the rural revitalization team dispatched by Zhanjiang Zhongyue Energy company to Jijia Town, Leizhou, Zhanjiang, with the theme of rural industry revitalization assistance, carried out special research mainly aimed at integrating cooperation of land resources and solving existing problems and holding discussions and exchanges with village committee cadres and villagers. On the basis of respecting the will of the masses, it proposed to establish land cooperatives, that farmers invest in by scattered lands and select the promising projects to actively explore "land shareholding + large-scale planting", "decentralized production + unified operation", "large households lead small households, professional households lead individual farmers" and other development models to continuously enhance the vitality and strength of collective economic development.

5. Maoming Thermal Power company Counterpart-assistance to Xiaoliang Town, Jijia Town, Leizhou

In the work of helping rural revitalization, Maoming Thermal Power Plant selected a party-member cadre as a village-based team member stationed to Xiaoliang Town, Dianbai District to carry out rural revitalization and assistance work. In 2022, the company donated a total of 122,570 yuan to Xiaoliang Town, Dianbai District for rural revitalization related work such as the treatment of the living environment of Xiaoliang Town and the help of monitoring poverty return households. Meanwhile, through the field research, the company planned to build a photovoltaic compound project in Xiaoliang Town. It has registered and established Maoming Electric White Intelligent New Energy Co., Ltd in Dianbai District and substantially carried out the preliminary work, the project has been approved by Maoming Power Supply Bureau with the preliminary connect opinion, and it has been included in Maoming City's key construction projects in 2023 by Maoming Development and Reform Bureau.

6. Yuefeng New Energy's Counterpart-assistance to Nanxiong Baishun Town

In order to actively promote the integrated development of new energy development and rural revitalization, in 2022, Shaoguan Nanxiong Yuefeng New Energy-a subsidiary of Provincial Wind Electronics company signed a new energy cooperative development framework agreement with the Nanxiong People's Government to help in local rural revitalization by developing local rooftop photovoltaic, ground distributed photovoltaic and ground distributed wind power projects. Yet the preliminary work of the pilot project of rural revitalization of distributed wind power in Nanxiong Baishun Town was started.

VI. Important Events

I. Commitments to fulfill the situation

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

Applicable Not applicable

There is no commitment that has not been fulfilled by actual controller, shareholders, related parties, acquirers of the company

2. The existence of the company's assets or projects earnings forecasts and earnings reporting period is still in the forecast period, the company has assets or projects meet the original profit forecast made and the reasons explained

Applicable Not applicable

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

Applicable Not applicable

No such cases in the reporting period.

III. Illegal provision of guarantees for external parties

Applicable Not applicable

No such cases in the reporting period.

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

Applicable Not applicable

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

Applicable Not applicable

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

Applicable Not applicable

In 2021, the Ministry of Finance issued the Notice on Printing and Distributing the "Interpretation of Accounting Standards for Business Enterprises No. 15" (hereinafter referred to as "Interpretation No. 15"). The company implemented the provisions related to the trial operation sales of fixed assets in the Interpretation No. 15 from January 1, 2022, and retroactively adjusted the trial operation sales revenue incurred between January 1, 2021 and the implementation date. The comparative financial statements for 2021 were restated accordingly. The above accounting policy changes have no impact on the balance sheet as of January 1, 2021.

The company has adopted the above notice and the Q&A on the Implementation to prepare the 2022 annual financial statements, and the above amendments have no significant impact on the company's financial statements, except for the relevant provisions on the trial operation and sales of fixed assets.

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

√ Applicable □ Not applicable

Name	Nature	New investment amount in this period (Yuan)	Paid-in capital at the end of period(Yuan)	Proportion (%)	Acquired
Yudean Jinxiu intelligence Energy Co., Ltd.	Photovoltaic power generation	2,621,800	2,913,114	90%	Newly established
Guangdong Yudean Huibo New Energy Co., Ltd.	Photovoltaic power generation	15,492,360	15,492,360	100%	Newly established
Nanjing Linyuan Senhai New Energy Co., Ltd.	Photovoltaic power generation	120,495,920	120,495,920	100%	Purchase
Nanjing Senhong New Energy Co., Ltd.	Photovoltaic power generation	120,495,920	120,495,920	100%	Purchase
Tumushuke Yudean Hanhai New Energy Co., Ltd.	Photovoltaic power generation	324,050,000	324,050,000	100%	Newly established
Taishan Dongrun New Energy Co., Ltd.	Photovoltaic power generation	45,063,020	45,063,020	100%	Purchase
Meizhou Xingyue New Energy Co., Ltd.	Photovoltaic power generation	9,977,500	9,977,500	100%	Newly established
Guangdong Yudean Huixin Thermal Power Co., Ltd.	Natural gas power generation	104,975,000	123,500,000	100%	Newly established
Guangdong Yudean Maoming Natural Gas Thermal Power Co., Ltd.	Natural gas power generation	115,345,000	118,345,000	85%	Newly established
Guangdong Shaoguan Yudean New Energy Co., Ltd.	Photovoltaic power generation	33,473,000	33,473,000	100%	Newly established
Yudean Shashe Intelligence Energy Co., Ltd.	Photovoltaic power generation	1,206,110,470	1,206,110,470	100%	Newly established
Laixi Xinguangyao New Energy Technology Co., Ltd.	Photovoltaic power generation	32,923,000	33,255,555	99%	Purchase
Jiuzhou New Energy (Zhaoqing) Co., Ltd.	Photovoltaic power generation	39,000,000	40,680,000	100%	Purchase
Xiangtan Xiangdian Changshan Wind Power Generation Co., Ltd.	Wind power generation	89,524,003	80,000,000	100%	Purchase
Yunfu Luoding Yudean New Energy Co., Ltd.	Photovoltaic power generation	1,844,520	1,844,520	100%	Newly established

VIII. Engagement/Disengagement of CPAs

CPAs currently engaged

Name of the domestic CPAs	PWC Certified Public Accountants (special general partnership)
Remuneration for domestic accounting firm (RMB 0',000)	799
Successive years of the domestic CPAs offering auditing services	7
Name of CPA	Li Xiaolei, Fan Xin
Continuous years of audit services of certified public accountants of domestic public accounting firms	Li Xiaolei(2 years), Fan Xin(1 year)

Has the CPAs been changed in the current period

Yes No

Description of the CPAs, financial advisers or sponsors engaged for internal control auditing

Applicable Not applicable

In the report year, the company engaged PWC Certified Public Accountants (special general partnership) as the certified public accountants and internal control audit body in 2022. The audit remuneration was RMB 7.99 million

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

Applicable Not applicable

X. Relevant Matters of Bankruptcy Reorganization

Applicable Not applicable

No such cases in the reporting period.

XI. Matters of Important Lawsuit and Arbitration

Applicable Not applicable

No such cases in the reporting period.

XII. Situation of Punishment and Rectification

Applicable Not applicable

No such cases in the reporting period.

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

Applicable Not applicable

XIV. Material related transactions

1. Related transactions in connection with daily operation

Applicable Not applicable

For related party transactions related to daily operations during the reporting period, please see "7. Other Major Related Party Transactions"

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

Applicable Not applicable

No such cases in the reporting period.

3. Related party transactions of joint outbound investment

Applicable Not applicable

No such cases in the reporting period.

4. Credits and liabilities with related parties

Applicable Not applicable

No such cases in the reporting period.

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

√ Applicable □ Not applicable

Deposit business

Related party	Relationship	Maximum daily deposit limit(RMB '0,000)	Deposit interest rate range	Beginning balance(RMB '0,000)	The amount of this period		The amount of this period Total amount is withdrawn for this period(RMB '0,000)
					Total deposit amount (RMB '0,000)	Total deposit amount (RMB '0,000)	
Guangdong Energy Group Finance Co., Ltd.	Controlled by Guangdong Energy Group Co., Ltd.	1,100,000	0.25%-0.35%	647,482	11,814,214	11,587,634	874,062

Loan business

Related party	Relationship	Loan limit(RMB '0,000)	Loant interest rate range	Beginning balance(RMB '0,000)	The amount of this period		Ending balance(RMB '0,000)
					Total loan amount of the current period(RMB '0,000)	Total repayment amount of the current period(RMB '0,000)	
Guangdong Energy Group Finance Co., Ltd.	Controlled by Guangdong Energy Group Co., Ltd.	3,500,000	2.7%-4.11%	934,417	1,370,000	1,313,608	990,809

Credit extension or other financial services

Related party	Relationship	Business type	Total amount(RMB '0,000)	Actual amount incurred(RMB '0,000)
Guangdong Communications Group Finance Co., Ltd	Controlled by the same parent company	Credit extension	3,500,000	990,809

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

□ Applicable √ Not applicable

There is no deposit, loan, credit or other financial business between the financial company controlled by the company and related parties.

7. Other significant related-party transactions

√ Applicable □ Not applicable

(1) 2022 daily related transactions were carried out after examination and approval by 2022 first provisional shareholders' general meeting. Refer to (5) Related transactions of XII. Relationship between related parties and the transactions between them of the Financial Report of this report for details.

(2) On January 20, 2022, the first meeting of the Tenth Board of Directors of the company reviewed and approved the Proposal on Daily Related Party Transactions between the company and Guangdong Energy Group Co., Ltd. in 2022, the Proposal on Signing the <Financial Services Framework Agreement> between the company and Guangdong Yudean Finance Co., Ltd., the Proposal on Signing the <Financial Leasing Cooperation Framework

Agreement between the company and Guangdong Yudean Financial Leasing Co., Ltd. The above related party transactions were reviewed and approved at the company's first provisional general meeting of shareholders in 2022.

(3) On August 29, 2022, the 8th meeting of the Tenth Board of Directors of the company reviewed and approved on the Proposal Concerning Risk Assessment Report on Guangdong Energy Finance Co., Ltd. for the First Half of 2022

(4) On September 16, 2022, In order to increase the scale of clean coal power and realize the sustainable development of the company, the 9th meeting of the Tenth Board of Directors of the company reviewed and approved on the Proposal on the Investment and Construction of the 2 × 1000MW Units Project of the No. 3 and No.4 Units of Maoming Bohe Power Plant and Proposal on Investment and Construction of Huilai Power Plant Unit 5 and Unit 6 Expansion Project (2×1000MW Project), Agree to Bohe Energy company to invest in the construction of 2×1000MW unit of No.3 and 4 of Maoming Bohe Power Plant. The project is 2×1000MW ultra-supercritical secondary reheat coal-fired generating unit with a total investment of 7,483.51 million yuan; Jinghai Power Generation company agrees to invest in the expansion project of Unit 5 and 6 units of Huilai Power Plant. The project is 2×1000MW ultra-supercritical secondary reheat coal power unit with a total investment of 8,049.77 million yuan.

Website for temporary disclosure of the connected transaction

Announcement	Date of disclosure	Website for disclosure
Estimates announcement of the Daily Related Party Transactions of 2022	January 22, 2022	http://www.cninfo.com.cn .
Announcement of Related Transactions on Signing of the Financial Services Framework Agreement, Framework Agreement on Financing Leasing Cooperation and Framework Agreement on Cooperation in Insurance and Risk Management Services	January 22, 2022	http://www.cninfo.com.cn .
The 9th meeting of the Tenth Board of Directors	August 31, 2022	http://www.cninfo.com.cn .
The 8th meeting of the Tenth Board of Directors	September 17, 2022	http://www.cninfo.com.cn .

XV. Significant contracts and execution

1. Entrustments, contracting and leasing

(1) Entrustment

Applicable Not applicable

Statement of Trusteeship Situation :

According to the statement of Guangdong Energy Group on fulfilling relevant matters, and to avoid the horizontal competition and fulfill the relevant commitment of the horizontal competition, the company signed Stock Trusteeship Agreement with Guangdong Energy Group, wherein the shareholder's rights within the trusteeship

range, except the ownership, right of earning and right of disposition, will be trusted to the company, The custody fee collected from each company directly holding the first-class target of Guangdong Energy Group is RMB 100,000/year; The custody fee collected from each company indirectly holding the secondary target is RMB 50,000/year. published by the company in China Securities Daily, Securities Times and <http://www.cninfo.com.cn> on January 13, 2018(Announcement No.2018-04). the custody fee actually collected by the company was RMB 1.6981 million.

Gains/losses to the company from projects that reached over 10% in total profit of the company in reporting period

Applicable Not applicable

No gains or losses to the company from projects that reached over 10% in total profit of the company in reporting period

(2) Contract

Applicable Not applicable

No any contract for the company in the reporting period.

(3) Lease

Applicable Not applicable

Note

As the lessee, the company has incurred a rental fee of RMB 27,805,836 in this year.

Project which generates profit or loss reaching over 10% of total profits of the company during the Reporting Period

Applicable Not applicable

There were no leases with a 10% or greater impact on the company's gross profit in the Reporting Period.

2. Significant Guarantees

Applicable Not applicable

In RMB 10,000

Guarantee of the company for the controlling subsidiaries (Exclude controlled subsidiaries)										
Name of the company	Relevant disclosure date/No. of the guaranteed amount	Amount of Guarantee	Date of happening (Date of signing agreement)	Actual amount of guarantee	Guarantee type	Guaranty (If any)	Counter-guarantee (If any)	Guarantee term	Complete implementation or not	Guarantee for associated parties (Yes or no)
Guangdong Energy Group Co., Ltd.	October 29,2020	200,000	November 19,2020	200,000	Guaranteeing of joint liabilities.		Guangdong Yudean Yangjiang Offshore wind power Co., Ltd. provides joint and several liability guarantee counter-guarantee	23 years and 9 months	No	Yes
Yunnan Baoshan Binlangjiang Hydroelectricity Development Co., Ltd.	December 19,2007	4,350	November 30,2007	0	Guaranteeing of joint liabilities.		Guangdong Yudean Yangjiang Offshore wind power Co., Ltd. provides joint and several liability guarantee counter-guarantee	15 years	No	No
Yunnan Baoshan Binlangjiang Hydroelectricity Development Co., Ltd.	May 27,2009	9,367	June 22,2009	0	Guaranteeing of joint liabilities.		Guangdong Yudean Yangjiang Offshore wind power Co., Ltd. provides joint and several liability guarantee counter-guarantee	18 years	No	No

Xinjiang Jintai Electric Power Co., Ltd.	Not applicable	3,775	December 20,2019	0	Guaranteeing of joint liabilities.			3 Years	No	No
Total amount of approved external guarantee in the report period(A1)				0	Total actually amount of external guarantee in the report period(A2)	29,607				
Total amount of approved external guarantee at the end of the report period(A3)				425,459	Total actually amount of external guarantee at the end of the report period(A4)	200,000				
Guarantee of the company for its subsidiaries										
Name of the company	Relevant disclosure date/No. of the guaranteed amount	Amount of Guarantee	Date of happening (Date of signing agreement)	Actual amount of guarantee	Guarantee type	Guaranty (If any)	Counter-guarantee (If any)	Guarantee term	Complete implementation or not	Guarantee for associated parties (Yes or no)
Zhanjiang Wind Power Generation Co., Ltd.	April 29,2009	18,572	October 9,2010	4,872	Guaranteeing of joint			18 years	No	No
Total of guarantee for subsidiaries approved in the period(B1)				300,000	Total of actual guarantee for subsidiaries in the period (B2)	-210				
Total of guarantee for subsidiaries approved at period-end(B3)				441,536	Total of actual guarantee for subsidiaries at period-end(B4)	4,872				
Guarantee of the subsidiaries for the controlling subsidiaries										
Name of the company	Relevant disclosure date/No. of the guaranteed amount	Amount of Guarantee	Date of happening (Date of signing agreement)	Actual amount of guarantee	Guarantee type	Guaranty (If any)	Counter-guarantee (If any)	Guarantee term	Complete implementation or not	Guarantee for associated parties (Yes or no)
The company's total guarantee(i.e.total of the first three main items)										
Total guarantee quota approved in the reporting period (A1+B1+C1)				300,000	Total amount of guarantee actually incurred in the reporting period (A2+B2+C2)	29,397				

Total guarantee quota already approved at the end of the reporting period (A3+B3+C3)	866,995	Total balance of the actual guarantee at the end of the reporting period (A4+B4+C4)	204,872
The proportion of the total amount of actually guarantee in the net assets of the company (that is A4+B4+C4) %			10.12%
Including:			
Amount of guarantees provided for shareholders, the actual controller and their related parties (D)			200,000
Amount of debt guarantees provided directly or indirectly for entities with a liability-to-asset ratio over 70% (E)			0
Proportion of total amount of guarantee in net assets of the company exceed 50% (F)			0
Total amount of the three kinds of guarantees above (D+E+F)			200,000

Note: 1. The new guarantee added to Xinjiang Jintai Electric Power Co., Ltd in 2021 by the company was a joint and several liability guarantee for Xinjiang Jintai Electric Power Co., Ltd due to the company's acquisition of Tushi Thermal Power company. The payment was settled in May 2022 and the guarantee obligation was released; 2. The company's joint and several liability guarantee for Yunnan Baoshan Binglangjiang Hydropower Development Co., Ltd has been lifted in December 2022.

3. Finance management on commission

(1) Situation of Entrusted Finance

Applicable Not applicable

No any Entrusted Finance for the company in the reporting period..

(2) Situation of Entrusted Loans

Applicable Not applicable

No any Entrusted loans for the company in the reporting period..

4. Other significant contract

Applicable Not applicable

No other significant contracts for the company in reporting period.

XVI. Explanation on other significant events

Applicable Not applicable

Summary of important matters	Name	Date of disclosure	Website for disclosure
In order to implement the deployment of aid to Xinjiang, deepen cooperation with key regions, further optimize the power supply structure, and in the proportion of clean energy, the company's board of directors agreed to the wholly-owned establishment of Tumusuke Yudean Hanhai New Energy Co (hereinafter referred to as "Hanhai New Energy company") to invest in the construction of a 400,000-kilowatt photovoltaic power generation project in the 45th Regiment Third Division of the Xinjiang Production and Construction Corps. The total investment of the project is 2,226,851,400 yuan, and the capital is set at 445,370,000 yuan according to 20% of the total project investment, which will be solved by the company's capital increase to Hanhai New Energy company in batches.	Resolutions of the Second meeting of the Tenth Board of directors by Correspondence of 2022	March 26,2022	http://www.cninfo.com.cn .
In order to meet the heat load demand of Yunfu Industrial Park and peripheral enterprises, further optimize the company's power supply structure, and promote the company's sustainable development, the board of directors agrees to invest in the construction of Yunhe Power Generation company Natural Gas Cogeneration Project (2×460MW), and Guangdong Yudean Yunhe Co., Ltd. is responsible for the specific construction and operation of the project. The total investment of the project is 2,809.70 million yuan (including the heating network project), and the project capital is calculated as 561.94 million yuan according to 20% of the total project investment. The company invests 505.75 million yuan according to the proportion of 90% equity ratio. The capital required for the project will be solved by the company's capital increase to Yunhe Power Generation company in batches according to the actual construction progress and capital needs of the project.	Resolutions of the 6th meeting of the Tenth Board of directors	April 22,2022	http://www.cninfo.com.cn .
In order to improve the power supply guarantee capacity, improve the scale of advanced clean coal-fired power generation and promote the sustainable development of the company, the Ninth Meeting of the Tenth Board of Directors deliberated and agreed on the following matters: 1. Guangdong Yudean Dabu Power Generation Co., Ltd. invested in the construction of Guangdong Yudean Dabu Power Plant Phase II Project, with a total investment of RMB 8,122,320,000; 2. Guangdong Yudean Bohe Energy Co., Ltd. invested in the construction of No.3 and No.4 2×1000MW units of Maoming Bohe Power Plant, which is a 2×1000MW ultra-supercritical secondary reheat coal-fired generating unit with a total investment of RMB 7,483.51 million; 3. Guangdong Yudean Jinghai Power Generation Co., Ltd. invested in the construction of the expansion project of No.5 and No.6 units in Huilai Power Plant, which is a 2×1000MW ultra-supercritical secondary reheat coal-fired generating unit with a total investment of	Resolutions of the 6th meeting of the Tenth Board of directors	April 22,2022	http://www.cninfo.com.cn .

<p>RMB 8,049.77 million. In order to meet the electricity load growth in Jieyang City and the heat load demand of Dananhai Petrochemical Industrial Zone, and further increase the proportion of clean energy of the company, the board of directors agrees to invest in the construction of the Jieyang Dananhai Natural Gas Cogeneration Project (2×480MW), and Guangdong Yudean Dananhai Smart Energy Co., Ltd.-a wholly-owned subsidiary-is responsible for the specific construction and operation of the project. The total investment of the project is 2,855.45 million yuan (including the heating network project), and the project capital is calculated as 571.09 million yuan according to 20% of the total project investment. The capital required by the project will be solved by the company's capital increase to Dananhai Smart Energy company in batches according to the actual construction progress and capital needs of the project.</p>			
<p>In order to further increase the company's clean energy ratio and further optimize the power supply structure, the board of directors agreed that the company will increase capital to Guangdong Wind Power Co., Ltd. to invest in the construction of two photovoltaic projects of 300MW in Qingshuihe in Inner Mongolia and 200MW Phase I of Zhuhai Sanzao, in which RMB 314.55 million will be invested for the Qingshuihe 300MW project and RMB 209.7758 million will be invested for the 200MW project of Zhuhai Sanzao Phase I, and the capital will be increased in batches according to the actual progress of the project and capital needs.</p>	Resolutions of the 8th meeting of the Tenth Board of directors	August 31, 2022	http://www.cninfo.com.cn .
<p>In order to improve the power supply guarantee capacity, improve the scale of advanced clean coal-fired power generation and promote the sustainable development of the company, the Ninth Meeting of the Tenth Board of Directors deliberated and agreed on the following matters: 1. Guangdong Yudean Dabu Power Generation Co., Ltd. invested in the construction of Guangdong Yudean Dabu Power Plant Phase II Project, with a total investment of RMB 8,122,320,000; 2. Guangdong Yudean Bohe Energy Co., Ltd. invested in the construction of No.3 and No.4 2×1000MW units of Maoming Bohe Power Plant, which is a 2×1000MW ultra-supercritical secondary reheat coal-fired generating unit with a total investment of RMB 7,483.51 million; 3. Guangdong Yudean Jinghai Power Generation Co., Ltd. invested in the construction of the expansion project of No.5 and No.6 units in Huilai Power Plant, which is a 2×1000MW ultra-supercritical secondary reheat coal-fired generating unit with a total investment of RMB 8,049.77 million</p>	Resolutions of the 9th meeting of the Tenth Board of directors	September 17, 2022	http://www.cninfo.com.cn .
<p>In order to fully integrate and enhance the company's management strength and level in Xinjiang, and coordinate the development, construction, production and operation of new energy and traditional energy in Xinjiang, after deliberation at the Eleventh Meeting of the Tenth Board of Directors of the company, it was agreed to establish a wholly-owned Xinjiang Regional company in Urumqi, Xinjiang Uygur Autonomous Region (the name of the company will be subject to industrial and commercial registration), with the initial registered capital of RMB 300 million.</p>	Resolutions of the 11th meeting of the Tenth Board of directors	December 1, 2022	http://www.cninfo.com.cn .
<p>In order to further increase the proportion of clean energy and smoothly promote the development strategy, after deliberation at the Eleventh Meeting of the Tenth Board of Directors, it was agreed to increase the capital of Guangdong Wind Power Generation Co., Ltd. by RMB 380.07 million, which will be used to invest in the construction of 50MW Photovoltaic Power Generation Project of Lianjiang Changshan Farm, 20MW Photovoltaic Power Generation Project of Lianjiang Liming Farm, 50MW Photovoltaic Power Generation Project of Lianjiang Dongsheng Farm, and the acquisition of 100% equity of Jianhao Photovoltaic Technology Co., Ltd. of Qinglong Manchu Autonomous County. The capital will be increased in batches according to the actual progress of the project and the capital demand.</p>	Resolutions of the 11th meeting of the Tenth Board of directors	December 1, 2022	http://www.cninfo.com.cn .
<p>In order to speed up the development of new energy, increase the proportion of clean energy and optimize the power supply structure, after deliberation at the Eleventh Meeting of the Tenth Board of Directors of the company, it was agreed that a wholly-owned subsidiary, Yudean Shache Comprehensive Energy Co., Ltd. (hereinafter referred to as "Yudean Shache company"), as the main investor, would invest in the construction of a 2 million KW light storage integration project of Guangdong Energy Shache County (with a photovoltaic construction scale of</p>	Resolutions of the 11th meeting of the Tenth Board of directors	December 1, 2022	http://www.cninfo.com.cn .

2,000MW and an energy storage construction scale of 500MW/2000MWh). The total investment of the project is RMB 12,917,064,600. Matching transaction, click transaction, inquiry transaction, bidding transaction and negotiation transaction.			
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XVII. Significant event of subsidiary of the Company

Applicable Not applicable

VII. Change of share capital and shareholding of Principal Shareholders

I. Changes in share capital

1. Changes in share capital

In shares

	Before the change		Increase/decrease (+, -)					After the Change	
	Amount	Proportion	Share allotment	Bonus shares	Capitalization of common reserve fund	Other	Subtotal	Quantity	Proportion
I. Share with conditional subscription	1,897,966,117	36.15%					-2,830	1,897,963,287	36.15%
1. State-owned shares									
2. State-owned legal person shares	1,893,342,621	36.06%					31,896	1,893,374,517	36.06%
3. Other domestic shares	4,623,496	0.09%					-34,726	4,588,770	0.09%
Of which: Domestic legal person shares	4,620,666	0.09%					-1,084,896	3,535,770	0.07%
Domestic natural person shares	2,830	0%					1,050,170	1,053,000	0.02%
4. Foreign shares									
Of which: Foreign legal person shares									
Foreign natural person shares									
II. Shares with unconditional subscription	3,352,317,869	63.85%					2,830	3,352,320,699	63.85%
1. Common shares in RMB	2,553,909,869	48.64%					2,830	2,553,912,699	48.64%
2. Foreign shares in domestic market	798,408,000	15.21%						798,408,000	15.21%
3. Foreign shares in foreign market									
4. Other									
III. Total of capital shares	5,250,283,986							5,250,283,986	

Reasons for share changed

√ Applicable □ Not applicable

1. On February 2, 2022, the lock-up period of the 2,830 restricted shares held by Mr. Wen Lianhe, a former director of the company, has expired it has been converted into tradable shares without restriction. Therefore, the number of restricted shares of the company has also increased accordingly;

2. 231,896 A restricted shares held by the Trade Union Committee of Guangdong Prison Administration were changed to be held by Guangdong Energy Group Co., Ltd. due to the advance repayment procedures for the share-trading reform;

3. In November 2022, according to the ruling of the People's Court of Changsha County, Hunan Province ([2022] X0121Z No. 7422), the 1,053,000 A restricted shares held by Guangdong Rural Telephone company were changed to be held by Luo Guoliang. By the end of 2022, the share transfer has been completed;

Approval of Change of Shares

□ Applicable √ Not applicable

Ownership transfer of share changes

Influence on the basic EPS and diluted EPS as well as other financial indexes of net assets per share attributable

to common shareholders of company in latest year and period

Applicable Not applicable

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

Applicable Not applicable

2. Change of shares with limited sales condition

Applicable Not applicable

In RMB

Shareholder	Number of restricted shares at the beginning	Number of restricted shares increased in this period	Number of restricted shares released in this period	Number of restricted shares at the end of the period	Reasons for sales restriction	Release date of sales restriction
Wen Lianhe	2,830	0	2,830	0	Change of director	February 2,2022
Total	2,830	0	2,830	0	--	--

II.Issuing and listing

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

Applicable Not applicable

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

Applicable Not applicable

3.About the existing employees' shares

Applicable Not applicable

III.Shareholders and actual controlling shareholder

1. Number of shareholders and shareholding

In Shares

Total number of common shareholders at the end of the reporting period	83,855	Total shareholders at the end of the month from the date of disclosing	82,700	The total number of preferred shareholders voting rights (if any)(See Notes 8)	0	Total preferred shareholders at the end of the month from the date of disclosing the annual report(if any)(See Notes 8)	0	
Particulars about shares held above 5% by shareholders or top ten shareholders								
Shareholders	Nature of shareholder	Proportion of shares held (%)	Number of shares held at period -end	Changes in reporting period	Amount of restricted shares held	Amount of un-restricted shares held	Number of share pledged/frozen	
							State of share	Amount
Guangdong Energy Group Co., Ltd.	State-owned legal person	67.39%	3,538,037,181	31,896	1,893,374,517	1,644,662,664		

Guangzhou Development Group Co., Ltd.	State-owned legal person	2.22%	116,693,602	0	0	116,693,602		
Guangdong Electric Power Development Corporation	State-owned legal person	1.80%	94,367,341	0	0	94,367,341		
ICBC—First Seafront fund New Economy flexible allocation of hybrid securities investment fund	Domestic Non-State owned legal person	0.96%	50,593,399	50,593,399	0	50,593,399		
ICBC—Caitong value momentum hybrid securities investment fund	Domestic Non-State owned legal person	0.71%	37,076,754	37,076,754	0	37,076,754		
Zheng Jianxiang	Domestic Natural person	0.50%	26,234,500	719,600	0	26,234,500		
ICBC—Qianhai open source new economy flexible allocation of hybrid securities investment fund	Domestic Non-State owned legal person	0.45%	23,641,155	-21,076,763	0	23,641,155		
ICBC—Caitong growth preferred hybrid securities investment fund	Domestic Non-State owned legal person	0.39%	20,214,860	20,214,860	0	20,214,860		
China Securities Finance Co., Ltd.	State-owned legal person	0.35%	18,246,045	-33,781,100	0	18,246,045		
VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	Overseas Legal person	0.30%	15,855,512	0	0	15,855,512		
Strategy investors or general legal person becomes top 10 shareholders due to rights issued (if applicable) (See Notes 3)	Not applicable							
Explanation on associated relationship among the aforesaid shareholders	The Third largest shareholder Guangdong Electric Power Development Corporation is the wholly-owned subsidiaries of the largest shareholder Energy Group. These two companies have relationships; whether the other shareholders have relationships or unanimous acting was unknown							
Above shareholders entrusting or entrusted with voting rights, or waiving voting rights	Not applicable							
Top 10 shareholders including the special account for repurchase (if any) (see note 10)	Not applicable							
Shareholding of top 10 shareholders of unrestricted shares								
Name of the shareholder	Quantity of unrestricted shares held at the end of the reporting period	Share type						
		Share type	Quantity					
Guangdong Energy Group Co., Ltd.	1,644,662,664	RMB Common shares	1,644,662,664					
Guangzhou Development Group Co., Ltd.	116,693,602	RMB Common	116,693,602					

		shares	
Guangdong Electric Power Development Corporation	94,367,341	RMB Common shares	94,367,341
ICBC—First Seafront fund New Economy flexible allocation of hybrid securities investment fund	50,593,399	RMB Common shares	50,593,399
ICBC—Caitong value momentum hybrid securities investment fund	37,076,754	RMB Common shares	37,076,754
Zheng Jianxiang	26,234,500	Foreign shares placed in domestic exchange	26,234,500
ICBC—Qianhai open source new economy flexible allocation of hybrid securities investment fund	23,641,155	RMB Common shares	23,641,155
ICBC—Caitong growth preferred hybrid securities investment fund	20,214,860	RMB Common shares	20,214,860
China Securities Finance Co., Ltd.	18,246,045	Foreign shares placed in domestic exchange	18,246,045
VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	15,855,512	Foreign shares placed in domestic exchange	15,855,512
Explanation on associated relationship or consistent action among the top 10 shareholders of non-restricted negotiable shares and that between the top 10 shareholders of non-restricted negotiable shares and top 10 shareholders	The Third largest shareholder Guangdong Electric Power Development Corporation is the wholly-owned subsidiaries of the largest shareholder Energy Group. These two companies have relationships; whether the other shareholders have relationships or unanimous acting was unknown.		
Explanation on shareholders participating in the margin trading business(if any)(See Notes 4)	Not applicable		

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

Yes No

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

2. Controlling shareholder

Nature of Controlling Shareholders: Local state holding

Type of Controlling Shareholders: Legal person

Name of the Controlling shareholder	Legal representative/Leader	Date of incorporation	Organization code	Principal business activities
Guangdong Energy Group Co., Ltd.	Li Zhuoxian	August 3,2001	91440000730486022G	Management and sales of the electricity investment construction operation management, electricity power(Thermal Power), The industry of transportation resources environmental protection, new source of energy electricity investment; investment planning and consulting ; information consulting service; sales of production materials.
The equity of the controlling shareholder in other domestic and	Unknown			

foreign listed companies held or partly held by it in the reporting period	
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Change of the actual controller in the reporting period

Applicable Not applicable

No such cases in the Reporting Period.

3. Information about the controlling shareholder of the company

Actual controller nature: Local state owned assets management

Actual controller type: Legal person

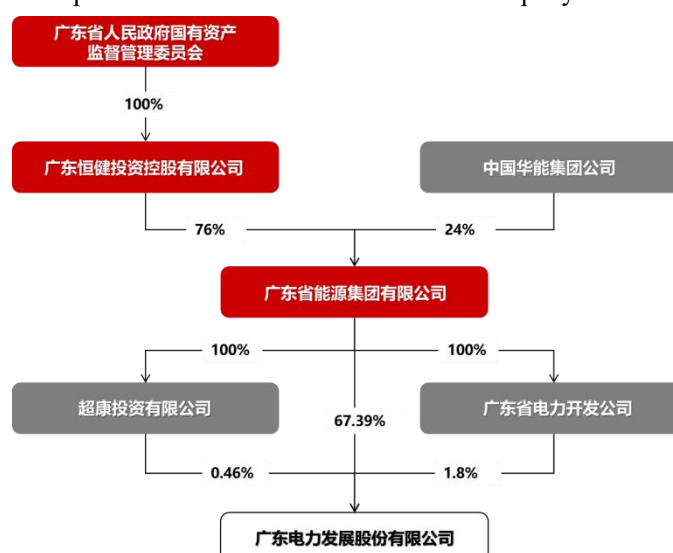
Name of the controlling shareholder	Legal representative/person in charge	Date of establishment	Organization code	Principal business activities
State-owned Assets supervision and administration Commission of Guangdong Provincial People's Government	/	June 26,2004	114400007583361658	As the special institution directly subordinate to Guangdong Provincial People's Government, performed the obligation of provincial state-asset contributor entrusted by the provincial government.
Equity of other domestic/foreign listed company with share controlling and share participation by controlling shareholder in reporting period	Unknown			

Changes of the actual controller in the reporting period

Applicable Not applicable

No Changes of the actual controller in the reporting period

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



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

Applicable Not applicable

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

Applicable Not applicable

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

Applicable Not applicable

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

Applicable Not applicable

IV. Specific implementation of share repurchase during the reporting period

Progress in implementation of share repurchase

Applicable Not applicable

Implementation progress of reducing repurchased shares by centralized bidding

Applicable Not applicable

VIII. Situation of the Preferred Shares

Applicable Not applicable

The company had no preferred shares in the reporting period.

IX. Corporate Bond

√ Applicable □ Not applicable

I. Enterprise bond

□ Applicable √ Not applicable

No such cases in the reporting period.

II. Corporate bond

√ Applicable □ Not applicable

1). Basic information of corporate bonds

In RMB

Bond name	Bond short name	Bond code	Issue day	Value date	Due day	Bond balance (RMB '0,000)	Interest rate	Servicing way	Trading
Public Issuance of Corporate Bonds to Qualified Investors in 2020 (Phase I) of Guandong Electric Power Development Co.,Ltd.	20 Yudean 01	149113.SZ	April 29,2020	April 29,2020	April 29,2025	1,500,000,000	2.45%	Using simple interest rate on a yearly basis, regardless of compound interest. Due payments once a year, maturing debt at a time. In the final phase, interest is paid together with the principal redemption.	Shenzhen Stock Exchange
Public Issuance of Corporate Bonds to Qualified Investors in 2021 (Phase I) of Guandong Electric Power Development Co.,Ltd.	21 Yudean 01	149369.SZ	January 27,2021	January 27,2021	January 27,2024	1,000,000,000	3.57%	Using simple interest rate on a yearly basis, regardless of compound interest. Due payments once a year, maturing debt at a time. In the final phase, interest is paid together with the principal redemption.	Shenzhen Stock Exchange
Public Issuance of Corporate Bonds to Qualified Investors in 2021 (Phase II) of Guandong Electric Power Development Co.,Ltd.	21Yudean 02	149418.SZ	April 28,2021	April 28,2021	April 28,2026	1,500,000,000	3.50%	Using simple interest rate on a yearly basis, regardless of compound interest. Due payments once a year, maturing debt at a time. In the final phase, interest is paid together	Shenzhen Stock Exchange

									with the principal redemption.
Public Issuance of Corporate Bonds to Professional Investors in 2021 (Phase I) of Guandong Electric Power Development Co.,Ltd.	21Yudean 03	149711.SZ	November 24,2021	November 24,2021	November 24,2021	November 24,2026	3.41%	Using simple interest rate on a yearly basis, regardless of compound interest. Due payments once a year, maturing debt at a time. In the final phase, interest is paid together with the principal redemption.	Shenzhen Stock Exchange
Public Issuance of Corporate Bonds to Professional Investors in 2021 (Phase I) of Guandong Huizhou Pinghai Power Generation Co.,Ltd.	21Pinghai 01	188197.SH	June 4,2021	June 4,2021	June 4,2023	200,000,000	3.57%	Using simple interest rate on a yearly basis, regardless of compound interest. Due payments once a year, maturing debt at a time. In the final phase, interest is paid together with the principal redemption.	Shanghai Stock exchange
During the reporting period, interest payment situation of the company bonds (If any)	20 Yudean 01, 21 Yudean 01 and 21 Yudean 02 are bonds for qualified investors, 21 Yudean 03 and 21 Pinghai 01 are bonds for professional investors.								
Applicable trading mechanism	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction								
Whether there are risks and countermeasures for terminating listing transactions (If any)	No								

Overdue and unpaid bonds

Applicable Not applicable

2). Trigger and implementation of option clauses and investor protection clauses of the issuer or investor

□ Applicable √ Not applicable

3). Information of intermediary agency

Name of bond project	Name of intermediary agency	Office Address	Name of signing accountant	Contact person of intermediary agency	Tel
Public Issuance of Corporate Bonds to Qualified Investors in 2020 (Phase I) of Guangdong Electric Power Development Co.,Ltd.	China Securities Co., Ltd. (lead principal underwriter/bookkeeping manager/trustee)	2/F, Block B, Kaiheng Center, No.2 Chaoyangmennei Street, Dongcheng District, Beijing	Not applicable	Liu Renshuo	010-86451370
	CITIC Securities Co., Ltd. (joint lead underwriter)	22/F, CITIC Securities Building, No.48 Liangmaqiao Road, Chaoyang District, Beijing	Not applicable	Song Yilan	010-60836755
	Beijing Zhong Lun Law Firm	23/F, R&F Center, No.10 Huaxia Road, Zhujiang New Town, Tianhe District, Guangzhou	Not applicable	Ling Qinghua	020-28261689
	PricewaterhouseCoopers Zhongtian Certified Public Accountants (Special General Partnership)	18/F, PricewaterhouseCoopers Center, No.10 Zhujiang West Road, Zhujiang New Town, Tianhe District, Guangzhou, China	Wang Bin, Li Yanhua (2019) ; Wang Bin, Guo Biyu (2018) ; Wang Bin, Chen Junjun (2017)	Wang Bin	020-38192000
	China Cheng Xin International Credit Rating Co. Ltd.	Building 6, Yinhe SOHO, No.2 Nanzhugan Hutong, Dongcheng District, Beijing	Not applicable	Fang Zibin	010-66428877
Public Issuance of Corporate Bonds to Qualified Investors in 2021 (Phase I) of Guangdong Electric Power Development Co.,Ltd.	China Securities Co., Ltd. (lead principal underwriter/bookkeeping manager/trustee)	2/F, Block B, Kaiheng Center, No.2 Chaoyangmennei Street, Dongcheng District, Beijing	Not applicable	Liu Renshuo	010-86451370
	CITIC Securities Co., Ltd. (joint lead underwriter)	22/F, CITIC Securities Building, No.48 Liangmaqiao Road, Chaoyang District, Beijing	Not applicable	Song Yilan	010-60836755
	Beijing Zhong Lun Law Firm	23/F, R&F Center, No.10 Huaxia Road, Zhujiang New Town, Tianhe District, Guangzhou	Not applicable	Liang Qinghua	020-28261689
	PricewaterhouseCoopers Zhongtian Certified Public Accountants (Special General Partnership)	18/F, PricewaterhouseCoopers Center, No.10 Zhujiang West Road, Zhujiang New Town, Tianhe District, Guangzhou, China	Wang Bin, Li Yanhua (2019) ; Wang Bin, Guo Biyu (2018) ; Wang Bin, Chen Junjun (2017)	Wang Bin	020-38192000
	China Cheng Xin International Credit Rating Co. Ltd.	Building 6, Yinhe SOHO, No.2 Nanzhugan Hutong, Dongcheng District, Beijing	Not applicable	Fang Zibin	010-66428877

		Dongcheng District, Beijing			
Public Issuance of Corporate Bonds to Professional Investors in 2021 (Phase II) of Guandong Electric Power	China Securities Co., Ltd. (lead principal underwriter/bookkeeping manager/trustee)	2/F, Block B, Kaiheng Center, No.2 Chaoyangmennei Street, Dongcheng District, Beijing	Not applicable	Liu Renshuo	010-86451370
	CITIC Securities Co., Ltd. (joint lead underwriter)	22/F, CITIC Securities Building, No.48 Liangmaqiao Road, Chaoyang District, Beijing	Not applicable	Song Yilan	010-60836755
	Beijing Zhong Lun Law Firm	23/F, R&F Center, No.10 Huaxia Road, Zhujiang New Town, Tianhe District, Guangzhou	Not applicable	Liang Qinghua	020-28261689
	PricewaterhouseCoopers Zhongtian Certified Public Accountants (Special General Partnership)	18/F, PricewaterhouseCoopers Center, No.10 Zhujiang West Road, Zhujiang New Town, Tianhe District, Guangzhou, China	Wng Bin, Li Yanhua (2019-2020) ; Wang Bin, Guo Biyu (2018)	Wang Bin	020-38192000
	China Cheng Xin International Credit Rating Co. Ltd.	Building 6, Yinhe SOHO, No.2 Nanzhugan Hutong, Dongcheng District, Beijing	Not applicable	Fang Zibin	010-66428877
Public Issuance of Corporate Bonds to Professional Investors in 2021 (Phase I) of Guandong Electric Power Development Co.,Ltd.	China Securities Co., Ltd. (principal underwriter/bookkeeping manager/trustee)	2/F, Block B, Kaiheng Center, No.2 Chaoyangmennei Street, Dongcheng District, Beijing	Not applicable	Liu Renshuo	010-86451370
	ETR Law Firm	29/F, 10/F and 11/F (01-04 units), Chow Tai Fook Finance Centre, NO.6 Zhujiang Dong Road, Tianhe District Guangzhou City, Guangdong Province	Not applicable	Wang Xing	020-37181333
	PricewaterhouseCoopers Zhongtian Certified Public Accountants (Special General Partnership)	18/F, PricewaterhouseCoopers Center, No.10 Zhujiang West Road, Zhujiang New Town, Tianhe District, Guangzhou, China	Wang Bin, Li Yanhua (2019-2020) ; Wang Bin, Guo Biyu (2018)	Chin Junjun	020-38192645
	China Cheng Xin International Credit Rating Co. Ltd.	Building 5, Yinhe SOHO, No.2 Nanzhugan Hutong, Dongcheng District, Beijing	Not applicable	Sheng Lei	010-66428877
Public Issuance of Corporate Bonds to Professional Investors in 2021 (Phase I) of Guandong Huizhou Pinghai Power Generation	CITIC Securities Co., Ltd	North Block, Times Square Excellence (Phase II), No.8 Zhongxin Third Road, Futian District, Shenzhen City, Guangdong Province	Not applicable	Jian Qiongwen	13539997160
	Zhongxi Certified Public Accountants	11/F, Block A, Xincheng Culture	Wei Shuzhen, Fan Fengwei	Fan Fengwei	18520643032

Co.,Ltd.	(Special Partnership) General	Building, No.11 Chongwenmenwai Street, Beijing			
	Shanghai Brilliance Credit Rating & Investors Service Co., Ltd.	14/F, Huasheng Building, No.398, Hankou Road, Shanghai	Not applicable	Yu Liping	13641825613
	Beijing Dentons Law Offices, LLP	7/F, Block D, Qiaofang Grassland, No.9 Dongdaqiao Road, Chaoyang District, Beijing	Not applicable	Lv Sihui	13692899924

Whether the above agency changes during the reporting period

Yes No

4). Use of raised funds

In RMB

Name of bond project	Total amount of raised funds	Used amount	Unused amount	Operation of special account for raised funds (if any)	Rectification of illegal use of raised funds (if any)	Whether it is consistent with the purpose, use plan and other agreements stipulated in the prospectus
Public Issuance of Corporate Bonds to Qualified Investors in 2020 (Phase I) of Guandong Electric Power Development Co.,Ltd.	1,500,000,000	1,500,000,000	0	The special fund-raising account operates properly	No	Yes
Public Issuance of Corporate Bonds to Qualified Investors in 2021 (Phase I) of Guandong Electric Power Development Co.,Ltd.	1,000,000,000	1,000,000,000	0	The special fund-raising account operates properly	No	Yes
Public Issuance of Corporate Bonds to Professional Investors in 2021 (Phase II) of Guandong Electric Power Development Co.,Ltd.	1,500,000,000	1,500,000,000	0	The special fund-raising account operates properly	No	Yes
Public Issuance of Corporate Bonds to Professional Investors in 2021 (Phase I) of Guandong Electric Power Development Co.,Ltd.	800,000,000	800,000,000	0	The special fund-raising account operates properly	No	Yes
Public Issuance of Corporate Bonds to Professional Investors in 2021 (Phase I) of Guandong Huizhou Pinghai Power Generation Co.,Ltd.	200,000,000	200,000,000	0	The special fund-raising account operates properly	No	Yes

The raised funds are used for construction projects

Applicable Not applicable

During the reporting period, the company changed the use of funds raised from the above bonds

Applicable Not applicable

5). Adjustment of credit rating results during the reporting period

Applicable Not applicable

6) The implementation and changes of guarantee, debt repayment plan and other debt repayment guarantee measures during the reporting period and their impact on the rights and interests of bond investors

Applicable Not applicable

(1). Credit enhancement mechanism: 20 Yudean 01, 21 Yudean 01, 21 Yudean 02, 21 Yudean 03 and 21 Pinghai company 01 bonds are not guaranteed.

(2). Debt repayment plan and other debt repayment guarantee measures: 20 Yudean 01, 21 Yudean 01, 21 Yudean 02, 21 Yudean 03 and 21 Pinghai 01 debt repayment plans and other debt repayment guarantee measures have not changed during the reporting period, and the payment of their principal and interest will be handled by the bond registration institution and relevant institutions. The specific matters of payment will be elaborated in the announcement disclosed by the issuer in the media specified by China Securities Regulatory Commission, Shenzhen Stock Exchange, Shanghai Stock Exchange and China Securities Industry Association in accordance with relevant regulations.

III. Debt financing instruments of non-financial enterprises

√ Applicable □ Not applicable

1. Debt financing instruments of non-financial enterprises

In RMB

Bond name	Bond short name	Bond code	Issue day	Value date	Due day	Bond balance	Interest rate	Servicing way	Trading
2021 MTN (Phase I) of Guangdong Electric Power Development Co., Ltd.	21 Yudean FaMTN001	102101339.IB	July 19,2021	July 21,2021	July 21,2024	1,200,000,000	3.17%	Using simple interest rate on a yearly basis, regardless of compound interest. Due payments once a year, maturing debt at a time. In the final phase, interest is paid together with the principal redemption.	Interbank market
2021 MTN (Phase II) of Guangdong Electric Power Development Co., Ltd.	21 Yudean FaMTN002	102102318.IB	November 15,2021	November 17,2021	November 17,2024	2,200,000,000	3.13%	Using simple interest rate on a yearly basis, regardless of compound interest. Due payments once a year, maturing debt at a time. In the final phase, interest is paid together with the principal redemption.	Interbank market
2022 MTN (Phase I) of Guangdong Electric Power Development Co., Ltd.	22 Yudean FaMTN001	102281929.IB	August 24,2022	August 26,2022	August 26,2027	600,000,000	2.90%	Using simple interest rate on a yearly basis, regardless of compound interest. Due payments once a year, maturing debt at a time. In the final phase, interest is paid together with the principal redemption.	Interbank market
2023 MTN (Phase I) of Guangdong Electric Power Development Co., Ltd.	23 Yudan FaMTN001	102380558.IB	March 15, 2023	March 17,2023	March 17,2023	1,600,000,000	3.35%	Using simple interest rate on a yearly basis, regardless of compound interest. Due payments once a year, maturing debt at a time. In the final phase, interest is paid together with the principal redemption.	Interbank market
Guangdong Electric Power Development Co., Ltd. Co., Ltd.2022 III phase Ultra-short term financing bills	22 Yudean FaSCP003	012284265.IB	December 9,2022	December 12,2022	June 7,2023	2,000,000,000	2.34%	One time repayment of principal and interest due	Interbank market
Guangdong Electric Power Development Co., Ltd. Co., Ltd.2022 IV phase Ultra-short	22 Yudean FaSCP004	012284408.IB	December 22,2022	December 23,2022	March 23,2023	1,500,000,000	2.52%	One time repayment of principal and interest due	Interbank market

term financing bills									
2021 MTN (Phase I) of Guangdong Huizhou Pinghai Power Generation Co., Ltd.	21 Pnghai Fa MTN001	102102049.IB	October 15,2021	October 15,2021	October 15,2024	300,000,000	3.72%	Using simple interest rate on a yearly basis, regardless of compound interest. Due payments once a year, maturing debt at a time. In the final phase, interest is paid together with the principal redemption.	Interbank market
During the reporting period, interest payment situation of the company bonds (If any)					No				
Applicable trading mechanism					Circulation and transfer in the national inter-bank bond market, its listing and circulation will be carried out in accordance with the relevant regulations promulgated by the National Interbank Funding Center				
Whether there are risks and countermeasures for terminating listing transactions (If any)					No				

Overdue and unpaid bonds

Applicable Not applicable

2. Trigger and implementation of option clauses and investor protection clauses of the issuer or investor

□ Applicable √ Not applicable

3. Information of intermediary agency

Name of bond project	Name of intermediary agency	Office Address	Name of signing accountant	Contact person of intermediary agency	Tel
2021 MTN (Phase I) of Guangdong Electric Power Development Co., Ltd.	Industry Bank(lead principal underwriter/bookkeeping manager)	No.154, Hudong Road, Fuzhou, Fujian	Not applicable	Zhao Xinle, Liu Jingyi	010-89926570、020-38160153
	ICBC(joint lead underwriter)	No. 55, Fuxingmennei, Street , Xicheng District , Beijing	Not applicable	Sheng Xue	010-66106736
	Beijing Zhong Lun Law Firm	31,33, 36 and 37/F, SK Building, A6, Jianguomenwai Street , Chaoyang District, Beijing	Not Applicable	Liang Qinghua	020-28262689
	PricewaterhouseCoopers Zhongtian Certified Public Accountants (Special General Partnership)	11/F, PricewaterhouseCoopers, No.2, Enterprist Building, No.202, Hubin Road, Huangpu District Shanghai	Wang Bin, Li Yanhua (2019-2020) ; Wang Bin, Guo Biyu (2018)	Li Xiaolei	021-23238888
	Shanghai Brilliance Credit Rating & Investors Service Co., Ltd.	14/f, Huasheng Building , No.398 Hankou Road, Shanghai	Not applicable	Zhang Jie	18600048666
2021 MTN (Phase II) of Guangdong Electric Power Development Co., Ltd.	Industry Bank (lead principal underwriter/bookkeeping manager)	No.154, Hudong Road, Fuzhou ,Fujian	Not applicable	Zhao Xinle, Ye Huishan	010-89926570、020-38160153
	ICBC(joint lead underwriter)	No. 55, Fuxingmennei, Street , Xicheng District , Beijing	Not applicable	Sheng Xue	010-66106736
	Beijing Zhong Lun Law Firm	31,33, 36 and 37/F, SK Building, A6, Jianguomenwai Street , Chaoyang District, Beijing	Not Applicable	Liang Qinghua	020-28262689
	PricewaterhouseCoopers Zhongtian Certified Public Accountants (Special General Partnership)	11/F, PricewaterhouseCoopers, No.2, Enterprist Building, No.202, Hubin Road, Huangpu District Shanghai	Wang Bin , Li Yanhua (2019-2020) ; Wang Bin, Guo Biyu (2018)	Li Xiaolei	021-23238888
2022 MTN (Phase I) of Guangdong Electric Power Development Co.,	Industry Bank (lead principal underwriter/bookkeeping manager)	No.154, Hudong Road, Fuzhou ,Fujian	Not applicable	Zhao Xinle, Ye Huishan	010-89926570、020-38160153
	ICBC(joint lead	No. 55,	Not applicable	Sheng Xue	010-66106736

Ltd.	underwriter)	Fuxingmennei, Street , Xicheng District , Beijing			
	Beijing Zhong Lun Law Firm	31,33, 36 and 37/F, SK Building, A6, Jianguomenwai Street , Chaoyang District, Beijing	Not Applicable	Liang Qinghua	020-28262689
	PricewaterhouseCoopers Zhongtian Certified Public Accountants (Special General Partnership)	11/F, PricewaterhouseCoopers, No.2, Enterprist Building, No.202, Hubin Road, Huangpu District Shanghai	Wang Bin , Li Yanhua (2019-2020) ; Wang Bin, Guo Biyu (2018)	Li Xiaolei	021-23238888
2023 MTN (Phase I) of Guangdong Electric Power Development Co., Ltd.	Industry Bank (lead principal underwriter/bookkeeping manager)	No.154, Hudong Road, Fuzhou ,Fujian	Not applicable	Zhao Xinle, Ye Huishan	020-38988015
	Agricultural Bank of China Corporation Limited (co-lead underwriter)	No.69, Jianguo Mennei Street, Chaoyang District, Beijing	Not applicable	An Liwei	010-85109045
	Beijing Zhong Lun Law Firm	31,33, 36 and 37/F, SK Building, A6, Jianguomenwai Street , Chaoyang District, Beijing	Not Applicable	Liang Qinghua	020-28262689
	PricewaterhouseCoopers Zhongtian Certified Public Accountants (Special General Partnership)	11/F, PricewaterhouseCoopers, No.2, Enterprist Building, No.202, Hubin Road, Huangpu District Shanghai	Chen Junjun, Li Xiaolei (2021) ; Wang Bin,Li Yanhua (2019-2020)	Li Xiaolei	021-23238888
Guangdong Electric Power Development Co., Ltd.2022 III phase Ultra-short term financing bills	China Construction Bank (lead principal underwriter/bookkeeping manager)	No.25, Finance Street, Xicheng District Beijing	Not applicable	Zhou Peng	010-67596478
	Industrial Bank Co., Ltd. (joint lead underwriter)	No.154, Hudong Road, Fuzhou ,Fujian	Not applicable	Zhao Xinle , Liu Jingyi	010-89926570、020-38160153
	ETR Law Firm	10 &11/f, Chow Tai Fook Finance Certire No.6 Zhujiang Dong Road, Tianhe District Guangzhou	Not applicable	Wang Xing	020-37181333
	PricewaterhouseCoopers Zhongtian Certified Public Accountants (Special General Partnership)	11/F, PricewaterhouseCoopers, No.2, Enterprist Building, No.202, Hubin Road, Huangpu District	Chen Junjun, Li Xiaolei (2021) ; Wang Bin,Li Yanhua (2019-2020)	Li Xiaolei	021-23238888

		Shanghai			
Guangdong Electric Power Development Co., Ltd. 2022 IV phase Ultra-short term financing bills	SPD Bank (principal underwriter/bookkeeping manager)	No.12, Zhongshan 1 Road, Shanghai	Not applicable	Lin Jie	021-31886388
	ETR Law Firm	10 & 11/f, Chow Tai Fook Finance Centre No.6 Zhujiang Dong Road, Tianhe District Guangzhou	Not applicable	Wang Xing	020-37181333
	PricewaterhouseCoopers Zhongtian Certified Public Accountants (Special General Partnership)	11/F, PricewaterhouseCoopers, No.2, Enterprist Building, No.202, Hubin Road, Huangpu District Shanghai	Chen Junjun, Li Xiaolei (2021); Wang Bin, Li Yanhua (2019-2020)	Li Xiaolei	021-23238888
2021 MTN (Phase II) of Guangdong Huizhou Pinghai Power Generation Co., Ltd. (Sustainable peg)	ICBC (joint lead underwriter)	No. 55, Fuxingmennei, Street, Xicheng District, Beijing	Not applicable	Dai Ying	010-66109649
	Industry Bank (lead principal underwriter/bookkeeping manager)	No.154, Hudong Road, Fuzhou, Fujian	Not applicable	Zhao Xinle	010-89926570
	Zhongxi CPAs (Special General Partnership)	11/F, Block A, Xincheng Culture Building, No.11 Chongwenmenwai Street, Beijing	Wei Shuzhen, Fan Fengwei	Fan Fengwei	18520643032
	Shanghai Brilliance Credit Rating & Investors Service Co., Ltd	14/F, Huasheng Building, No.398, Hankou Road, Shanghai	Yu Liping, Lin Qiaoyun	Yu Liping	13641825613
	Beijing Dentons Law Offices, LLP	7/F, Block D, Qiaofufang Grassland, No.9 Dongdaqiao Road, Chaoyang District, Beijing	Ni Jieyun, Chen Shiyi	Lv Sihui	13692899924

Whether the above agency changes during the reporting period

Yes No

4. Use of raised funds

In RMB

Name of bond project	Total amount of raised funds	Used amount	Unused amount	Operation of special account for raised funds (if any)	Rectification of illegal use of raised funds (if any)	Whether it is consistent with the purpose, use plan and other agreements stipulated in the prospectus
2021 MTN (Phase I) of Guangdong Electric Power Development Co., Ltd.	1,200,000,000	1,200,000,000	0	The special fund-raising account operates properly	No	Yes
2021 MTN (Phase II) of Guangdong Electric Power Development Co., Ltd.	2,200,000,000	2,200,000,000	0	Not applicable	No	Yes
2022 MTN (Phase I) of Guangdong Electric Power Development Co., Ltd.	600,000,000	600,000,000	0	Not applicable	No	Yes
2023 MTN (Phase I) of Guangdong Electric Power Development Co., Ltd.	1,600,000,000	1,600,000,000	0	Not applicable	No	Yes
Guangdong Electric Power Development Co., Ltd. 2022 III phase Ultra-short term financing bills	2,000,000,000	2,000,000,000	0	Not applicable	No	Yes
Guangdong Electric Power Development Co., Ltd. 2022 IV phase Ultra-short term financing bills	1,500,000,000	1,500,000,000	0	Not applicable	No	Yes
2021 MTN (Phase I) of Guangdong Huizhou Pinghai Power Generation Co., Ltd. (Sustainable peg)	300,000,000	300,000,000	0	Not applicable	No	Yes

The raised funds are used for construction projects

√ Applicable □ Not applicable

21Yudeanfa MTN001 raised RMB 1.2 billion, of which RMB 375 million was used to replace the increased capital of its holding subsidiaries, that is, it was finally used to replace the paid-in capital of key construction projects. RMB 250 million is used to replace the increased capital of Guangdong Yudean Marina Bay Energy Co., Ltd., and finally used for the capital of the alternative power supply project at Ningzhou plant site in Dongguan; RMB 125 million is used to replace the increased capital of Guangdong Yudean Qujie Wind Power Generation Co., Ltd., and finally used for the capital of phase II of Guangdong Yudean Zhanjiang Wailuo Offshore Wind Power Project. In the main building installation project of the alternative power supply project at Ningzhou plant site in Dongguan, the first concrete of the main plant foundation was poured in September 2021. The construction of the project is progressing as planned. By February 28, 2023, the structure of the main workshop has been built to the roof, in which the main structure of No.1 main workshop has been completed, and the No.2 and No.3 machine islands have been delivered for installation; The auxiliary transformer and main transformer of Unit #2 have been put in place. It is expected that the first unit will be put into operation in April 2023, and the second and third units will be put into operation in June and September of the same year. The Phase II of Guangdong Yudean Zhanjiang Wailuo Offshore Wind Power Project was put

into operation in December 2021, and the project was in good operation. In 2022, it realized an operating income of RMB 244,873,100 and an operating profit of RMB -48,906,600.

During the reporting period, the company changed the use of funds raised from the above bonds

Applicable Not applicable

5. Adjustment of credit rating results during the reporting period

Applicable Not applicable

6 The implementation and changes of guarantee, debt repayment plan and other debt repayment guarantee measures during the reporting period and their impact on the rights and interests of bond investors

Applicable Not applicable

1). 21Yudeanfa MTN001, 21Yudeanfa MTN002, and 22Yudeanfa MTN 001, 23Yudeanfa MTN001, 22 Yudeanfa SCP003 ,22 Yudeanfa SCP004 and 21 Pinghai FD MTN 001 are not guaranteed.

2). The debt repayment plan of the above-mentioned debt financing instruments and other debt repayment guarantee measures of the company have not changed during the reporting period.

IV. Convertible bond

Applicable Not applicable

No such cases in the reporting period.

V. The loss within the scope of consolidated statements in the reporting period exceeded 10% of the net assets at the end of the previous year

Not applicable Not applicable

Loss situation	Reasons for loss	Influence on the company's operation and solvency
During the reporting period, the net profit within the scope of the company's consolidated statement was RMB -4,514,989,124.95 which accounted for 13.70% of the net assets at the end of the previous year	During the reporting period, coal and gas prices were still high. The company actively strived for favorable electricity prices and strictly implemented cost control, but it could not cover the increase in fuel costs, and the thermal power business continued to suffer losses.	With assets of 100 billion yuan and strong solvency, company has abundant financing channels and sufficient credit, and can make full use of internal and external financial resources to ensure capital needs

VI. Overdue interest-bearing debts except bonds at the end of the reporting period

Applicable Not applicable

VII. Whether there are any violations of rules and regulations during the reporting period

Yes No

VIII. Main accounting data and financial indicators of the company in recent two years by the end of the reporting period

In RMB10,000

Items	At the end of the reporting period	At the end of last year	At the same time rate of change
Current ratio	0.61	0.61	0%
Debt ratio	78.16%	71.21%	6.95%
Quick ratio	0.53	0.53	0%
	Amount of this period	Amount of last period	At the same time rate of change
Net profit after deducting non-recurring profit and loss	-446,349.23	-375,656.56	-18.82%
EBITDA total debt ratio	3.43%	1.67%	1.76%
Time interest earned ratio	-0.94	-2.18	56.94%
Cash interest guarantee times	0.66	0.08	725%
EBITDA/Time interest earned ratio	1.30	0.68	91.18%
Repayment of debt (%)	100%	100%	0%
Payment of interest (%)	100%	100%	0%

GUANGDONG ELECTRIC POWER DEVELOPMENT CO., LTD.

**FINANCIAL STATEMENTS AND
AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

[English translation for reference only. Should there be any inconsistency between the Chinese and English versions, the Chinese version shall prevail.]

Guangdong Electric Power Development Co., Ltd.

Financial Statements and Auditor's Report
For the Year Ended 31 December 2022
[English translation for reference only]

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[English Translation for Reference Only]

Auditor's Report

PwC ZT Shen Zi (2023) No. 10033

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To the shareholders of Guangdong Electric Power Development Co., Ltd.,

Opinion

What we have audited

We have audited the accompanying financial statements of Guangdong Electric Power Development Co., Ltd. (hereinafter "Guangdong Electric Power"), which comprise:

- the consolidated and company balance sheets as at 31 December 2022;
- the consolidated and company income statements for the year then ended;
- the consolidated and company cash flow statements for the year then ended;
- the consolidated and company statements of changes in shareholders' equity for the year then ended; and
- notes to the financial statements.

Our opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated and company's financial position of Guangdong Electric Power as at 31 December 2022, and their financial performance and cash flows for the year then ended in accordance with the requirements of Accounting Standards for Business Enterprises ("CASs").

Basis for Opinion

We conducted our audit in accordance with China Standards on Auditing ("CSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of Guangdong Electric Power in accordance with the Code of Ethics for Professional Accountants of the Chinese Institute of Certified Public Accountants ("CICPA Code"), and we have fulfilled our other ethical responsibilities in accordance with the CICPA Code.

Key Audit Matter

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters

were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter (Cont'd)

Key audit matters identified in our audit are summarised as follows:

- (1) Impairment of power related fixed assets
- (2) Recognition of deferred tax assets related to deductible losses

Key Audit Matter	How our audit addressed the Key Audit Matter
<p>(1) Impairment of power related fixed assets</p> <p>Refer to Note 2(29)(b)(i) and Note 4(10)(a)(iv) to the financial statements.</p> <p>Certain subsidiaries of Guangdong Electric Power have been experiencing continuous operating losses in recent years. Taking into account possible future risks, such as the instability of electricity demand, the unstable price of coal used in power generation, the macro-economy and other risk factors, management continuously assesses the impairment of the fixed assets of the above subsidiaries.</p> <p>As at 31 December 2022, management conducted impairment tests for the fixed assets of the aforesaid subsidiaries, and made a provision for impairment at the excess of the carrying amount of asset groups of generator units over their recoverable amount. The recoverable amount of the asset groups was the higher of the fair value, less costs to sell, of the asset groups and the present value of the future cash flows expected to be derived from them. The calculations of the present value of the future cash flows expected to be derived from them involve management's significant estimates and judgements, including the discount rate, the growth rate of the estimated on-grid electricity price, the growth rate of the estimated electricity sale and the variability rate of the estimated price of coal used in power generation.</p>	<p>Our audit procedures for the impairment of power related fixed assets mainly include:</p> <ul style="list-style-type: none"> • We understood and evaluated the internal control relevant to the impairment test of fixed assets and tested the operating effectiveness of key control; • We involved internal valuers to review and analyse the appropriateness of the method applied by management for the impairment test; • Based on our understanding of the businesses of the subsidiaries as well as the industry in which they operate, we evaluated the rationality of assumptions adopted by management in calculation of the present value of estimated future cash flows, including the discount rate, the growth rate of the estimated on-grid price, the growth rate of the estimated electricity sale, and the variability rate of the estimated price of coal used in power generation: <ul style="list-style-type: none"> - For the discount rate, we involved internal valuers to evaluate the appropriateness in combination with industry situation; - For the growth rate of the estimated on-grid electricity price and the variability rate of the estimated price of coal used in power generation, we compared historical variability rates and industry data, and considered market trend;

Key Audit Matter (Cont'd)

Key Audit Matter (Cont'd)	How our audit addressed the Key Audit Matter (Cont'd)
<p>(1) Impairment of power related fixed assets (Cont'd)</p> <p>As the carrying amounts of fixed assets with indication of impairment are significant to the consolidated financial statements of Guangdong Electric Power, and the impairment test of asset groups of generator units involves management's significant estimates and judgements, impairment of power related fixed assets is identified as a key audit matter.</p>	<p>Our audit procedures for the impairment of power related fixed assets (Cont'd):</p> <ul style="list-style-type: none"> - For the growth rate of the estimated electricity sale, we have compared historical data, approved budgets and business plans, and checked the corresponding supporting documents; • We checked the input data and formulas used in the calculation of the present value of future cash flows expected to be derived from them, and evaluated the mathematic accuracy; • We compared the key assumptions used by management in estimating the present value of future cash flows in the previous year with the actual operation of the current year to evaluate if there's any indication of management bias; • We conducted sensitivity analysis on the discount rate and other key assumptions applied by management, and evaluated how the changes in key assumptions (individually or in aggregate) will give rise to different results to further evaluate if there's any indication of management bias in selecting parameters of key assumptions. <p>Based on the results of the aforesaid work, we found that management's judgements and estimates on the impairment of fixed assets are supported by appropriate evidence.</p>

Key Audit Matter (Cont'd)

Key Audit Matter (Cont'd)	How our audit addressed the Key Audit Matter (Cont'd)
<p>(2) Recognition of deferred tax assets related to deductible losses</p> <p>Refer to Note 2(29)(b)(iii) and Note 4(16) to the financial statements.</p> <p>As at 31 December 2022, Guangdong Electric Power recognised the corresponding deferred tax assets for the deductible losses incurred by individual subsidiaries at a total of RMB 968,337,573. Deductible losses that were not recognised as deferred tax assets totalled RMB 11,033,478,760.</p> <p>According to the financial forecast of the aforesaid subsidiaries in future periods, management recognises deferred tax assets within the limits of which the aforesaid subsidiaries are likely to obtain future taxable income to offset the deductible losses. The financial forecast of the aforesaid subsidiaries in future periods involves significant management's significant estimates and judgements, including estimated electricity sale, estimated on-grid electricity price, estimated price of coal used in power generation and other operating expenses.</p>	<p>Our audit procedures for the recognition of deferred tax assets related to deductible losses mainly include:</p> <ul style="list-style-type: none"> • We obtained management's calculation sheet for the financial forecast in future periods, checked the input data and formulas used in the calculation, and evaluated the mathematic accuracy; • We obtained supporting documents such as the income tax settlement report, tax returns and accounting records of the aforesaid subsidiaries, and reviewed for the existence of deductible losses and the accuracy of the amount and period; • Based on our understanding of the businesses of the aforesaid subsidiaries and the industry in which they operate, and combined with industry development trend and historical operating performance, we evaluated the key assumptions used by management to calculate the expected taxable income for future periods, including the reasonableness of assumptions on estimated electricity sale, estimated on-grid electricity price, estimated fuel price, and other operating expenses;

Key Audit Matter (Cont'd)

Key Audit Matter (Cont'd)	How our audit addressed the Key Audit Matter (Cont'd)
<p>(2) Recognition of deferred tax assets related to deductible losses (Cont'd)</p> <p>As the deferred tax assets related to deductible losses are significant to the consolidated financial statements of Guangdong Electric Power, and the financial forecast for future periods involves management's significant estimates and judgements, the recognition of the deferred tax assets related to deductible losses is identified as a key audit matter.</p>	<p>Our audit procedures for the recognition of deferred tax assets related to deductible losses mainly include (Cont'd):</p> <ul style="list-style-type: none"> • We compared the taxable income estimated by management last year with the actual taxable income for the current year to assess the historical accuracy of management's forecast; • We reviewed whether the deferred tax assets were recognised within the limits of which the taxable income was likely to be obtained in the future to offset deductible losses and deductible temporary differences. • Based on the results of the above work, we found that management's estimates regarding the recognition of deferred tax assets related to deductible losses were supported by appropriate evidence.

Other Information

Management of Guangdong Electric Power is responsible for the other information. The other information comprises all of the information included in 2022 annual report of Guangdong Electric Power other than the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Audit and Compliance Committee for the Financial Statements

Management of Guangdong Electric Power is responsible for the preparation and fair presentation of these financial statements in accordance with the CASs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing these financial statements, management is responsible for assessing Guangdong Electric Power's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate Guangdong Electric Power or to cease operations, or has no realistic alternative but to do so.

The Audit and Compliance Committee is responsible for overseeing Guangdong Electric Power's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements (Cont'd)

As part of an audit in accordance with CSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Guangdong Electric Power's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in these financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Guangdong Electric Power to cease to continue as a going concern.
- Evaluate the overall presentation (including the disclosures), structure and content of the financial statements, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within Guangdong Electric Power to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Auditor’s Responsibilities for the Audit of the Financial Statements (Cont’d)

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

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

PricewaterhouseCoopers Zhong Tian LLP Signing CPA _____
Li Xiaolei
(Engagement Partner)

Shanghai, the People’s Republic of China Signing CPA _____
30 March 2023 Fan Xin

GUANGDONG ELECTRIC POWER DEVELOPMENT CO., LTD.

**CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2022**

(All amounts in RMB Yuan unless otherwise stated)

[English translation for reference only]

ASSETS	Note	31 December 2022	31 December 2021 (Restated)
Current assets			
Cash at bank and on hand	4(1)	11,503,523,618	8,105,320,953
Notes receivables		2,644,300	165,603
Accounts receivables	4(2)	7,578,636,244	7,030,685,357
Advances to suppliers	4(3)	1,534,982,252	892,771,238
Other receivables	4(4)	934,784,152	2,429,475,558
Inventories	4(5)	3,376,868,100	2,998,894,539
Contract assets		4,910,263	4,754,820
Other current assets	4(6)	875,605,805	1,417,985,608
Total current assets		<u>25,811,954,734</u>	<u>22,880,053,676</u>
Non-current assets			
Long-term equity investments	4(7)	9,198,053,183	8,074,149,836
Investments in other equity instruments	4(8)	3,058,071,054	3,232,028,682
Investment properties	4(9)	365,285,301	378,796,932
Fixed assets	4(10)	62,400,175,057	57,145,099,423
Construction in progress	4(11)	11,768,828,161	8,710,691,766
Right-of-use assets	4(12)	7,352,044,966	5,256,124,979
Intangible assets	4(13)	3,346,735,496	2,658,726,346
Goodwill	4(14)	128,097,553	139,983,037
Long-term prepaid expenses	4(15)	109,485,746	30,335,301
Deferred tax assets	4(16)	1,359,025,081	1,176,841,986
Other non-current assets	4(17)	6,606,518,552	4,810,251,634
Total non-current assets		<u>105,692,320,150</u>	<u>91,613,029,922</u>
TOTAL ASSETS		<u>131,504,274,884</u>	<u>114,493,083,598</u>

GUANGDONG ELECTRIC POWER DEVELOPMENT CO., LTD.

CONSOLIDATED BALANCE SHEET (CONT'D)

AS AT 31 DECEMBER 2022

(All amounts in RMB Yuan unless otherwise stated)

[English translation for reference only]

LIABILITIES AND SHAREHOLDERS' EQUITY	Note	31 December 2022	31 December 2021 (Restated)
Current liabilities			
Short-term borrowings	4(19)	16,261,444,860	12,360,296,429
Notes payables	4(20)	1,495,778,076	1,908,780,000
Accounts payables	4(21)	5,938,254,013	6,626,567,064
Contract liabilities		4,960,974	5,864,811
Employee benefits payable	4(22)	447,421,417	422,013,230
Taxes payable	4(23)	302,484,915	502,303,075
Other payables	4(24)	9,403,658,031	10,569,763,778
Current portion of non-current liabilities	4(25)	3,975,249,970	3,697,619,753
Other current liabilities	4(26)	4,174,850,374	1,658,449,006
Total current liabilities		<u>42,004,102,630</u>	<u>37,751,657,146</u>
Non-current liabilities			
Long-term borrowings	4(27)	42,860,932,628	28,940,577,856
Debentures payable	4(28)	9,094,489,909	8,693,083,422
Lease liabilities	4(29)	6,870,820,017	4,728,167,142
Long-term payables	4(30)	666,297,028	121,779,223
Deferred income	4(31)	142,292,215	163,611,515
Long-term employee benefits payable	4(32)	429,265,269	415,480,262
Deferred tax liabilities	4(16)	584,116,265	635,754,761
Other non-current liabilities	4(33)	129,428,167	75,469,729
Total non-current liabilities		<u>60,777,641,498</u>	<u>43,773,923,910</u>
Total liabilities		<u>102,781,744,128</u>	<u>81,525,581,056</u>
Shareholders' equity			
Share capital	4(34)	5,250,283,986	5,250,283,986
Capital surplus	4(35)	4,257,046,505	4,276,952,183
Other comprehensive income	4(36)	1,629,837,957	1,750,011,571
Specific reserve		520,379	-
Surplus reserve	4(37)	8,903,515,135	8,903,515,135
Undistributed profits	4(38)	200,668,517	3,205,422,561
Total equity attributable to shareholders of the Company		<u>20,241,872,479</u>	<u>23,386,185,436</u>
Minority interests		8,480,658,277	9,581,317,106
Total shareholders' equity		<u>28,722,530,756</u>	<u>32,967,502,542</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		<u>131,504,274,884</u>	<u>114,493,083,598</u>

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

Legal representative:
Zheng Yunpeng

Principal in charge of accounting:
Liu Wei

Head of accounting department:
Meng Fei

GUANGDONG ELECTRIC POWER DEVELOPMENT CO., LTD.

COMPANY BALANCE SHEET

AS AT 31 DECEMBER 2022

(All amounts in RMB Yuan unless otherwise stated)

[English translation for reference only]

ASSETS	Note	31 December 2022	31 December 2021
Current assets			
Cash at bank and on hand		879,381,053	708,028,634
Accounts receivables	14(1)	191,716,383	192,707,778
Advances to suppliers		26,568,272	26,368,250
Other receivables	14(2)	568,099,765	415,990,566
Inventories		85,079,898	216,808,997
Other current assets		1,198,615	21,453,621
Total current assets		<u>1,752,043,986</u>	<u>1,581,357,846</u>
Non-current assets			
Long-term receivables		1,160,000,000	627,000,000
Long-term equity investments	14(3)	41,709,796,167	36,539,978,077
Investments in other equity instruments		3,057,271,054	3,231,228,683
Investment properties		5,118,650	5,754,247
Fixed assets		340,983,004	436,327,041
Construction in progress		1,052,786	1,201,126
Right-of-use assets		6,443,720	8,125,410
Intangible assets		77,808,432	80,670,784
Long-term prepaid expenses		1,595,480	-
Other non-current assets		218,100,000	136,500,000
Total non-current assets		<u>46,578,169,293</u>	<u>41,066,785,368</u>
TOTAL ASSETS		<u>48,330,213,279</u>	<u>42,648,143,214</u>

GUANGDONG ELECTRIC POWER DEVELOPMENT CO., LTD.

COMPANY BALANCE SHEET (CONT'D)

AS AT 31 DECEMBER 2022

(All amounts in RMB Yuan unless otherwise stated)

[English translation for reference only]

LIABILITIES AND OWNERS' EQUITY	Note	31 December 2022	31 December 2021
Current liabilities			
Short-term borrowings		3,522,986,272	2,442,508,111
Accounts payables		169,028,547	214,080,378
Contract liabilities		-	1,083,950
Employee benefits payable		115,457,391	105,045,040
Taxes payable		17,655,588	8,288,884
Other payables		60,615,999	2,535,329,957
Current portion of non-current liabilities		751,166,231	125,174,953
Other current liabilities		3,525,551,274	1,030,040,123
Total current liabilities		<u>8,162,461,302</u>	<u>6,461,551,396</u>
Non-current liabilities			
Long-term borrowings		4,498,800,000	-
Debentures payable		8,794,981,607	8,193,949,060
Lease liabilities		610,527	4,251,838
Deferred income		9,996,202	19,992,404
Long-term employee benefits payable		76,074,603	68,648,773
Deferred tax liabilities		520,442,187	562,112,354
Total non-current liabilities		<u>13,900,905,126</u>	<u>8,848,954,429</u>
Total liabilities		<u>22,063,366,428</u>	<u>15,310,505,825</u>
Shareholders' equity			
Share capital		5,250,283,986	5,250,283,986
Capital surplus		4,834,675,772	4,834,039,575
Other comprehensive income		1,640,520,684	1,764,421,309
Surplus reserve		8,903,515,135	8,903,515,135
Undistributed profits		5,637,851,274	6,585,377,384
Total shareholders' equity		<u>26,266,846,851</u>	<u>27,337,637,389</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		<u>48,330,213,279</u>	<u>42,648,143,214</u>

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

Legal representative:
Zheng Yunpeng

Principal in charge of accounting:
Liu Wei

Head of accounting department:
Meng Fei

GUANGDONG ELECTRIC POWER DEVELOPMENT CO., LTD.

**CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022**

(All amounts in RMB Yuan unless otherwise stated)

[English translation for reference only]

Item	Note	2022	2021 (Restated)
Revenue	4(39)	52,661,088,436	44,457,866,542
Less: Cost of sale	4(39)	(52,852,310,181)	(46,827,505,473)
Taxes and surcharges	4(40)	(245,262,277)	(293,980,076)
Selling expenses	4(41)	(69,108,603)	(65,407,040)
General and administrative expenses	4(42)	(1,192,506,931)	(1,101,123,287)
Research and development expenses	4(43)	(1,229,311,572)	(584,714,979)
Financial expenses	4(44)	(2,135,900,012)	(1,371,365,945)
Including: Interest expenses		2,257,705,843	1,499,997,783
Interest income		132,632,800	133,800,923
Add: Other income	4(48)	80,160,312	72,653,517
Investment income	4(49)	1,061,876,396	835,945,827
Including: Share of profit of associates and joint ventures		960,006,337	743,767,471
Credit impairment reversal/(loss)	4(47)	1,563,130	(21,767,857)
Asset impairment losses	4(46)	(173,772,140)	(29,330,461)
Gains on disposals of assets	4(50)	30,802,837	184,589,025
Operating loss		(4,062,680,605)	(4,744,140,207)
Add: Non-operating income	4(51)	125,490,287	139,092,875
Less: Non-operating expenses	4(52)	(443,902,556)	(171,458,731)
Total loss		(4,381,092,874)	(4,776,506,063)
Less: Income tax (expenses)/Credits	4(53)	(133,896,253)	525,442,914
Net loss		(4,514,989,127)	(4,251,063,149)
Including: Net loss of the acquiree in a business combination under common control before the combination date		-	(658,714,842)

GUANGDONG ELECTRIC POWER DEVELOPMENT CO., LTD.

**CONSOLIDATED INCOME STATEMENT (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2022**

(All amounts in RMB Yuan unless otherwise stated)

[English translation for reference only]

Item	Note	2022	2021 (Restated)
Classified by continuity of operations			
Net loss from continuing operations		(4,514,989,127)	(4,251,063,149)
Net profit from discontinued operations		-	-
Classified by ownership of the equity			
Net loss attributable to shareholders of the Company		(3,003,916,572)	(2,928,171,731)
Minority interests		(1,511,072,555)	(1,322,891,418)
Other comprehensive income, net of tax		(118,919,844)	(222,990,915)
Attributable to shareholders of the Company	4(36)	(120,173,614)	(206,788,258)
Other comprehensive income that will not be reclassified to profit or loss			
Changes arising from remeasurement of defined benefit plans		-	(37,296,993)
Share of other comprehensive income of the investee accounted for using equity method that will not be reclassified to profit or loss		9,938,693	15,609,735
Changes in fair value of investments in other equity instruments		(131,968,221)	(184,768,848)
Other comprehensive income that will be reclassified to profit or loss			
Share of other comprehensive income of the investee accounted for using equity method that will be reclassified to profit or loss		1,855,914	(332,152)
Attributable to minority interests		1,253,770	(16,202,657)
Total comprehensive income		<u>(4,633,908,971)</u>	<u>(4,474,054,064)</u>
Attributable to shareholders of the Company		(3,124,090,186)	(3,134,959,989)
Attributable to minority interests		<u>(1,509,818,785)</u>	<u>(1,339,094,075)</u>
Earnings per share			
Basic earnings per share (RMB Yuan)	4(54)	(0.57)	(0.56)
Diluted earnings per share (RMB Yuan)	4(54)	(0.57)	(0.56)

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

Legal representative:
Zheng Yunpeng

Principal in charge of accounting:
Liu Wei

Head of accounting department:
Meng Fei

GUANGDONG ELECTRIC POWER DEVELOPMENT CO., LTD.

**COMPANY INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022**

(All amounts in RMB Yuan unless otherwise stated)

[English translation for reference only]

Item	Note	2022	2021
Revenue	14(4)	1,533,266,982	1,593,822,545
Less: Cost of sale	14(4)	(1,849,774,728)	(1,911,951,135)
Taxes and surcharges		(9,648,354)	(7,710,134)
Selling expenses		(2,412,869)	(2,842,664)
General and administrative expenses		(171,586,927)	(145,466,208)
Research and development expenses		(29,788,257)	(20,455,799)
Financial expenses		(432,576,281)	(264,631,340)
Including: Interest expenses		441,545,281	267,141,416
Interest income		12,627,185	6,119,603
Add: Other income		11,028,484	10,117,324
Investment income	14(5)	1,115,058,948	3,419,054,733
Including: Share of profit of associates and joint ventures		880,732,739	697,838,523
Credit impairment (loss)/reversal		(67,605)	58,102
Asset impairment losses	14(6)	(1,101,203,999)	(29,321,084)
Operating (loss)/profit		(937,704,606)	2,640,674,340
Add: Non-operating income		11,982,760	242,648,802
Less: Non-operating expenses		(19,485,023)	(2,738,153)
Total (loss)/profit		(945,206,869)	2,880,584,989
Less: Income tax expenses		(2,319,241)	(2,319,241)
Net (loss)/profit		(947,526,110)	2,878,265,748
Classified by continuity of operations			
Net (loss)/profit from continuing operations		(947,526,110)	2,878,265,748
Net profit from discontinued operations		-	-
Other comprehensive income, net of tax		(123,900,625)	(181,508,634)
Other comprehensive income that will not be reclassified to profit or loss			
Changes arising from remeasurement of defined benefit plans		-	(9,126,313)
Share of other comprehensive income of the investee accounted for using equity method that will not be reclassified to profit or loss		6,211,682	12,718,679
Changes in fair value of investments in other equity instruments		(131,968,221)	(184,768,848)
Other comprehensive income that will be reclassified to profit or loss			
Share of other comprehensive income of the investee accounted for using equity method that will be reclassified to profit or loss		1,855,914	(332,152)
Total comprehensive income		(1,071,426,735)	2,696,757,114

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

Legal representative: Zheng Yunpeng	Principal in charge of accounting: Liu Wei	Head of accounting department: Meng Fei
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GUANGDONG ELECTRIC POWER DEVELOPMENT CO., LTD.

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022**

(All amounts in RMB Yuan unless otherwise stated)

[English translation for reference only]

Item	Note	2022	2021 (Restated)
Cash flows from operating activities			
Cash received from sale of goods or rendering of services		58,985,187,824	48,542,309,080
Refund of taxes and surcharges		2,436,660,341	119,312,074
Cash received relating to other operating activities	4(55)(a)	262,732,577	272,691,582
Sub-total of cash inflows		<u>61,684,580,742</u>	<u>48,934,312,736</u>
Cash paid for goods and services		(54,729,703,233)	(43,630,281,266)
Cash paid to and on behalf of employees		(2,736,395,371)	(2,571,733,835)
Payments of taxes and surcharges		(1,722,416,617)	(1,699,308,834)
Cash paid relating to other operating activities	4(55)(b)	(1,016,200,747)	(910,814,133)
Sub-total of cash outflows		<u>(60,204,715,968)</u>	<u>(48,812,138,068)</u>
Net cash flows from operating activities	4(56)(a)	<u>1,479,864,774</u>	<u>122,174,668</u>
Cash flows from investing activities			
Cash received from disposals of investments		2,033,756	-
Cash received from returns on investments		257,724,562	388,877,407
Net cash received from disposals of fixed assets, intangible assets and other long-term assets		1,734,284,438	1,656,570,070
Net cash received from disposals of subsidiaries and other business units		2,510,000	2,479,531
Cash received relating to other investing activities	4(55)(c)	66,792,867	-
Sub-total of cash inflows		<u>2,063,345,623</u>	<u>2,047,927,008</u>
Cash paid to acquire fixed assets, intangible assets and other long-term assets		(14,599,355,445)	(10,732,326,573)
Cash paid to acquire investments		(306,328,518)	(343,850,820)
Net cash paid to acquire subsidiaries and other business units	4(56)(c)	(93,901,448)	(76,574,154)
Cash paid relating to other investing activities	4(55)(d)	(215,864,319)	(188,815,562)
Sub-total of cash outflows		<u>(15,215,449,730)</u>	<u>(11,341,567,109)</u>
Net cash flows used in investing activities		<u>(13,152,104,107)</u>	<u>(9,293,640,101)</u>

GUANGDONG ELECTRIC POWER DEVELOPMENT CO., LTD.

**CONSOLIDATED CASH FLOW STATEMENT (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2022**

(All amounts in RMB Yuan unless otherwise stated)

[English translation for reference only]

Item	Note	2022	2021 (Restated)
Cash flows from financing activities			
Cash received from capital contributions		466,806,611	131,187,000
Including: Cash received from capital contributions by minority shareholders of subsidiaries		466,806,611	131,187,000
Cash received from borrowings		50,147,797,975	32,180,925,115
Cash received from issuance of debentures		598,290,000	7,192,751,240
Sub-total of cash inflows		<u>51,212,894,586</u>	<u>39,504,863,355</u>
Cash repayments of borrowings		(30,388,831,183)	(25,537,837,322)
Cash payments for distribution of dividends, profits or interest expenses		(2,267,620,075)	(4,635,028,385)
Including: Dividends or profits paid to minority shareholders by subsidiaries		(35,299,408)	(1,548,524,814)
Cash paid relating to other financing activities	4(55)(e)	(3,473,513,406)	(1,542,497,576)
Sub-total of cash outflows		<u>(36,129,964,664)</u>	<u>(31,715,363,283)</u>
Net cash flows from financing activities		<u>15,082,929,922</u>	<u>7,789,500,072</u>
Effect of foreign exchange rate changes on cash and cash equivalents			
		972	(309)
Net increase/(decrease) in cash and cash equivalents	4(56)(a)	3,410,691,561	(1,381,965,670)
Add: Cash and cash equivalents at the beginning of the year		8,023,116,939	9,405,082,609
Cash and cash equivalents at the end of the year	4(56)(b)	<u>11,433,808,500</u>	<u>8,023,116,939</u>

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

Legal representative:
Zheng Yunpeng

Principal in charge of accounting:
Liu Wei

Head of accounting department:
Meng Fei

GUANGDONG ELECTRIC POWER DEVELOPMENT CO., LTD.

**COMPANY CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022**

(All amounts in RMB Yuan unless otherwise stated)

[English translation for reference only]

Item	2022	2021
Cash flows from operating activities		
Cash received from sale of goods or rendering of services	1,704,886,911	1,751,398,147
Refund of taxes and surcharges	48,773,944	-
Cash received relating to other operating activities	29,357,378	33,327,861
Sub-total of cash inflows	<u>1,783,018,233</u>	<u>1,784,726,008</u>
Cash paid for goods and services	(1,663,501,651)	(1,815,409,475)
Cash paid to and on behalf of employees	(313,707,873)	(318,336,325)
Payments of taxes and surcharges	(32,727,086)	(38,149,853)
Cash paid relating to other operating activities	(58,467,469)	(57,513,608)
Sub-total of cash outflows	<u>(2,068,404,079)</u>	<u>(2,229,409,261)</u>
Net cash flows used in operating activities	<u>(285,385,846)</u>	<u>(444,683,253)</u>
Cash flows from investing activities		
Cash received from disposals of investments	50,000,000	240,000,000
Cash received from returns on investments	334,042,053	2,005,221,164
Net cash received from disposals of fixed assets, intangible assets and other long-term assets	262,854,303	1,539,098
Sub-total of cash inflows	<u>646,896,356</u>	<u>2,246,760,262</u>
Cash paid to acquire fixed assets, intangible assets and other long-term assets	(15,738,158)	(25,572,026)
Cash paid to acquire investments	(6,403,397,010)	(2,771,449,351)
Net cash paid to acquire the subsidiary	(2,622,780,791)	(2,042,164,731)
Sub-total of cash outflows	<u>(9,041,915,959)</u>	<u>(4,839,186,108)</u>
Net cash flows used in investing activities	<u>(8,395,019,603)</u>	<u>(2,592,425,846)</u>
Cash flows from financing activities		
Cash received from borrowings	16,131,600,000	4,838,375,167
Cash received from issuance of debentures	598,290,000	6,699,600,000
Sub-total of cash inflows	<u>16,729,890,000</u>	<u>11,537,975,167</u>
Cash repayments of borrowings	(7,440,000,000)	(7,300,000,001)
Cash payments for distribution of dividends, profits or interest expenses	(434,052,090)	(824,679,178)
Cash paid relating to other financing activities	(7,983,067)	(6,524,929)
Sub-total of cash outflows	<u>(7,882,035,157)</u>	<u>(8,131,204,108)</u>
Net cash flows from financing activities	<u>8,847,854,843</u>	<u>3,406,771,059</u>
Effect of foreign exchange rate changes on cash and cash equivalents	<u>976</u>	<u>(309)</u>
Net increase in cash and cash equivalents	167,450,370	369,661,651
Add: Cash and cash equivalents at the beginning of the year	707,707,282	338,045,631
Cash and cash equivalents at the end of the year	<u>875,157,652</u>	<u>707,707,282</u>

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

Legal representative:
Zheng Yunpeng

Principal in charge of accounting:
Liu Wei

Head of accounting department:
Meng Fei

GUANGDONG ELECTRIC POWER DEVELOPMENT CO., LTD.

**CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022**

(All amounts in RMB Yuan unless otherwise stated)

[English translation for reference only]

	Note	Attributable to shareholders of the Company						Total shareholders' equity	
		Share capital	Capital surplus	Other comprehensive income	Specific reserve	Surplus reserve	Undistributed profits		Minority interests
Balance at 1 January 2022 (Restated)		<u>5,250,283,986</u>	<u>4,276,952,183</u>	<u>1,750,011,571</u>	<u>-</u>	<u>8,903,515,135</u>	<u>3,205,422,561</u>	<u>9,581,317,106</u>	<u>32,967,502,542</u>
Movements for the year ended 31 December 2022									
Total comprehensive income									
Net loss		-	-	-	-	-	(3,003,916,572)	(1,511,072,555)	(4,514,989,127)
Other comprehensive income	4(36)	-	-	(120,173,614)	-	-	-	1,253,770	(118,919,844)
Total comprehensive income for the year		-	-	(120,173,614)	-	-	(3,003,916,572)	(1,509,818,785)	(4,633,908,971)
Capital contribution and withdrawal by shareholders									
Capital contribution by shareholders		-	-	-	-	-	-	265,147,196	265,147,196
Transactions with minority shareholders		-	(19,288,105)	-	-	-	-	167,047,220	147,759,115
Profit distribution									
Appropriation to surplus reserve	4(37)	-	-	-	-	-	-	-	-
Distribution to shareholders	4(38)(b)	-	-	-	-	-	-	(53,852,929)	(53,852,929)
Specific reserve									
Appropriation in the current year		-	-	-	58,277,883	-	-	22,825,440	81,103,323
Utilisation in the current year		-	-	-	(57,757,504)	-	-	(22,687,361)	(80,444,865)
Share of interests in associates in proportion to the shareholding	4(35)	-	636,197	-	-	-	-	-	636,197
Acquisition of subsidiaries		-	-	-	-	-	-	32,000,000	32,000,000
Others		-	(1,253,770)	-	-	-	(837,472)	(1,319,610)	(3,410,852)
Balance at 31 December 2022		<u>5,250,283,986</u>	<u>4,257,046,505</u>	<u>1,629,837,957</u>	<u>520,379</u>	<u>8,903,515,135</u>	<u>200,668,517</u>	<u>8,480,658,277</u>	<u>28,722,530,756</u>

GUANGDONG ELECTRIC POWER DEVELOPMENT CO., LTD.

**CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2022**

(All amounts in RMB Yuan unless otherwise stated)

[English translation for reference only]

	Note	Attributable to shareholders of the Company						Minority interests	Total shareholders' equity
		Share capital	Capital surplus	Other comprehensive income	Specific reserve	Surplus reserve	Undistributed profits		
Balance at 1 January 2021		5,250,283,986	8,014,211,278	1,957,175,481	-	8,515,360,638	8,083,048,238	11,808,648,219	43,628,727,840
Movements for the year ended 31 December 2021									
Total comprehensive income									
Net loss (Restated)		-	-	-	-	-	(2,928,171,731)	(1,322,891,418)	(4,251,063,149)
Other comprehensive income	4(36)	-	-	(206,788,258)	-	-	-	(16,202,657)	(222,990,915)
Total comprehensive income for the year		-	-	(206,788,258)	-	-	(2,928,171,731)	(1,339,094,075)	(4,474,054,064)
Capital contribution and withdrawal by shareholders									
Capital contribution by shareholders		-	-	-	-	-	-	249,001,517	249,001,517
Others		-	958,923	-	-	-	-	411,286,259	412,245,182
Business combination involving enterprises under common control		-	(3,743,601,641)	-	-	-	-	-	(3,743,601,641)
Profit distribution									
Appropriation to surplus reserve	4(37)	-	-	-	-	388,154,497	(388,154,497)	-	-
Distribution to shareholders		-	-	-	-	-	(1,560,317,476)	(1,548,524,814)	(3,108,842,290)
Share of interests in associates in proportion to the shareholding	4(35)	-	5,383,623	-	-	-	-	-	5,383,623
Transfer within shareholders' equity									
Transfer from other comprehensive income to retained earnings		-	-	(375,652)	-	-	375,652	-	-
Others		-	-	-	-	-	(1,357,625)	-	(1,357,625)
Balance at 31 December 2021 (Restated)		5,250,283,986	4,276,952,183	1,750,011,571	-	8,903,515,135	3,205,422,561	9,581,317,106	32,967,502,542

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

Legal representative:
Zheng Yunpeng

Principal in charge of accounting:
Liu Wei

Head of accounting department:
Meng Fei

GUANGDONG ELECTRIC POWER DEVELOPMENT CO., LTD.

**COMPANY STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022**

(All amounts in RMB Yuan unless otherwise stated)

[English translation for reference only]

	Note	Share capital	Capital surplus	Other comprehensive income	Specific reserve	Surplus reserve	Undistributed profits	Total shareholders' equity
Balance at 1 January 2022		<u>5,250,283,986</u>	<u>4,834,039,575</u>	<u>1,764,421,309</u>	<u>-</u>	<u>8,903,515,135</u>	<u>6,585,377,384</u>	<u>27,337,637,389</u>
Movements for the year ended 31 December 2022								
Total comprehensive income								
Net loss		-	-	-	-	-	(947,526,110)	(947,526,110)
Other comprehensive income		-	-	(123,900,625)	-	-	-	(123,900,625)
Total comprehensive income for the year		-	-	(123,900,625)	-	-	(947,526,110)	(1,071,426,735)
Specific reserve								
Appropriation in the current year		-	-	-	3,991,586	-	-	3,991,586
Utilisation in the current year		-	-	-	(3,991,586)	-	-	(3,991,586)
Share of interests in associates in proportion to the shareholding	4(35)	-	636,197	-	-	-	-	636,197
Balance at 31 December 2022		<u>5,250,283,986</u>	<u>4,834,675,772</u>	<u>1,640,520,684</u>	<u>-</u>	<u>8,903,515,135</u>	<u>5,637,851,274</u>	<u>26,266,846,851</u>

GUANGDONG ELECTRIC POWER DEVELOPMENT CO., LTD.

**COMPANY STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2022**

(All amounts in RMB Yuan unless otherwise stated)

[English translation for reference only]

	Note	Share capital	Capital surplus	Other comprehensive income	Specific reserve	Surplus reserve	Undistributed profits	Total shareholders' equity
Balance at 1 January 2021		<u>5,250,283,986</u>	<u>5,405,326,643</u>	<u>1,946,305,595</u>	<u>-</u>	<u>8,515,360,638</u>	<u>4,724,248,211</u>	<u>25,841,525,073</u>
Movements for the year ended 31 December 2021								
Total comprehensive income								
Net profit		-	-	-	-	-	2,878,265,748	2,878,265,748
Other comprehensive income		-	-	(181,508,634)	-	-	-	(181,508,634)
Total comprehensive income for the year		-	-	(181,508,634)	-	-	2,878,265,748	2,696,757,114
Capital contribution and withdrawal by shareholders								
Capital withdrawal by shareholders		-	(576,670,691)	-	-	-	-	(576,670,691)
Profit distribution								
Appropriation to surplus reserve	4(37)	-	-	-	-	388,154,497	(388,154,497)	-
Distribution to shareholders		-	-	-	-	-	(630,034,078)	(630,034,078)
Share of interests in associates in proportion to the shareholding	4(35)	-	5,383,623	-	-	-	-	5,383,623
Transfer within shareholders' equity								
Transfer from other comprehensive income to retained earnings		-	-	(375,652)	-	-	375,652	-
Others		-	-	-	-	-	676,348	676,348
Balance at 31 December 2021		<u>5,250,283,986</u>	<u>4,834,039,575</u>	<u>1,764,421,309</u>	<u>-</u>	<u>8,903,515,135</u>	<u>6,585,377,384</u>	<u>27,337,637,389</u>

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

Legal representative:
Zheng Yunpeng

Principal in charge of accounting:
Liu Wei

Head of accounting department:
Meng Fei

GUANGDONG ELECTRIC POWER DEVELOPMENT CO., LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

(All amounts in RMB Yuan unless otherwise stated)
[English translation for reference only]

1 General information

Guangdong Electric Power Development Co., Ltd. (“the Company”) is a limited liability company jointly established by Guangdong Electric Power Holding Company, China Construction Bank, Guangdong Province Trust Investment Company, Guangdong Power Development Co., Ltd., Guangdong International Trust and China Guangfa Bank (currently named as Guangdong Guangkong Group Co., Ltd.). The address of the Company’s registered office and head office is F33~F36 South Tower Building of Yudean Square on 2nd Tianhe East Road, Guangzhou, Guangdong Province, the People’s Republic of China (“the PRC”). The Company’s parent company is Guangdong Energy Group Co., Ltd. (“GEGC”) and its ultimate controlling shareholder is the State-owned Assets Supervision and Administration Commission of the People’s Government of Guangdong Province.

The Company’s RMB ordinary shares (“A-share”) and domestic listed foreign shares (“B-share”) issued were listed for transactions in Shenzhen Stock Exchange respectively on 26 November 1993 and 28 June 1995. As at 31 December 2022, the total share capital of the Company was RMB 5,250,283,986 with face value of RMB 1 per share.

The Company and its subsidiaries (collectively referred to as “the Group”) are principally engaged in the businesses of developing and operating electric power projects in Guangdong Province, Yunnan Province, Xinjiang Uygur Autonomous Region, Hunan Province and Guangxi Zhuang Autonomous Region of the PRC. For the information of the Company’s major subsidiaries included in the consolidation scope in the current year, please refer to Note 6(1).

These financial statements were authorised for issue by the Company’s Board of Directors on 30 March 2023.

2 Summary of significant accounting policies and accounting estimates

The Group determines specific accounting policies and accounting estimates based on the characteristics of production and operation, which are mainly reflected in the measurement of expected credit losses (“ECL”) of receivables and contract assets (Note 2(9)), costing of inventory (Note 2(10)), investment properties, depreciation of fixed asset and right-of-use assets and amortisation of intangible assets (Notes 2(12), 2(13), 2(25) and 2(16)), impairment of long-term assets (Note 2(18)), timing of revenue recognition (Note 2(22)), deferred tax assets and deferred tax liabilities (Note 2(24)), etc.

Details of the Group’s critical judgements, critical accounting estimates and key assumptions used in determining significant accounting policies are set forth in Note 2(29).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

(All amounts in RMB Yuan unless otherwise stated)
[English translation for reference only]

2 Summary of significant accounting policies and accounting estimates (Cont'd)

(1) Basis of preparation

The financial statements are prepared in accordance with the *Accounting Standard for Business Enterprises - Basic Standard*, and the specific accounting standards and other relevant regulations issued by the Ministry of Finance on 15 February 2006 and in subsequent periods (hereinafter collectively referred to as “the Accounting Standards for Business Enterprises” or “CAS”) and the disclosure requirements in the *Preparation Convention of Information Disclosure by Companies Offering Securities to the Public No.15 – General Rules on Financial Reporting* issued by the China Securities Regulatory Commission (“the CSRC”).

As at 31 December 2022, the Group’s net current liabilities amounted to RMB 16,192 million, capital commitments amounted to RMB 27,199 million, among which the amount expected to be settled within one year was RMB 14,199 million. Therefore, the Group is to some extent exposed to liquidity risk. The reasons for net current liabilities were that a portion of the Group’s capital expenditure was backed by short-term borrowings and the significant rise of coal prices from 2021 to 2022.

In view of the above, the Board of Directors of the Company has carefully considered the Group’s future working capital, operating conditions and available financing sources when assessing the Group’s ability to continue as a going concern. The Group has formulated the following plans and measures to reduce pressure of working capital and improve its financial position:

- (i) The Group maintains good relations of long-term cooperation with financial institutions (including the Company’s associate Guangdong Energy Group Finance Co., Ltd. (“Energy Group Finance Company”) and Guangdong Energy Finance Leasing Company (“Energy Finance Leasing Company”)) in order to obtain sufficient financing credit lines. As at 31 December 2022, the Group’s available credit line and approved debt insurance from financial institutions amounted to approximately RMB 76,698 million, with RMB 26,823 million from Energy Group Finance Company, RMB 14,105 million from Energy Finance Leasing Company, RMB 24,770 million from other commercial banks, RMB 2,000 million of corporate debentures approved for issuance by the CSRC and RMB 9,000 million of quota of medium-term notes financing obtained after the registration in the Interbank Market in China. Among the Group’s available credit line from financial institutions, approximately RMB 3,016 million is due before 31 December 2023. In view of the Group’s business operation as well as good and long-term cooperative relationships with financial institutions, management expected the credit line due before 31 December 2023 could be renewed for another 12 months.
- (ii) The Group will actively seek more favourable long-term electricity price and will strive to effectively reduce coal procurement costs by giving full play to its advantages in scale. Management believes that based on the actual trend of coal and electricity prices as at the issue date of the financial statements and the expected gradual implementation of relevant national regulatory policies, the coal procurement situation is expected to improve to a certain extent and the Group’s cash flows from operating activities in 2023 are expected to improve significantly.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

(All amounts in RMB Yuan unless otherwise stated)
[English translation for reference only]

2 Summary of significant accounting policies and accounting estimates (Cont'd)

(1) Basis of preparation (Cont'd)

The Board of Directors of the Company has reviewed the Group's cash flow forecasting for 2023 prepared by management. The cash flow forecasting is based on management's judgements and assumptions regarding a number of future events and is subject to the successful completion of a series of plans and measures planned and being implemented by the Group, including: (1) The Group will continuously monitor the financial indicators of its subsidiaries and improve the operation and financing structure of its subsidiaries through various measures, including but not limited to providing financing support and capital injection, so that the subsidiaries within the Group can continue to meet the requirements of the borrowing agreements in foreseeable future; (2) the Group can continue to meet the conditions of existing bank financing and obtain necessary borrowing renewals and new borrowings, including financing from Energy Group Finance Company and Energy Finance Leasing Company, and it can successfully conduct external financing by issuing corporate debentures, medium-term notes, and ultra-short-term financing bonds when necessary; and (3) the Group will obtain more favourable long-term electricity price and effective adoption to lower fuel procurement costs so as to improve operating cash flows. Taking into full consideration of the above measures being implemented or planned by the Group, management believes that the Group can obtain sufficient funds to pay its operating expenses, capital commitment within one year and repay its matured debt obligations within the next 12 months from 31 December 2022. Therefore, management believes that it is appropriate to prepare these financial statements on a going concern basis.

(2) Statement of compliance with the Accounting Standards for Business Enterprises

The financial statements of the Group and the Company for the year ended 31 December 2022 are in compliance with the Accounting Standards for Business Enterprises, and truly and completely present the consolidated and the company's financial position of the Group and the Company as at 31 December 2022 and their financial performance, cash flows and other information for the year then ended.

(3) Accounting year

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

(4) Recording currency

The Company's recording currency is Renminbi (RMB).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

(All amounts in RMB Yuan unless otherwise stated)
[English translation for reference only]

2 Summary of significant accounting policies and accounting estimates (Cont'd)

(5) Business combinations

(a) Business combinations involving enterprises under common control

The consideration paid and net assets obtained by the Group in a business combination are measured at the carrying amount. If the acquiree is acquired from a third party by the ultimate controlling party in a prior year, the consideration paid and net assets obtained by the Group are measured based on the carrying amounts of the acquiree's assets and liabilities (including the goodwill arising from the acquisition of the acquiree by the ultimate controlling party) presented in the consolidated financial statements of the ultimate controlling party. The difference between the carrying amount of the net assets obtained from the combination and the carrying amount of the consideration paid for the combination is treated as an adjustment to capital surplus (share premium). If the capital surplus (share premium) is not sufficient to absorb the difference, the remaining balance is adjusted against retained earnings. Costs directly attributable to the combination are included in profit or loss in the period in which they are incurred. Transaction costs associated with the issue of equity or debt securities for the business combination are included in the initially recognised amounts of the equity or debt securities.

(b) Business combinations involving enterprises not under common control

For business combinations involving enterprises not under common control, the Group adopts concentration test to judge whether the acquired production and operation activities or asset groups constitute a business. If the concentration test is passed, the Group conducts accounting treatment according to the relevant asset purchase principle; if the concentration test fails, the Group will further judge whether it constitutes a business based on whether the relevant groups obtained in the merger have at least one input and one substantive processing process, and the combination of the two has a significant contribution to the output capacity.

The cost of combination and identifiable net assets obtained by the Group in a business combination are measured at fair value at the acquisition date. Where the cost of the combination exceeds the Group's interest in the fair value of the acquiree's identifiable net assets, the difference is recognised as goodwill; where the cost of combination is lower than the Group's interest in the fair value of the acquiree's identifiable net assets, the difference is recognised in profit or loss for the current period. Costs directly attributable to the combination are included in profit or loss in the period in which they are incurred. Transaction costs associated with the issue of equity or debt securities for the business combination are included in the initially recognised amounts of the equity or debt securities.

(6) Preparation of consolidated financial statements

The consolidated financial statements comprise the financial statements of the Company and all of its subsidiaries.

Subsidiaries are consolidated from the date on which the Group obtains control and are de-consolidated from the date that such control ceases. For a subsidiary that is acquired in a business combination involving enterprises under common control, it is included in the consolidated financial statements from the date when it, together with the Company, comes under common control of the ultimate controlling party. The portion of the net profit realised before the combination date is presented separately in the consolidated income statement.

In preparing the consolidated financial statements, where the accounting policies and the accounting periods of the Company and subsidiaries are inconsistent, the financial statements of the subsidiaries are adjusted in accordance with the accounting policies and the accounting period of the Company. For subsidiaries acquired from business combinations involving enterprises not under common control, the individual financial statements of the subsidiaries are adjusted based on the fair value of the identifiable net assets at the acquisition date.

GUANGDONG ELECTRIC POWER DEVELOPMENT CO., LTD.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

(All amounts in RMB Yuan unless otherwise stated)
[English translation for reference only]

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

(All amounts in RMB Yuan unless otherwise stated)
[English translation for reference only]

2 Summary of significant accounting policies and accounting estimates (Cont'd)

(6) Preparation of consolidated financial statements (Cont'd)

All significant intra-group balances, transactions and unrealised profits are eliminated in the consolidated financial statements. The portion of subsidiaries' shareholders' equity and the portion of subsidiaries' net profits and losses and comprehensive incomes for the period not attributable to the Company are recognised as minority interests, net profit or loss attributable to minority interests and total comprehensive income attributable to minority interests, and presented separately in the consolidated financial statements under shareholders' equity, net profit and total comprehensive income respectively. When the amount of loss for the current 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 is allocated against the balance of minority interests. Unrealised profits and losses resulting from the sale of assets by the Company to its subsidiaries are fully eliminated against net profit attributable to owners of the parent. Unrealised profits and losses resulting from the sale of assets by a subsidiary to the Company are eliminated and allocated between net profit attributable to owners of the parent and net profit attributable to minority interests in accordance with the allocation proportion of the parent in the subsidiary. Unrealised profits and losses resulting from the sale of assets by one subsidiary to another are eliminated and allocated between net profit attributable to owners of the parent and net profit attributable to minority interests in accordance with the allocation proportion of the parent in the subsidiary.

If the accounting treatment of a transaction is inconsistent in the financial statements at the Group level and at the Company or its subsidiary level, adjustment will be made from the perspective of the Group.

(7) Cash and cash equivalents

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

(8) Foreign currency translation

Foreign currency transactions are translated into RMB using the exchange rates prevailing at the dates of the transactions.

At the balance sheet date, monetary items denominated in foreign currencies are translated into RMB using the spot exchange rates on the balance sheet date. Exchange differences arising from these translations are recognised in profit or loss for the current period, except for those attributable to foreign currency borrowings that have been taken out specifically for acquisition or construction of qualifying assets, which are capitalised as part of the cost of those assets. Non-monetary items denominated in foreign currencies that are measured at historical costs are translated at the balance sheet date using the spot exchange rates at the date of the transactions. The effect of exchange rate changes on cash is presented separately in the cash flow statement.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

(All amounts in RMB Yuan unless otherwise stated)
[English translation for reference only]

2 Summary of significant accounting policies and accounting estimates (Cont'd)

(9) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. A financial asset or a financial liability is recognised when the Group becomes a party to the contractual provisions of the instrument.

(a) Financial assets

(i) Classification and measurement

Based on the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets, financial assets are classified as: (1) financial assets at amortised cost; (2) financial assets at fair value through other comprehensive income; (3) financial assets at fair value through profit or loss.

At initial recognition, the financial assets are measured at fair value. Transaction costs that are incremental and directly attributable to the acquisition of the financial assets are included in the initially recognised amounts, except for the financial assets at fair value through profit or loss, the related transaction costs of which are expensed in profit or loss for the current period. Accounts receivables arising from sale of products or rendering of services (excluding or without regard to significant financing components) are initially recognised at the consideration that is entitled to be received by the Group as expected.

Debt instruments

The debt instruments held by the Group refer to the instruments that meet the definition of financial liabilities from the perspective of the issuer, and are measured in the following categories:

Measured at amortised cost:

The objective of the Group's business model is to hold the financial assets to collect the contractual cash flows, and the contractual cash flow characteristics are consistent with a basic lending arrangement, which gives rise on specified dates to the contractual cash flows that are solely payments of principal and interest on the principal amount outstanding. The interest income of such financial assets is recognised using the effective interest method. Such financial assets mainly comprise cash at bank and on hand, notes receivables, accounts receivables, other receivables, and long-term receivables, etc. Long-term receivables that are due within one year (inclusive) as from the balance sheet date are included in the current portion of non-current assets.

Equity instruments

Investments in equity instruments, over which the Group has no control, joint control or significant influence, are measured at fair value through profit or loss under financial assets held for trading.

In addition, at initial recognition, a portion of certain investments in equity instruments not held for trading are designated as financial assets at fair value through other comprehensive income under other investments in equity instruments. The relevant dividend income of such financial assets is recognised in profit or loss for the current period.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

(All amounts in RMB Yuan unless otherwise stated)
[English translation for reference only]

2 Summary of significant accounting policies and accounting estimates (Cont'd)

(9) Financial instruments (Cont'd)

(a) Financial assets (Cont'd)

(ii) Impairment

The Group recognises the loss provision on the basis of the ECL for financial assets and contract assets measured at amortised cost.

Giving consideration to reasonable and supportable information that is available without undue cost or effort at the balance sheet date on past events, current conditions and forecasts of future economic conditions weighted by the probability of default, the Group recognises the ECL as the probability-weighted amount of the present value of the difference between the cash flows receivable from the contract and the cash flows expected to collect.

For accounts receivables and contract assets arising from sale of goods and rendering of services in the ordinary course of operating activities, the Group recognises the lifetime ECL regardless of whether there exists a significant financing component.

Except for the above accounts receivables and contract assets, at each balance sheet date, the ECL of financial instruments at different stages is measured respectively. 12-month ECL is recognised for financial instruments in Stage 1 which don't have a significant increase in credit risk since initial recognition; lifetime ECL is recognised for financial instruments in Stage 2 which have had a significant increase in credit risk since initial recognition but are not deemed to be credit-impaired; and lifetime ECL is recognised for financial instruments in Stage 3 that are credit-impaired.

For the financial instruments with low credit risk as at the balance sheet date, the Group assumes there is no significant increase in credit risk since initial recognition. The Group determines them as the financial instruments in Stage 1 and recognises the 12-month ECL.

For the financial instruments in Stage 1 and Stage 2, the interest income is calculated by applying the effective interest rate to the book balance (before net of ECL provision). For the financial instrument in Stage 3, the interest income is calculated by applying the effective interest rate to the amortised cost (net of ECL provision).

In case the ECL of an individually assessed financial asset cannot be evaluated with reasonable cost, the Group classifies the receivables into certain groups on the basis of shared risk characteristics, and calculates the ECL for each group respectively. Basis for determining groups and method for provision are as follows:

GUANGDONG ELECTRIC POWER DEVELOPMENT CO., LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

(All amounts in RMB Yuan unless otherwise stated)
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2 Summary of significant accounting policies and accounting estimates (Cont'd)

(9) Financial instruments (Cont'd)

(a) Financial assets (Cont'd)

(ii) Impairment (Cont'd)

Group 1 of notes receivables	Notes receivables
Group 1 of accounts receivables	Receivables from sale of electricity
Group 2 of accounts receivables	Receivables from related parties
Group 3 of accounts receivables	Receivables from sale of steam and others
Group 1 of contract assets	Receivables from related parties
Group 2 of contract assets	Other contract assets
Group 1 of other receivables	Receivables from business units, reserves receivable and other receivables

For accounts receivables that are classified into groups, the Group prepares a comparison table of the overdue days of receivables and the lifetime ECL rate, and calculates ECL with reference to the historical credit loss experience, the current situation and the forecast of future economic conditions. For other receivables that are classified into groups, the Group calculates the ECL with reference to historical credit loss experience, current conditions and forecasts of future economic conditions, and based on the exposure at default and the 12-month or lifetime ECL rates.

The Group recognises the loss provision made or reversed into profit or loss for the current period.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

(All amounts in RMB Yuan unless otherwise stated)
[English translation for reference only]

2 Summary of significant accounting policies and accounting estimates (Cont'd)

(9) Financial instruments (Cont'd)

(a) Financial assets (Cont'd)

(iii) Derecognition

A financial asset is derecognised when one of the following criteria is satisfied: (i) the contractual rights to receive the cash flows from the financial asset are expired, (ii) the financial asset has been transferred and the Group transfers substantially all the risks and rewards of ownership of the financial asset to the transferee, or (iii) the financial asset has been transferred and the Group has not retained control of the financial asset, although the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset.

When a financial asset is derecognised, the difference between the carrying amount and the consideration received as well as the cumulative changes in fair value that are previously recognised directly in other comprehensive income is recognised in profit or loss for the current period, except for those measured at fair value through other comprehensive income, the difference aforementioned is recognised in retained earnings instead.

(b) Financial liabilities

Financial liabilities are classified as financial liabilities at amortised cost and financial liabilities at fair value through profit or loss at initial recognition.

Financial liabilities of the Group mainly comprise financial liabilities at amortised cost, including notes payables, accounts payables, other payables, borrowings and debentures payable, etc. Such financial liabilities are initially recognised at fair value, net of transaction costs incurred, and subsequently measured using the effective interest method. Financial liabilities with maturities of no more than one year (inclusive) are presented as current liabilities, and those with maturities of over one year but due within one year (inclusive) as from the balance sheet date are presented as current portion of non-current liabilities; and others are presented as non-current liabilities.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

(All amounts in RMB Yuan unless otherwise stated)
[English translation for reference only]

2 Summary of significant accounting policies and accounting estimates (Cont'd)

(9) Financial instruments (Cont'd)

(b) Financial liabilities (Cont'd)

A financial liability is derecognised or partly derecognised when the underlying present obligation is discharged or partly discharged. The difference between the carrying amount of the derecognised part of the financial liability and the consideration paid is recognised in profit or loss for the current period.

(c) Determination of fair value of financial instruments

The fair value of a financial instrument that is traded in an active market is determined at the quoted price in the active market. The fair value of a financial instrument that is not traded in an active market is determined by using a valuation technique. In valuation, the Group adopts valuation techniques applicable in the current situation and supported by adequate available data and other information, selects inputs with the same characteristics as those of assets or liabilities considered in relevant transactions of assets or liabilities by market participants, and gives priority to the use of relevant observable inputs. When relevant observable inputs are not available or feasible, unobservable inputs are adopted.

(10) Inventories

(a) Classification

Inventories mainly comprise fuel and spare parts, and are measured at the lower of cost and net realisable value.

(b) Valuation of inventories

Cost of fuel is calculated using the weighted average method. Spare parts are amortised in full amount when issued for use.

(c) Basis for determining net realisable values of inventories and method for making provision for decline in the value of inventories

Provision for decline in the value of inventories is determined at the excess amount of the carrying amount of the inventories over their net realisable value. Net realisable value is determined based on the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale and related taxes.

(d) The Group adopts the perpetual inventory system.

(e) Amortisation methods of low-value consumables

Low value consumables are amortised in full amount.

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2 Summary of significant accounting policies and accounting estimates (Cont'd)

(11) Long-term equity investments

Long-term equity investments comprise the Company's long-term equity investments in its subsidiaries, and the Group's long-term equity investments in its joint ventures and associates.

Subsidiaries are the investees over which the Company is able to exercise control. A joint venture is a joint arrangement which is structured through a separate vehicle over which the Group has joint control together with other parties and only has rights to the net assets of the arrangement based on legal forms, contractual terms and other facts and circumstances. An associate is an investee over which the Group has significant influence on its financial and operating policy decisions.

Investments in subsidiaries are presented in the Company's financial statements using the cost method, and are adjusted to the equity method when preparing the consolidated financial statements. Investments in joint ventures and associates are accounted for using the equity method.

(a) Determination of investment cost

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

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

(b) Subsequent measurement and recognition of profit or loss

Long-term equity investments accounted for using the cost method are measured at initial investment cost. Cash dividend or profit distribution declared by the investees is recognised as investment income in profit or loss for the current period.

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

For long-term equity investments accounted for using the equity method, the Group recognises the investment income according to its share of net profit or loss of the investee. The Group does not recognise further losses when the carrying amount of the long-term equity investment together with any long-term interests that, in substance, form part of the Group's net investment in the investee is reduced to zero. However, if the Group has obligations for additional losses and the criteria with respect to recognition of provisions are satisfied, the Group continues recognising the investment losses and the provisions at the amount it expects to undertake. The Group's share of changes in the investee's owners' equity other than those arising from the net profit or loss, other comprehensive income and profit distribution is recognised in capital surplus with a corresponding adjustment to the carrying amount of the long-term equity investment. The carrying amount of the investment is reduced by the Group's share of the profit distribution or cash dividends declared by the investee. Unrealised gains or losses on transactions between the Group and its investees are eliminated to the extent of the Group's equity interest in the investees, based on which the investment income or losses are recognised. Any losses resulting from transactions between the Group and its investees, which are attributable to asset

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impairment losses are not eliminated.

2 Summary of significant accounting policies and accounting estimates (Cont'd)

(11) Long-term equity investments (Cont'd)

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

Control is the power over investees that can bring variable returns through involvement in related activities of investees and the ability to influence the returns by using such power over investees.

Joint control is the agreed sharing of control over an arrangement, and the decision of activities relating to such arrangement requires the unanimous consent of the Group and other parties sharing control.

Significant influence is the power to participate in making the decisions on financial and operating policies of the investee, but is not control or joint control over making those policies.

(d) Impairment of long-term equity investments

The carrying amounts of long-term equity investments in subsidiaries, joint ventures and associates are reduced to the recoverable amounts when the recoverable amounts are below their carrying amounts (Note 2(18)).

(12) Investment properties

Investment properties, including land use rights that have already been leased out and buildings that are held for the purpose of leasing, are measured initially at cost. Subsequent expenditures incurred in relation to an investment property are included in the cost of the investment property when it is probable that the associated economic benefits will flow to the Group and their costs can be reliably measured; otherwise, the expenditures are recognised in profit or loss for the period in which they are incurred.

The Group adopts the cost model for subsequent measurement of investment properties. Buildings and land use rights are depreciated or amortised to their estimated net residual values over their estimated useful lives. The estimated useful lives, the net residual values that are expressed as a percentage of cost and the annual depreciation (amortisation) rates of investment properties are as follows:

	Estimated useful lives	Estimated net residual values	Annual depreciation (amortisation) rates
Buildings	20 to 40 years	0% to 5%	2.38% to 4.75%
Land use rights	60 years	0%	1.67%

The investment property's estimated useful life, estimated net residual value and depreciation (amortisation) method applied are reviewed and adjusted as appropriate at each year-end.

When an investment property is transferred to owner-occupied property, it is reclassified to fixed asset and intangible assets with the carrying amounts determined at the carrying amounts of the investment property at the date of the transfer.

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2 Summary of significant accounting policies and accounting estimates (Cont'd)

(12) Investment properties (Cont'd)

An investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. The net amount of proceeds from sale, transfer, retirement or damage of an investment property after its carrying amount and related taxes and expenses is recognised in profit or loss for the current period.

The carrying amount of an investment property is reduced to the recoverable amount if the recoverable amount is below the carrying amount (Note 2(18)).

(13) Fixed assets

(a) Recognition and initial measurement of fixed assets

Fixed assets comprise buildings, power generation equipment, motor vehicles, and other equipment.

Fixed assets are recognised when it is probable that the related economic benefits will flow into the Group and the costs can be reliably measured. Fixed assets purchased or constructed by the Group are initially measured at cost at the time of acquisition. The fixed assets contributed by the State shareholders at the reorganisation of the Company into a corporation entity are recognised based on the evaluated amounts approved by the state-owned assets administration department.

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

(b) Depreciation methods for fixed assets

Except for fixed assets purchased using work safety funds (Note 2 (26)), other fixed assets are depreciated using the straight-line method to allocate the cost of the assets to their estimated net residual values over their estimated useful lives. For the fixed assets that have been provided for impairment loss, the related depreciation charge is prospectively determined based upon the adjusted carrying amounts over their remaining useful lives.

The estimated useful lives, the estimated net residual values expressed as a percentage of cost and the annual depreciation rates of fixed assets are as follows:

	Estimated useful lives	Estimated net residual values	Annual depreciation rates
Buildings	10 to 50 years	0% to 5%	1.90% to 9.50%
Power generation equipment	5 to 30 years	0% to 5%	3.17% to 20.00%
Motor vehicles	5 to 10 years	0% to 5%	9.50% to 20.00%
Other equipment	5 to 22 years	0% to 5%	4.32% to 20.00%

The estimated useful life and the estimated net residual value of a fixed asset and the depreciation method applied to the asset are reviewed, and adjusted as appropriate at each year-end.

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2 Summary of significant accounting policies and accounting estimates (Cont'd)

(13) Fixed assets (Cont'd)

(c) The carrying amounts of fixed assets are reduced to the recoverable amounts when the recoverable amounts are below their carrying amounts (Note 2(18)).

(d) Disposals of fixed assets

A fixed asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The amount of proceeds from disposals on sale, transfer, retirement or damage of a fixed asset net of its carrying amount and related taxes and expenses is recognised in profit or loss for the current period.

(14) Construction in progress

Construction in progress is measured at actual cost. Actual cost comprises construction costs, installation costs, borrowing costs that are eligible for capitalisation and other costs necessary to bring the construction in progress ready for its intended use. Construction in progress is transferred to fixed assets when the asset is ready for its intended use, and depreciation is charged starting from the following month. The carrying amount of construction in progress is reduced to the recoverable amount when the recoverable amount is below its carrying amount (Note 2(18)).

(15) Borrowing costs

The borrowing costs that are directly attributable to acquisition and construction of an asset that needs a substantially long period of time for its intended use commence to be capitalised and recorded as part of the cost of the asset when expenditures for the asset and borrowing costs have been incurred, and the activities relating to the acquisition and construction that are necessary to prepare the asset for its intended use have commenced. The capitalisation of borrowing costs ceases when the asset under acquisition or construction becomes ready for its intended use and the borrowing costs incurred thereafter are recognised in profit or loss for the current period. Capitalisation of borrowing costs is suspended during periods in which the acquisition or construction of an asset is interrupted abnormally and the interruption lasts for more than 3 months, until the acquisition or construction is resumed.

For special borrowings for the acquisition and construction of qualifying assets, the capitalised amount of the special borrowings is determined by the interest expenses incurred in the period less interest income of the unused borrowings deposited at bank or investment income from temporary investment.

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2 Summary of significant accounting policies and accounting estimates (Cont'd)

(15) Borrowing costs (Cont'd)

The capitalised amount of general borrowings intended to be used for the acquisition and construction of qualifying assets is determined by the weighted average of the excess of accumulated capital expenditure over capital expenditure of the special borrowings multiplied by the weighted average effective interest rate of the utilised general borrowings. The effective interest rate is the rate at which the future cash flows of the borrowings over the expected lifetime or a shorter applicable period are discounted into the initial recognised amount of the borrowings.

(16) Intangible assets

Intangible assets include land use rights, sea use rights and software, and are measured at cost. The intangible assets contributed by the state-owned shareholders upon the reorganisation of the Group into a corporation and favourable contract are recognised based on the evaluated amounts as approved by the state-owned assets administration department.

(a) Land use rights and sea use rights

Land use rights are amortised on the straight-line basis over their approved use period of 20 to 70 years. If the acquisition costs of the land use rights and the buildings located thereon cannot be reasonably allocated between the land use rights and the buildings, all of the acquisition costs are recognised as fixed assets. Allotted land with undetermined useful lives is not amortised.

Sea use rights are amortised on the straight-line basis over their approved use period of 25 to 50 years.

(b) Other intangible assets

Intangible assets other than land use rights and sea use rights are amortised on a straight-line-basis over the expected useful lives of 2 to 60 years.

(c) Periodical review of useful life and amortisation method

For an intangible asset with a finite useful life, review of its useful life and amortisation method is performed at each year-end, with adjustment made as appropriate.

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2 Summary of significant accounting policies and accounting estimates (Cont'd)

(16) Intangible assets (Cont'd)

(d) Research and development

The expenditure on an internal research and development project is classified into expenditure on the research phase and expenditure on the development phase based on its nature and whether there is material uncertainty that the research and development activities can form an intangible asset at the end of the project.

Expenditure on the research phase is recognised in profit or loss in the period in which it is incurred. Expenditure on the development phase is capitalised only if all of the following conditions are satisfied:

- management intends to complete the intangible asset, and use or sell it;
- it can be demonstrated how the intangible asset will generate economic benefits: products with the application of intangible assets or the intangible assets themselves can prove to have market value, intangible assets for internal use application can prove to be of usefulness;
- there are adequate technical, financial and other resources to complete the development and the ability to use or sell the intangible asset;
- it is technically feasible to complete the intangible asset so that it will be available for use or sale;
- the expenditure attributable to the intangible asset during its development phase can be reliably measured.

Other development expenditures that do not meet the conditions above are recognised in profit or loss in the period in which they are incurred. Development costs previously recognised as expenses are not recognised as an asset in a subsequent period. Capitalised expenditure on the development phase is presented as development costs in the balance sheet and transferred to intangible assets at the date that the asset is ready for its intended use.

(e) Impairment of intangible assets

The carrying amount of intangible assets is reduced to the recoverable amount when the recoverable amount is below the carrying amount (Note 2(18)).

(17) Long-term prepaid expenses

Long-term prepaid expenses include the expenditure for improvements to right-of-use assets, and other expenditures that have been incurred but should be recognised as expenses over more than one year in the current and subsequent periods. Long-term prepaid expenses are amortised on the straight-line basis over the expected beneficial period and are presented at actual expenditure net of accumulated amortisation.

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2 Summary of significant accounting policies and accounting estimates (Cont'd)

(18) Impairment of long-term assets

Fixed assets, construction in progress, right-of-use assets, intangible assets with finite useful lives, investment properties that are measured at cost and long-term equity investments in subsidiaries, joint ventures and associates are tested for impairment if there is any indication that the assets may be impaired at the balance sheet date. If the result of the impairment test indicates that the recoverable amount of an asset is less than its carrying amount, a provision for impairment and an impairment loss are recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount of an asset is the higher of the fair value less costs to sell and the present value of the future cash flows expected to be derived from it. Provision for asset impairment is determined and recognised on the individual asset basis. If it is not possible to estimate the recoverable amount of an individual asset, the recoverable amount of a group of assets to which the asset belongs is determined. A group of assets is the smallest group of assets that is able to generate independent cash inflows.

Goodwill that is separately presented in the financial statements is tested at least annually for impairment, irrespective of whether there is any indication that it may be impaired. In conducting the test, the carrying amount of goodwill is allocated to the related asset groups or groups of asset groups which are expected to benefit from the synergies of the business combination. If the result of the test indicates that the recoverable amount of an asset group or a group of asset groups, including the allocated goodwill, is lower than its carrying amount, the corresponding impairment loss is recognised. The impairment loss is first deducted from the carrying amount of goodwill that is allocated to the asset group or group of asset groups, and then deducted from the carrying amounts of other assets within the asset group or group of asset groups in proportion to the carrying amounts of assets other than goodwill.

Once the above asset impairment loss is recognised, it will not be reversed for the value recovered in the subsequent periods.

(19) Employee benefits

Employee benefits refer to all forms of consideration or compensation given by the Group in exchange for service rendered by employees or for termination of employment relationship, which include short-term employee benefits, post-employment benefits, termination benefits and other long-term employee benefits.

(a) Short-term employee benefits

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

(b) Post-employment benefits

The Group classifies post-employment benefit plans as either defined contribution plans or defined benefit plans. Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into a separate fund and will have no obligation to pay further contributions; and defined benefit plans are post-employment benefit plans other than defined contribution plans. During the reporting period, the Group's post-employment benefits mainly include basic pensions, unemployment insurance and supplementary pensions, and all of them belong to the defined contribution plans; non-planned expenses provided to retired employees fall

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under defined benefit plans.

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2 Summary of significant accounting policies and accounting estimates (Cont'd)

(19) Employee benefits (Cont'd)

(b) Post-employment benefits (Cont'd)

Basic pensions

The Group's employees participate in the basic pension plan set up and administered by local authorities of Ministry of Human Resource and Social Security. Monthly payments of premiums on the basic pensions are calculated according to the bases and percentage prescribed by the relevant local authorities. When employees retire, the relevant local authorities are obliged to pay the basic pensions to them.

Supplementary pensions

The Group purchases supplementary pensions for employees, and pays insurance premium according to the policies of the parent company, GEGC.

The amounts based on the above calculations are recognised as liabilities in the accounting period in which the service has been rendered by the employees, with a corresponding charge to the profit or loss for the current period or the cost of relevant assets.

Defined benefit plan

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

- service cost (including current service cost as well as gains and losses on curtailments and settlements);
- net interest expenses on net liabilities of the defined benefit plan (including interest expenses for obligations of the defined benefit plan); and
- Changes arising from remeasurement on net liabilities of defined benefit plans.

Service cost and net interest expenses on net liabilities of defined benefit plans are included in profit or loss for the current period. Changes arising from remeasurement on net liabilities of defined benefit plans (including actuarial gains or losses) are included in other comprehensive income.

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2 Summary of significant accounting policies and accounting estimates (Cont'd)

(19) Employee benefits (Cont'd)

(c) Termination benefits

The Group provides compensation for terminating the employment relationship with employees before the end of the employment contracts or as an offer to encourage employees to accept voluntary redundancy before the end of the employment contracts. The Group recognises a liability arising from compensation for termination of the employment relationship with employees, with a corresponding charge to profit or loss for the current period at the earlier of the following dates: 1) when the Group cannot unilaterally withdraw an employment termination plan or a curtailment proposal; 2) when the Group recognises costs or expenses for a restructuring that involves the payment of termination benefits.

Early retirement benefits

The Group offers early retirement benefits to those employees who accept early retirement arrangements. The early retirement benefits refer to the salaries and social security contributions to be paid to and for the employees who accept voluntary retirement before the normal retirement date prescribed by the State, as approved by the management. The Group pays early retirement benefits to those early retired employees from the early retirement date until the normal retirement date. The Group accounts for the early retirement benefits in accordance with the treatment for termination benefits, in which the salaries and social security contributions to be paid to and for the early retired employees from the off-duty date to the normal retirement date are recognised as liabilities with a corresponding charge to the profit or loss for the current period. The differences arising from the changes in the respective actuarial assumptions of the early retirement benefits and the adjustments of benefit standards are recognised in profit or loss in the period in which they occur.

The termination benefits expected to be settled within one year since the balance sheet date are classified as employee benefits payable.

(20) Dividend distribution

Cash dividends are recognised as liabilities in the period in which the dividends are approved by the shareholders' meeting.

(21) Provisions

Provisions for product warranties are recognised when the Group has a present obligation, 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.

A provision is initially measured at the best estimate of the expenditure required to settle the related present obligation. Factors surrounding a contingency, such as the risks, uncertainties and the time value of money, are taken into account as a whole in reaching the best estimate of a provision. Where the effect of the time value of money is material, the best estimate is determined by discounting the related future cash outflows. The increase in the discounted amount of the provision arising from passage of time is recognised as interest expense.

The carrying amount of provisions is reviewed at each balance sheet date and adjusted to reflect the current best estimate.

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Loss provision for financial guarantee contracts which are recognised on the basis of ECL are presented as provisions.

The provisions expected to be settled within one year since the balance sheet date are classified as current liabilities.

2 Summary of significant accounting policies and accounting estimates (Cont'd)

(22) Revenue recognition

The Group recognises revenue at the amount of the consideration which the Group expects to be entitled to receive when the customer obtains control over relevant goods or services.

(a) Revenue from sale of electricity and heat energy

Revenue is recognised when electricity and heat energy are supplied to grid companies or customers, and they obtain control over electricity.

(b) Revenue from sale of by-products

Revenue from the sale of goods is recognised when the Group transfers by-products (such as coal ash) produced by electricity generations to the designated delivery place pursuant to the contract or agreement, the resource utilisation enterprise confirms receipt and obtains control over the by-products.

(c) Provision of electric power transaction service

For the electric power transaction service provided by the Group to external parties, upon the receipt of the service, revenue is recognised based on the difference between the purchase price and the selling price of electricity.

(d) Rendering of services

The Group provides maintenance services to external parties. The related revenue is recognised based on the stage of completion within a certain period, which is determined based on proportion of costs incurred to date to the estimated total costs. On the balance sheet date, the Group re-estimates the stage of completion to reflect the actual status of contract fulfilment.

When the Group recognises revenue based on the stage of completion, the amount with unconditional collection right obtained by the Group is recognised as accounts receivables, and the rest is recognised as contract assets. Meanwhile, loss provisions for accounts receivables and contract assets are recognised on the basis of ECL (Note 2(9)). If the contract price received or receivable exceeds the amount for the completed service, the excess portion will be recognised as contract liabilities. Contract assets and contract liabilities under the same contract are presented on a net basis.

Contract costs include contract fulfilment costs and contract acquisition costs. Costs incurred for provision of maintenance services are recognised as contract fulfilment costs, which is recognised as the cost of sale of main operations based on the stage of completion when recognising revenue.

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2 Summary of significant accounting policies and accounting estimates (Cont'd)

(23) Government grants

Government grants refer to the monetary or non-monetary assets obtained by the Group from the government, including tax return and financial subsidy, etc.

Government grants are recognised when the grants can be received and the Group can comply with all attached conditions. If a government grant is a monetary asset, it will be measured at the amount received or receivable. If a government grant is a non-monetary asset, it will be measured at its fair value. If it is unable to obtain its fair value reliably, it will be measured at its nominal amount.

Government grants related to assets refer to government grants which are obtained by the Group for the purposes of purchase, construction or acquisition of the long-term assets. Government grants related to income refer to the government grants other than those related to assets.

Government grants related to assets are recorded as deferred income and recognised in profit or loss on a reasonable and systemic basis over the useful lives of the assets.

Government grants related to daily operation that compensate future costs, expenses or losses are recorded as deferred income and recognised in profit or loss in reporting the related costs, expenses or losses; government grants related to income that compensate incurred costs, expenses or losses are recognised in profit or loss directly in the current period. For other government grants related to income that compensate the future costs, expenses or losses are recorded as deferred income and deducted against related costs in reporting the related costs, expenses or losses; government grants related to income that compensate the incurred costs, expenses or losses are deducted against related costs.

The Group applies the presentation method consistently to the similar government grants in the financial statements.

Government grants that are related to ordinary activities are included in operating profit, otherwise, they are recorded in non-operating income or expenses.

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2 Summary of significant accounting policies and accounting estimates (Cont'd)

(24) Deferred tax assets and deferred tax liabilities

Deferred tax assets and deferred tax liabilities are calculated and recognised based on the differences arising between the tax bases of assets and liabilities and their carrying amounts (temporary differences). Deferred tax asset is recognised for the deductible losses that can be carried forward to subsequent years for deduction of the taxable profit in accordance with the tax laws. No deferred tax liability is recognised for a temporary difference arising from the initial recognition of goodwill. No deferred tax asset or deferred tax liability is recognised for a temporary difference arising from the initial recognition of assets or liabilities due to a transaction other than a business combination, which affects neither accounting profit nor taxable profit (or deductible loss). At the balance sheet date, deferred tax assets and deferred tax liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled.

Deferred tax assets are only recognised for deductible temporary differences, deductible losses and tax credits to the extent that it is probable that taxable profit will be available in the future against which the deductible temporary differences, deductible losses and tax credits can be utilised.

Deferred tax liabilities are recognised for temporary differences arising from investments in subsidiaries, associates and joint ventures, except where the Group is able to control the timing of reversal of the temporary differences, and it is probable that the temporary differences will not be reversed in the foreseeable future. When it is probable that the temporary differences arising from investments in subsidiaries, associates and joint ventures will be reversed in the foreseeable future and that the taxable profit will be available in the future against which the temporary differences can be utilised, the corresponding deferred tax assets are recognised.

Deferred tax assets and liabilities are offset when:

- the deferred tax assets and liabilities are related to the same taxpayer within the Group and the same taxation authority; and,
- that taxpayer within the Group has a legally enforceable right to offset current tax assets against current tax liabilities.

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2 Summary of significant accounting policies and accounting estimates (Cont'd)

(25) Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as the lessee

At the lease commencement date, the Group recognises the right-of-use asset and measures the lease liability at the present value of the lease payments that are not paid at that date. Lease payments include fixed payments, the exercise price of a purchase option or termination penalty if the lessee is reasonably certain to exercise that option etc. Variable lease payments in proportion to sales are excluded from lease payments and recognised in profit or loss as incurred. Lease liabilities that are due within one year (inclusive) as from the balance sheet date are included in the current portion of non-current liabilities.

Right-of-use assets of the Group comprise leased land use rights, buildings, machinery and equipment, motor vehicles, etc. Right-of-use assets are measured initially at cost which comprises the amount of the initial measurement of lease liabilities, any lease payments made at or before the commencement date and any initial direct costs, less any lease incentives received. If there is reasonable certainty that the Group will obtain ownership of the underlying asset by the end of the lease term, the asset is depreciated over its remaining useful life; otherwise, the asset is depreciated over the shorter of the lease term and its remaining useful life. The carrying amount of the right-of-use asset is reduced to the recoverable amount when the recoverable amount is below the carrying amount.

For short-term leases with a term of 12 months or less and leases of an individual asset (when new) of low value, the Group chooses to include the lease payments in the cost of the underlying assets or in the profit or loss for the current period on a straight-line basis over the lease term, instead of recognising right-of-use assets and lease liabilities.

The Group accounts for a lease modification as a separate lease if both: (1) the modification increases the scope of the lease by adding the right to use one or more underlying assets; (2) the consideration for the lease 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 contract.

For a lease modification that is not accounted for as a separate lease, the Group redetermines the lease term at the effective date of the lease modification, and remeasures the lease liability by discounting the revised lease payments using a revised discount rate, except that the contract changes directly resulting from situations prescribed by the Ministry of Finance that can be used the simplified method. For a lease modification which decreases the scope of the lease or shortens the lease term, the Group decreases the carrying amount of the right-of-use asset, and recognises in profit or loss any gain or loss relating to the partial or full termination of the lease. For other lease modifications which lead to the remeasurement of lease liabilities, the Group correspondingly adjusts the carrying amount of the right-of-use asset.

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2 Summary of significant accounting policies and accounting estimates (Cont'd)

(25) Leases (Cont'd)

The Group as the lessor

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. An operating lease is a lease other than a finance lease.

(a) Operating leases

Where the Group leases out self-owned buildings and land use rights under operating leases, rental income therefrom is recognised on a straight-line basis over the lease term. Variable rental that is linked to a certain percentage of sales is recognised in rental income as incurred.

For the rent concessions agreed on existing lease contracts, the Group applies the practical expedient to account for the concessions as variable lease payments and record the concessions in profit or loss during the waiving period when the Group selects the simplified method.

Except that the above contract changes prescribed by the Ministry of Finance that can be used the simplified method, for a lease modification, the Group accounts for it as a new lease from the effective date of the modification, and considers any lease payments received in advance and receivable relating to the lease before modification as receivables of the new lease.

(26) Work safety funds

Subsidiaries of the Group engaged in power generation business shall appropriate work safety funds based on the actual revenue in the previous year and at the following percentages:

- 3% for the proportion of revenue up to RMB 10 million in the previous year;
- 1.5% for the proportion of revenue between RMB 10 million and RMB 100 million in the previous year;
- 1% for the proportion of revenue between RMB 100 million and RMB 1,000 million in the previous year;
- 0.8% for the proportion of revenue between RMB 1,000 million and RMB 5,000 million in the previous year;
- 0.6% for the proportion of revenue between RMB 5,000 million and RMB 10,000 million in the previous year;
- 0.2% for the proportion of revenue exceeding RMB 10,000 million in the previous year.

Work safety funds are mainly used for the improvement, modification and maintenance of safety protection facilities, as well as safety production inspection, evaluation, consultation, standardised construction, etc. Work safety funds are recognised in profit or loss as the "Special reserve" item for the current period when appropriated. When using the special reserve, if the expenditures are expenses in nature, the expenses incurred are offset against the special reserve directly when incurred. If the expenditures are capital expenditures, when projects are completed and transferred to fixed assets, the special reserve should be offset against the cost of fixed assets, and a corresponding accumulated depreciation is recognised. Such fixed assets are not depreciated in subsequent periods.

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2 Summary of significant accounting policies and accounting estimates (Cont'd)

(27) Carbon emission use rights

Categorised as an Enterprise with High Emissions, the Group needs to fulfil its emission reduction obligations and recognise carbon emission related assets and expenditures per relevant regulations:

- (i) The present obligations incurred by the Group in fulfilling its emission reduction obligations are measured at the best estimate of the expenditure required and recognised as other payables and non-operating expenses.
- (ii) The Group purchases carbon emission allowances and recognises related carbon emission rights assets based on the cost paid or payable at the acquisition date, and the balance is included in other current assets; the Group makes no accounting treatment for carbon emission allowances purchased at nil consideration;
- (iii) The Group uses the purchased carbon emission allowances to fulfil its emission reduction obligations and recognises the book balance of the allowances used as a reduction of carbon emission rights assets; the Group makes no accounting treatment if it uses carbon emission allowances purchased at nil consideration to fulfil its obligations;
- (iv) The Group sells carbon emission allowances and recognises related non-operating income or non-operating expenses based on the difference between the amount received or receivable at the date of sale and the book balance of the allowances sold.

(28) Segment information

The Group identifies operating segments based on the internal organisation structure, management requirements and internal reporting system, and discloses segment information of reportable segments which is determined on the basis of operating segments.

An operating segment is a component of the Group that satisfies all of the following conditions: (a) the component is able to earn revenue and incur expenses from its ordinary activities; (b) whose operating results are regularly reviewed by the Group's management to make decisions about resources to be allocated to the segment and to assess its performance, and (c) for which the information on financial position, operating results and cash flows is available to the Group. Two or more operating segments that have similar economic characteristics and satisfy certain conditions can be aggregated into one single operating segment.

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2 Summary of significant accounting policies and accounting estimates (Cont'd)

(29) Critical accounting estimates and judgements

The Group continually evaluates the critical accounting estimates and key judgements applied based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical judgements in applying the accounting policies

(i) Classification of financial assets

Significant judgements made by the Group in the classification of financial assets include analysis on business models and contractual cash flow characteristics.

The Group determines the business model for financial asset management at the level of different groups, and factors to be considered include the methods of evaluation on financial asset performance and reporting of financial asset performance to key management personnel, risks affecting financial asset performance and management methods for such risks, the ways in which related business management personnel are remunerated, etc.

When assessing whether contractual cash flow characteristics of financial assets are consistent with basic lending arrangement, key judgements made by the Group include: the possibility of changes in timing or amount of the principal during the duration due to reasons such as early repayment; whether interest only include time value of money, credit risks, other basic lending risks and considerations for costs and profits. For example, whether the amount of prepayment only reflects the principal outstanding and the interest based on the principal outstanding, as well as the reasonable compensation due to the early termination of the contract.

(ii) Determination of significant increase in credit risk

When the Group classifies financial instruments into different stages, its criteria for significant increase in credit risk and credit-impaired are as follows:

Judgement of the Group for significant increase in credit risk is mainly based on whether one or more of the following indicators changed significantly: business environment of the debtor, internal and external credit rating, significant changes in actual or expected operating results, significant decrease in value of collateral or credit rate of guarantor, etc.

Judgement of the Group on the occurred credit impairment is mainly based on whether it meets one or more of the following conditions: the debtor is suffering significant financial difficulties, engaged in other debt restructuring, or it is probable that the debtor will enter bankruptcy, etc.

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2 Summary of significant accounting policies and accounting estimates (Cont'd)

(29) Critical accounting estimates and judgements (Cont'd)

(a) Critical judgements in applying the accounting policies (Cont'd)

(iii) Timing of revenue recognition

With regard to sale of electricity to grid companies, the Group supplies electricity to grid companies in accordance with the contract. Thereafter, the grid companies have the right to sell electricity and the discretion in pricing, and take the risks of any price fluctuation or loss of the products. The Group believes that the grid companies obtain control over electric power upon the receiving of the electric power. Therefore, revenue is recognised upon the receiving of the electric power of grid companies.

(b) Critical accounting estimates and key assumptions

The critical accounting estimates and key assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next accounting year are outlined below:

(i) Assessment on impairment of fixed assets

A fixed asset is tested for impairment by the Group if there is any indication that it may be impaired at the balance sheet date by calculating and comparing the recoverable amount of the fixed asset with its carrying amount to check the difference. If the result of the impairment test indicates that the recoverable amount of an asset is less than its carrying amount, a provision for impairment and an asset impairment loss are recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and the present value of the future cash flows expected to be derived from the asset. The determination of the recoverable amount involves accounting estimates.

When assessing whether the above assets are impaired, management mainly evaluates and analyses: (i) whether events affecting asset impairment occurred; (ii) whether the present value of expected cash flows arising from the continuing use or disposals of the asset is lower than its carrying amount; and (iii) whether the significant assumptions used in the calculation of the present value of the estimated cash flows are appropriate.

The calculation of the present value of future cash flows involves management's significant estimates and judgements, including the discount rate, the growth rate of the estimated on-grid electricity price, the growth rate of the estimated electricity sale and the variability rate of the estimated price of coal used in power generation. Changes in these assumptions may have material impact on the present value used in the impairment test, and cause impairment in the above-mentioned long-term assets of the Group.

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2 Summary of significant accounting policies and accounting estimates (Cont'd)

(29) Critical accounting estimates and judgements (Cont'd)

(b) Critical accounting estimates and key assumptions (Cont'd)

(ii) Measurement of ECL

The Group calculates ECL through exposure at default and ECL rates, and determines the ECL rates based on probability of default and loss given default. In determining the ECL rates, the Group uses data such as internal historical credit loss experience, etc., and adjusts historical data based on current conditions and forward-looking information.

When considering forward-looking information, the Group considered different macroeconomic scenarios. Significant macroeconomic assumptions and parameters related to the estimation of ECL include the risk of economic downturn, external market environment, technological environment, changes in customer conditions, Gross Domestic Product (“GDP”) and Consumer Price Index (“CPI”), etc. The Group regularly monitors and reviews assumptions and parameters related to the calculation of ECL.

(iii) Income taxes and deferred income taxes

The Group is subject to income taxes in numerous jurisdictions. There are some transactions and events for which the ultimate tax determination is uncertain during the ordinary course of business. Significant judgement is required from the Group in determining the provision for income tax in each of these jurisdictions. Where the final tax outcomes of these matters are different from the amounts that were initially recorded, such differences will impact the income tax and deferred income tax provisions in the period in which such determination is made.

As stated in Note 3(2), some subsidiaries of the Group are high-tech enterprises. The high-tech enterprise certificate is effective for three years. Upon expiration, application for high-tech enterprise identification should be submitted again to the relevant government authorities. Based on the historical experience of reassessment for high-tech enterprise upon expiration and the actual condition of the subsidiaries, the Group considers that the subsidiaries are able to obtain the qualification for high-tech enterprises in future years, and therefore a preferential tax rate of 15% is used to calculate the corresponding deferred income tax. If some subsidiaries cannot obtain the qualification for high-tech enterprise upon expiration, then the subsidiaries are subject to a statutory tax rate of 25% for the calculation of the income tax, which further influences the recognised deferred tax assets, deferred tax liabilities and income tax expenses.

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2 Summary of significant accounting policies and accounting estimates (Cont'd)

(29) Critical accounting estimates and judgements (Cont'd)

(b) Critical accounting estimates and key assumptions (Cont'd)

(iii) Income taxes and deferred income taxes (Cont'd)

A deferred tax asset is recognised for the carryforward of unused deductible losses to the extent that it is probable that future taxable profits will be available against which the deductible losses can be utilised. Future taxable profits include taxable profits that can be achieved through normal operations and the increase in taxable profits due to the reversal of taxable temporary differences arising from previous period in future period. The Group determines the future taxable profits based on the future financial forecast, which requires management's significant estimates and judgements, including the estimated electricity sale, estimated on-grid electricity price, the estimated price of coal used in power generation and other operating expenses. If there is any difference between the actual and the estimates, adjustment may be made to the carrying amount of deferred tax assets.

(30) Significant changes in accounting policies

The Ministry of Finance released the *Circular on Issuing Interpretation No. 15 of Accounting Standards for Business Enterprises* (Interpretation No. 15) in 2021 and *Q&A on Implementation of Accounting Standards for Business Enterprises* and other documents in 2022. The financial statements for the year ended 31 December 2022 have been prepared by the Group and the Company in accordance with the above circulars and Q&A. The revisions have no significant impacts on the financial statements of the Group and the Company except for the following.

(a) Fixed assets - Accounting treatment of sales proceeds before intended use

The Group and the Company applied the Interpretation No. 15 related to fixed assets - accounting treatment of sales proceeds before intended use from 1 January 2022. For the sale proceeds before intended use occurred between 1 January 2021 and the implementation date, the Group applied the amendments retrospectively, and the comparative financial statements of 2021 have been restated accordingly. The above changes in accounting policies have no impact on the balance sheet as of 1 January 2021.

The Company had no sale proceeds before intended use occurred between 1 January 2021 and the implementation date, and the above changes in accounting policies have no impact on the financial statements of the Company for the year ended 31 December 2021.

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2 Summary of significant accounting policies and accounting estimates (Cont'd)

(30) Significant changes in accounting policies (Cont'd)

(a) Fixed assets - Accounting treatment of sales proceeds before intended use (Cont'd)

(i)	The line items affected	The amounts affected 31 December 2021 The Group (positive numbers for debit and negative numbers for credit)	
<p>The Group's wind power plant projects were tested for its intended use in 2021. The Group recognised the sale proceeds and related cost incurred before intended use in revenue and cost of sale respectively, and adjusted construction in progress accordingly. The wind power plant projects became available for use in June 2021. For projects transferred to fixed assets in 2021, the Group adjusted fixed assets and charged depreciation expenses accordingly. The Group retrospectively amended investment income and long-term equity investments for associates' sale proceeds before intended use accounted for using the equity method. For equity dilution caused by minority shareholders' capital increase while preparing the production line for its intended use, the Group adjusted capital surplus accordingly based on retrospectively adjusted net assets.</p>	Long-term equity investments	1,941,486	
	Fixed assets	201,973,167	
	Construction in progress	75,964,697	
	Deferred tax assets	(58,247,231)	
	Capital surplus	18,476,872	
	Undistributed profits	(219,582,503)	
	Minority interests	(20,526,488)	
		<u>2021</u>	
	Revenue	(290,642,655)	
	Cost of sale	12,704,791	
	Investment income	(1,941,486)	
	Income tax expenses	58,247,231	

In addition to the above adjustments, the Group also reclassified the cash inflow and outflow derived from the proceeds before intended use of fixed assets from cash flows from investing activities to cash flows from operating activities in 2021, of which the cash received from sale of goods or rendering of services increased by RMB 162,478,679.

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3 Taxation

(1) The main categories and rates of taxes applicable to the Group are set out below:

Category	Tax base	Tax rate/levying rate
Value-added tax ("VAT") (a)	Taxable value-added amount (Tax payable is calculated using the taxable sale amount multiplied by the applicable tax rate less deductible input VAT of the current period)	5%, 6%, 9% and 13%
	Revenue from hydropower sales	3%
City maintenance and construction tax	Amount of VAT paid	5% to 7%
Educational surcharge	Amount of VAT paid	3%
Local educational surcharge	Amount of VAT paid	2%
Enterprise income tax	Taxable income	12.5%, 15%, 20% and 25%
Property tax	Real estate's rental income or the residual value from original value less the deducting proportion	12% and 1.2%
Environmental protection tax (b)	Calculated and paid based on the pollution equivalent values or the discharge of taxable pollutants multiplied by the applicable tax amounts	Calculated and paid based on the applicable tax amounts of different pollutants

(a) Pursuant to the *Announcement on Relevant Policies for Deepening the Value-added Tax Reform* (Cai Shui Haiguan [2019] No. 39) jointly issued by the Ministry of Finance, the State Taxation Administration and the General Administration of Customs and relevant regulations, the Group's revenue from sale of electricity, sale of by-products, maintenance and repair services, etc. and revenue arising from sale of heat energy is subject to VAT at the rate of 13% and 9% from 1 April 2019. The Group's revenue from entrusted loan business among companies and training service is subject to VAT at the rate of 6%. The operating leases of the real estates under simplified taxation method is subject to VAT at a rate of 5%.

Pursuant to *Notice on the Policy of Streamlining and Combination of Value-added Tax Levy Rates* jointly issued by the Ministry of Finance and the State Taxation Administration, revenue from sale of electricity generated from small hydropower units at the county level or below is subject to VAT at the rate of 3%. Three small hydropower plants of Lincang Yudean Energy Co., Ltd. ("Lincang Energy"), a subsidiary of the Group, are subject to VAT at the rate of 3%.

Pursuant to the provisions including the *Circular on Enterprise Income Tax Policy concerning Deductions for Equipment and Appliances* (Cai Shui [2018] No. 54) and the *Announcement on Extending the Implementation Period of Certain Preferential Tax Policies* (Cai Shui [2021] No. 6) issued by the State Taxation Administration, during the period from 1 January 2018 to 31 December 2023, the cost of equipment with the original cost less than RMB 5,000,000 newly purchased by Guangdong Yudean Power Sales Co., Ltd. ("Power Sales"), a subsidiary of the Group, can be fully deducted against taxable profit in the next month after the asset is put into use, instead of being depreciated annually for tax filing.

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3 Taxation (Cont'd)

- (1) The main categories and rates of taxes applicable to the Group are set out below (Cont'd):
- (b) According to the *Environmental Protection Tax Law of the People's Republic of China*, the Group has applied the environmental protection tax since 1 January 2018. The taxation objects include air pollutants, water pollutants, solid waste and noise. Taxation is based on the amount of pollutants' emissions.
- (2) Tax preference
- (a) Pursuant to the approval documents (Cai Shui [2008] No. 46 and Guo Shui Fa [2009] No. 80), the Company and several subsidiaries are approved to engage in wind power projects and photovoltaic projects since 1 January 2008 and are exempted from enterprise income tax in the first three years counting from the year when revenue from production and operations of those projects is recorded for the first time, and can enjoy half rate reduction in the following three years ("three-year exemptions and three-year halves").

Pursuant to the *Supplementary Notice on Issues Concerning the Preferential Enterprise Income Tax Policies for Public Infrastructure Projects* (Cai Shui [2014] No. 55), enterprises invest and operate public infrastructure projects in compliance with the *List of Public Infrastructure Projects Enjoying Enterprise Income Tax Preferential*, those which adopt one-off approval and are subject to construction in batches (such as terminals, berths, airport terminals, runways, sections, generator units, etc.) are subject to income tax calculated in units of each batch and enjoy the tax preferential policy of "three-year exemptions and three-year halves" when the following conditions are satisfied: (i) different batches are space-independent; (ii) each batch has its own revenue function; (iii) they are accounted for in units of each batch and are subject to income tax individually, while the period expenses are allocated rationally. In 2022, the Group's subsidiary Guangdong Yudean Qujie Wind Power Co., Ltd. ("Qujie Wind Power") and Guangdong Yudean Pingyuan Wind Power Co., Ltd. ("Pingyuan Wind Power") met the above conditions. Therefore, Qujie Youhao wind power project (the first time for which revenue from sale of power was posted was 2017), Qujie Wailuo offshore wind power project (Phase I) (the first time for which revenue from sale of power was posted was 2019), Qujie Wailuo offshore wind power project (Phase II) (the first time for which revenue from sale of power was posted was 2021) and Xinliao offshore wind power project (the first time for which profits were posted was 2021), Pingyuan maoping project (the first time for which revenue from sale of power was posted was 2020) and Pingyuan Sishui project (the first time for which revenue from sale of power was posted was 2021) of Qujie Wind Power System and Pingyuan Wind Power are entitled to the tax preferential policy of "three-year exemptions and three-year halves" respectively according to each wind power project.

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3 Taxation (Cont'd)

(2) Tax preference (Cont'd)

- (b) In 2020 and 2022, Zhanjiang Electric Co., Ltd. ("Zhanjiang Electric") and Guangdong Yudean Zhanjiang Biomass Power Generation Co., Ltd. ("Biomass Power Generation"), subsidiaries of the Group, were granted *High-tech Enterprise Certificate* (Certificate No. GR202044010003 and Certificate No. GR202244008597) by the Department of Science and Technology of Guangdong Province, Department of Finance of Guangdong Province and Guangdong Provincial Office of the State Taxation Bureau on 9 December 2020 and 22 December 2022 respectively. The certificates are valid for three years. Under Article 28 of the *Enterprise Income Tax Law of the People's Republic of China*, the enterprise income tax rate applicable to Zhanjiang Electric and Biomass Power Generation for the year of 2022 is 15%.
- (c) In accordance with regulations of the *Notice on Implementing the Inclusive Tax Deduction and Exemption Policies for Micro and Small Enterprises* (Cai Shui [2019] No. 13), *Announcement of the State Taxation Administration on Matters Concerning the Implementation of Preferential Income Tax Policies Supporting the Development of Small Low-Profit Enterprises and Individual Industrial and Commercial Households* (STA Announcement [2021] No. 8) and *Announcement on Further Implementing Preferential Income Tax Policies for Small and Micro Enterprises* ([2022] No. 13), for a small enterprise with low profits, for the part of the annual taxable income not exceeding RMB 1,000,000, the amount of taxable income is reduced to 12.5% of income and is subject to the enterprise income at the tax rate of 20%; for the part between RMB 1,000,000 and RMB 3,000,000, the amount of taxable income is reduced to 25% of income and is subject to the enterprise income at the tax rate of 20%. The aforementioned small low-profit enterprise engages in industries not restricted or prohibited by the state and concurrently meet the three conditions, that is, the annual taxable amount is not more than RMB 3,000,000, the number of its employees is not more than 300, and their total assets do not exceed RMB 50,000,000. In 2022, some of the Company's subsidiaries were entitled to the aforesaid preferential tax policy.
- (d) Pursuant to *Notice on Issues Concerning the Implementation of the Preferential Catalogue of Enterprise Income Tax for Integrated Utilisation of Resources* (Cai Shui [2008] No. 47), since 1 January 2008, enterprises use the resources listed in the *Preferential Catalogue of Enterprise Income Tax for Integrated Utilisation of Resources (2008 Edition)* as the main raw materials to produce products in the above catalogue that meet national or industry related standards, and the income from above products is reduced to 90% of the total income of the enterprises for the year. The Group's subsidiaries Zhanjiang Electric and Guangdong Huizhou Pinghai Power Plant Co., Ltd. ("Pinghai Power Plant") use coal ash to produce commercial coal ash, which meets the above-mentioned preferential tax conditions for integrated utilisation of resources. The Group's subsidiaries Zhanjiang Electric and Guangdong Huizhou Pinghai Power Plant Co., Ltd. ("Pinghai Power Plant") use coal ash to produce commercial coal ash, which meets the above-mentioned preferential tax conditions for integrated utilisation of resources. Therefore, in 2022, revenue from sale of coal ash from Zhanjiang Electric and Ping Hai Power Plant was reduced to 90% of the total income for the year.
- (e) Pursuant to the *Notice on Issuing the Catalogue of Value-Added Tax Preferences for Products and Labour Services Involving the Comprehensive Utilisation of Resources* (Cai Shui [2015] No. 78), VAT levied on self-produced products and services for comprehensive utilisation of resources will be refunded immediately, to which Biomass Power Generation's VAT after offsetting output VAT from revenue against input VAT from cost of sale from main operations is entitled to. Biomass Power Generation is a subsidiary mainly engaged in power generation using biomass materials.

In addition, 50% of VAT levied on the sale of electricity generated by Guangdong Yudean Shibeishan Wind Power Co., Ltd. ("Shibeishan Wind Power"), Guangdong Yudean Zhanjiang Wind Power Generation Co., Ltd. ("Zhanjiang Wind Power"), Guangdong Yudean Xuwen Wind Power Electricity Co., Ltd. ("Xuwen Wind Power"), Guangdong Yudean Dianbai Wind Power Co., Ltd. ("Dianbai Wind Power"), Huilai Wind Power Co., Ltd. ("Huilai Wind Power") and Guangdong Yueneng Wind Power Co., Ltd. ("Yueneng Wind Power") will be refunded immediately in accordance with the *Notice Concerning Value-added Tax Policies on Wind Power Generation* (Cai Shui [2015] No. 74).

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4 Notes to the consolidated financial statements

(1) Cash at bank and on hand

	31 December 2022	31 December 2021
Cash on hand	46,435	83,108
Cash at bank	2,705,136,812	1,554,213,074
Energy Group Finance Company (b)	8,777,022,027	6,514,354,377
- Deposits	8,728,625,253	6,468,820,757
- Interest receivable	36,396,774	39,533,620
- Other cash balances (c)	12,000,000	6,000,000
Other cash balances (c)	21,318,344	36,670,394
	<u>11,503,523,618</u>	<u>8,105,320,953</u>

(a) As at 31 December 2022, the Group had no offshore deposit (31 December 2021: Nil).

(b) Deposits with Energy Group Finance Company refer to the deposits placed in Energy Group Finance Company (Note 8(6)). Energy Group Finance Company is a financial institution established with the approval of the People's Bank of China. Both the Company and Energy Group Finance Company are controlled by GEGC.

(c) As at 31 December 2022, other cash balances of RMB 33,318,344 (31 December 2021: RMB 42,670,394) mainly represented deposits for ecological protection and performance guarantees, among which other cash balances placed in Energy Group Finance Company was RMB 12,000,000 (31 December 2021: RMB 6,000,000) (Note 8(6)).

(2) Accounts receivables

	31 December 2022	31 December 2021
Accounts receivables	7,579,203,103	7,030,948,863
Less: Provision for bad debts	(566,859)	(263,506)
	<u>7,578,636,244</u>	<u>7,030,685,357</u>

(a) The ageing of accounts receivables is analysed as follows:

	31 December 2022	31 December 2021
Within 1 year	6,943,600,556	6,602,371,992
1 to 2 years	364,750,508	306,931,561
2 to 3 years	243,473,499	119,940,421
Over 3 years	27,378,540	1,704,889
	<u>7,579,203,103</u>	<u>7,030,948,863</u>

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4 Notes to the consolidated financial statements (Cont'd)

(2) Accounts receivables (Cont'd)

- (b) As at 31 December 2022, the five largest accounts receivables aggregated by debtors are analysed as follows:

	Balance	Provision for bad debts	% of total balance
Total amount of the five largest accounts receivables	<u>7,436,142,873</u>	<u>-</u>	<u>98.11%</u>

(c) Provision for bad debts

For accounts receivables, the Group recognises the lifetime ECL regardless of whether there exists a significant financing component.

As at 31 December 2022, provision for bad debts made on a collective basis for accounts receivables is analysed as follows:

Group 1:

As at 31 December 2022, the Group's receivables from sale of electricity amounted to RMB 7,491,837,601 (31 December 2021: RMB 6,974,790,832), which mainly comprised receivables of RMB 7,357,403,891 from China Southern Power Grid Co., Ltd. and its subsidiaries (collectively referred to as "China Southern Power Grid") and RMB 134,433,710 from State Grid Corporation of China ("State Grid") and its subsidiaries. Considering the favourable credit history of China Southern Power Grid and State Grid, the Group held that there was no significant credit risk arising from receivables from sale of electricity. Since the possibility of material losses due to the default by China Southern Power Grid and State Grid was extremely low, the Group made no provision for the ECL of the receivables from sale of electricity (31 December 2021: Nil).

Group 2:

As at 31 December 2022, the Group's receivables from related parties amounted to RMB 39,546,687 (31 December 2021: RMB 32,237,080), and the historical loss rate was extremely low. Therefore, The Group held that there was no significant credit risk arising from receivables from related parties. Since the possibility of material losses due to the default by related parties was extremely low, the Group made no provision for the ECL for the receivables from related parties (31 December 2021: Nil).

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4 Notes to the consolidated financial statements (Cont'd)

(2) Accounts receivables (Cont'd)

(c) Provision for bad debts (Cont'd)

Group 3:

	31 December 2022			31 December 2021		
	Book balance	Provision for bad debts		Book balance	Provision for bad debts	
	Amount	Lifetime ECL rates	Amount	Amount	Lifetime ECL rates	Amount
Within 1 year	46,948,057	0.95%	(445,712)	23,836,136	0.97%	(231,175)
1 to 2 years	805,943	10.00%	(80,594)	35,568	10.00%	(3,557)
2 to 3 years	35,568	31.79%	(11,306)	29,247	30.00%	(8,774)
Over 3 years	29,247	100.00%	(29,247)	20,000	100.00%	(20,000)
	<u>47,818,815</u>		<u>(566,859)</u>	<u>23,920,951</u>		<u>(263,506)</u>

(d) As at 31 December 2022, the right to collect electric charges of the Group's certain subsidiaries, were pledged to banks to obtain long-term borrowings of RMB 6,052,250,122, including current portion of long-term borrowings of RMB 512,741,564 (31 December 2021: long-term borrowings of RMB 6,002,119,898, including current portion of long-term borrowings of RMB 386,056,214).

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4 Notes to the consolidated financial statements (Cont'd)

(3) Advances to suppliers

	31 December 2022	31 December 2021
Advances to suppliers	1,535,097,252	892,886,238
Less: Provision for impairment	(115,000)	(115,000)
	<u>1,534,982,252</u>	<u>892,771,238</u>

(a) The ageing of advances to suppliers is analysed as follows:

	31 December 2022		31 December 2021	
	Amount	% of total balance	Amount	% of total balance
Within 1 year	1,532,647,170	99.84%	890,361,044	99.72%
1 to 2 years	1,525,236	0.10%	1,256,263	0.14%
2 to 3 years	370,407	0.02%	563,276	0.06%
Over 3 years	554,439	0.04%	705,655	0.08%
	<u>1,535,097,252</u>	<u>100.00%</u>	<u>892,886,238</u>	<u>100.00%</u>

As at 31 December 2022, advances to suppliers with ageing over one year amounted to RMB 2,450,082 (31 December 2021: RMB 2,525,194), mainly including prepayments for spare parts and materials.

(b) Provision for impairment accrued in the current year

	2022	2021
Opening balance	(115,000)	(803,017)
Write-off in the current year	-	688,017
Reversal in the current year	-	-
Ending balance	<u>(115,000)</u>	<u>(115,000)</u>

(c) As at 31 December 2022, the five largest advances to suppliers aggregated by debtors are analysed as follows:

	Amount	% of total balance
Total amount of advances to five largest debtors	<u>1,420,215,456</u>	<u>92.52%</u>

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4 Notes to the consolidated financial statements (Cont'd)

(4) Other receivables

	31 December 2022	31 December 2021
Land withdrawal receivable	285,763,798	302,530,718
Current accounts receivables from related parties (Note 8(6))	258,446,096	1,740,236,196
Receivables from sale of by-products	142,602,487	95,418,898
Including: Receivables from related parties (Note 8(6))	131,141,189	76,772,719
Supplementary medical insurance fund receivable	102,914,387	98,784,664
Receivables from business units	75,047,046	118,932,979
Land deposits receivable	23,446,000	23,446,000
Compensation receivable for electricity charges during the demolition and construction period	7,099,200	15,824,336
Petty cash receivable	3,460,868	2,646,600
Others	71,308,102	69,403,144
	970,087,984	2,467,223,535
Less: Provision for bad debts	(35,303,832)	(37,747,977)
	934,784,152	2,429,475,558

(a) The ageing of other receivables is analysed as follows:

	31 December 2022	31 December 2021
Within 1 year	512,250,821	2,226,475,458
1 to 2 years	249,175,803	168,657,304
2 to 3 years	153,072,185	5,694,340
Over 3 years	55,589,175	66,396,433
	970,087,984	2,467,223,535

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4 Notes to the consolidated financial statements (Cont'd)

(4) Other receivables (Cont'd)

(b) Loss provision and changes in book balance

	Stage 1					Stage 3		Total
	12-month ECL (group)		12-month ECL (individual)		Sub-total	Lifetime ECL (credit impaired)		
	Book balance	Provision for bad debts	Book balance	Provision for bad debts	Provision for bad debts	Book balance	Provision for bad debts	
31 December 2021	135,587,452	(18,131,497)	2,312,019,603	-	(18,131,497)	19,616,480	(19,616,480)	(37,747,977)
Increase in the current year	80,560,005	(6,252,264)	4,129,723	-	(6,252,264)	-	-	(6,252,264)
Reversal in the current year	(60,565,705)	7,787,920	(1,520,351,085)	-	7,787,920	(330,827)	330,827	8,118,747
Write-off in the current year	(27,250)	27,250	-	-	27,250	(550,412)	550,412	577,662
Transfer to Stage 3	(2,926,022)	2,926,022	-	-	2,926,022	2,926,022	(2,926,022)	-
31 December 2022	152,628,480	(13,642,569)	795,798,241	-	(13,642,569)	21,661,263	(21,661,263)	(35,303,832)

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4 Notes to the consolidated financial statements (Cont'd)

(4) Other receivables (Cont'd)

(b) Loss provision and changes in book balance (Cont'd)

As at 31 December 2022 and 31 December 2021, the Group did not have other receivables at Stage 2. Other receivables at Stage 1 and Stage 3 are analysed as follows:

(i) As at 31 December 2022, other receivables for which the related provision for bad debts was provided on the individual basis are analysed as follows:

	Book balance	12-month ECL rates	Provision for bad debts	Reason
Stage 1				
Receivables from related parties	389,587,285	-	-	The counterparty is a related party, with a historical loss rate of 0% ; therefore, the risk of ECL is extremely low.
Land withdrawal receivable	271,989,298	-	-	The counterparty is a government unit and the risk of ECL is extremely low. The counterparty is Taikang Pension Co., Ltd. Guangdong Branch ("Taikang Pension"), which mainly provides custody services for the Group's supplementary medical insurance fund. The historical loss rate is 0%, and the risk of ECL is extremely low.
Supplementary medical insurance fund receivable	102,914,387	-	-	The counterparty is a government unit and the risk of ECL is extremely low.
Land deposits receivable	23,446,000	-	-	The counterparty is a government unit and the risk of ECL is extremely low.
Compensation receivable for electricity charges during the demolition and construction period	7,099,200	-	-	The demolition and construction project is initiated by the state-owned industrial park, which pays compensation expenses, and the risk of ECL is extremely low.
Others	<u>762,071</u>	-	-	The counterparty is a government unit, with a historical loss rate of 0%; therefore, the risk of ECL is extremely low.
	<u>795,798,241</u>		<u>-</u>	
Stage 3				
Receivables from business units	16,591,996	100%	(16,591,996)	Unrecoverable by estimation since the counterparty is financially difficult.
Others	<u>5,069,267</u>	100%	<u>(5,069,267)</u>	Unrecoverable by estimation since the counterparty is financially difficult.
	<u>21,661,263</u>		<u>(21,661,263)</u>	

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4 Notes to the consolidated financial statements (Cont'd)

(4) Other receivables (Cont'd)

(b) Loss provision and changes in book balance (Cont'd)

(i) As at 31 December 2021, other receivables for which the related provision for bad debts was provided on the individual basis are analysed as follows (Cont'd):

Stage 1	Book balance	12-month ECL rate	Provision for bad debts	Reason
Receivables from related parties	1,817,008,915	-	-	The counterparty is a related party, with a historical loss rate of 0% ; therefore, the risk of ECL is extremely low.
Land withdrawal receivable	288,756,218	-	-	The counterparty is a government unit and the risk of ECL is extremely low.
Supplementary medical insurance fund receivable	98,784,664	-	-	The counterparty is Taikang Pension, which mainly provides custody services for the Group's supplementary medical insurance fund. The historical loss rate is 0%, and the risk of ECL is extremely low.
Receivables from business units	58,920,000	-	-	The amount has the performance guarantee issued by bank with an extremely low risk of ECL.
Land deposits receivable	23,446,000	-	-	The counterparty is a government unit and the risk of ECL is extremely low.
Compensation receivable for electricity charges during the demolition and construction period	15,824,336	-	-	The demolition and construction project is initiated by the state-owned industrial park, which pays compensation expenses, and the risk of ECL is extremely low.
Others	9,279,470	-	-	The counterparty is a government unit, with a historical loss rate of 0%; therefore, the risk of ECL is extremely low.
	<u>2,312,019,603</u>		<u>-</u>	
	Book balance	Lifetime ECL rates	Provision for bad debts	Reason
Stage 3				
Receivables from business units	13,889,589	100%	(13,889,589)	Unrecoverable by estimation since the counterparty is financially difficult.
Others	5,726,891	100%	(5,726,891)	Unrecoverable by estimation since the counterparty is financially difficult.
	<u>19,616,480</u>		<u>(19,616,480)</u>	

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4 Notes to the consolidated financial statements (Cont'd)

(4) Other receivables (Cont'd)

(b) Loss provision and changes in book balance (Cont'd)

(ii) As at 31 December 2022 and 31 December 2021, other receivables for which the related provision for bad debts was provided on a collective basis are all within Stage 1, which are analysed as follows:

	31 December 2022		
	Book balance	Loss provision	
	Amount	Amount	Provision ratio
Group 1			
Within 1 year	77,606,733	(4,014,982)	5.17%
1 to 2 years	63,120,629	(1,263,279)	2.00%
2 to 3 years	2,357,477	(466,557)	19.79%
Over 3 years	9,543,641	(7,897,751)	61.40%
	<u>152,628,480</u>	<u>(13,642,569)</u>	<u>8.94%</u>

	31 December 2021		
	Book balance	Loss provision	
	Amount	Amount	Provision ratio
Group 1			
Within 1 year	112,414,194	(909,472)	0.81%
1 to 2 years	6,183,553	(807,222)	13.05%
2 to 3 years	860,422	(288,519)	33.53%
Over 3 years	16,129,283	(16,126,284)	99.98%
	<u>135,587,452</u>	<u>(18,131,497)</u>	<u>13.37%</u>

(c) The amount of provision for bad debts of other receivables in the current year was RMB 6,252,264 (2021: RMB 22,488,667), and the amount of reversed provision for bad debts of other receivables in the current year was RMB 8,118,747 (2021: RMB 692,002), with corresponding book balance of RMB 60,896,532 (2021: RMB 54,151,642).

The balance of other receivables that were written off in the current year was RMB 577,662, and the provision for bad debts was RMB 577,662.

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4 Notes to the consolidated financial statements (Cont'd)

(4) Other receivables (Cont'd)

(d) As at 31 December 2022, the five largest other receivables aggregated by debtors are analysed as follows:

	Nature	Balance	Ageing	% of total balance	Provision for bad debts
Energy Financial Leasing Company	Current accounts receivables from related parties	240,453,119	Within 2 years	24.79%	-
People's Government of Chengjiang Town, Meixian District, Meizhou City	Land withdrawal receivable	136,885,400	2 to 3 years	14.11%	-
Guangdong Yudean Environmental Protection Co., Ltd. ("Yudean Environmental")	Receivables from sale of by-products to related parties	131,141,189	Within 1 year	13.52%	-
People's Government of Yamen Town, Xinhui District, Jiangmen City	Land withdrawal receivable	109,094,018	1 to 2 years	11.25%	-
Taikang Pension	Supplementary medical insurance fund receivable	102,914,387	Within 5 years	10.61%	-
		<u>720,488,113</u>		<u>74.27%</u>	<u>-</u>

(5) Inventories

(a) Inventories are summarised by categories as follows:

	31 December 2022			31 December 2021		
	Book balance	Provision for decline in the value of inventories	Carrying amount	Book balance	Provision for decline in the value of inventories	Carrying amount
Fuel	2,451,751,083	-	2,451,751,083	2,189,710,739	-	2,189,710,739
Spare parts	930,548,565	(34,044,608)	896,503,957	817,710,542	(34,044,608)	783,665,934
Others	28,613,060	-	28,613,060	25,517,866	-	25,517,866
	<u>3,410,912,708</u>	<u>(34,044,608)</u>	<u>3,376,868,100</u>	<u>3,032,939,147</u>	<u>(34,044,608)</u>	<u>2,998,894,539</u>

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4 Notes to the consolidated financial statements (Cont'd)

(5) Inventories (Cont'd)

(b) Provision for decline in the value of inventories is analysed as follows:

	31 December 2021	Written off in the current year	31 December 2022
Spare parts	<u>(34,044,608)</u>	<u>-</u>	<u>(34,044,608)</u>

(c) Provision for decline in the value of inventories is as follows:

	Specific basis for determining net realisable value	Reason for write-off
Spare parts	The carrying amount is higher than the amount of net realisable value of the disposal proceeds less costs to sell	Nil

(6) Other current assets

	31 December 2022	31 December 2021
Input VAT to be deducted	822,610,159	1,238,295,329
Carbon emission rights assets (a)	35,890,568	295,315
Prepayment of income tax	15,213,902	174,867,263
Others	1,891,176	4,527,701
	<u>875,605,805</u>	<u>1,417,985,608</u>

(7) Long-term equity investments

	31 December 2022	31 December 2021 (Restated)
Joint ventures (a)	891,570,923	654,820,514
Associates (b)	8,423,629,394	7,536,476,456
	<u>9,315,200,317</u>	<u>8,191,296,970</u>
Less: Provision for impairment of long-term equity investments	<u>(117,147,134)</u>	<u>(117,147,134)</u>
	<u>9,198,053,183</u>	<u>8,074,149,836</u>

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4 Notes to the consolidated financial statements (Cont'd)

(7) Long-term equity investments (Cont'd)

(a) Joint ventures

	31 December 2021	Movements in the current year					31 December 2022	Ending balance of provision for impairment loss
		Increase in investments	Share of net profit/(loss) under equity method	Share of other comprehensive income	Cash dividends declared	Others		
Industry Fuel	645,470,514	-	64,928,489	-	-	-	710,399,003	-
China Aviation Shenxin Wind Power Co., Ltd. ("China Aviation Shenxin") (i)	-	174,328,518	-	-	-	-	174,328,518	-
Zhanjiang Yuexin Distributed Energy and Technique Co., Ltd. ("Yuexin Energy")	9,350,000	-	(2,506,598)	-	-	-	6,843,402	-
	<u>654,820,514</u>	<u>174,328,518</u>	<u>62,421,891</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>891,570,923</u>	<u>-</u>

Please refer to Note 6(2) for related information of interest in joint ventures.

- (i) On 29 December 2022, the Group's subsidiary Guangdong Wind Power Generation Co Ltd. ("Provincial Wind") acquired 51% equity of China Aviation Shenxin at a consideration of RMB 174,328,518, which was originally held by China Aviation Industry Renewable Energy Corporation ("Aviation Industry Renewable Energy"). As at 31 December 2022, the Group's subsidiary Provincial Wind held 51% equity of China Aviation Shenxin. According to the articles of association of China Aviation Shenxin, the resolution of the shareholders' meeting must be unanimously adopted by shareholders representing more than 2/3 of the voting rights. Therefore, China Aviation Shenxin is jointly controlled by the Group's subsidiary Provincial Wind and Inner Mongolia Electric Power Survey&Design Institute Co., Ltd., which holds 49% equity.

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4 Notes to the consolidated financial statements (Cont'd)

(7) Long-term equity investments (Cont'd)

(b) Associates

	31 December 2021 (Restated)	Movements in the current year						31 December 2022	Ending balance of provision for impairment loss
		Increase in investments	Decrease in investments	Share of net profit/(loss) under equity method	Share of other comprehensive income (Note 4(36))	Share of other changes in equity (ii)	Cash dividends or profits declared		
Shanxi Yudean Energy Co., Ltd. ("Shanxi Yudean Energy") (i)	2,363,177,253	130,000,000	-	526,175,689	-	-	-	3,019,352,942	-
Guangdong Guohua Yudean Taishan Electric Co., Ltd. ("Taishan Electric")	1,784,468,086	-	-	116,886,446	-	-	-	1,901,354,532	-
Energy Group Finance Company	1,666,774,664	-	-	151,630,673	9,938,693	-	(123,894,709)	1,704,449,321	-
Energy Financial Leasing Company	532,306,787	-	-	23,242,646	-	-	(18,292,179)	537,257,254	-
GEG Property&Casualty Captive Insurance Co., Ltd. ("GEG Property Insurance")	276,532,777	-	-	11,597,609	-	-	(2,426,770)	285,703,616	-
Guangdong Yudean Shipping Co., Ltd. ("Yudean Shipping")	247,954,895	-	-	26,726,321	1,855,914	636,197	-	277,173,327	-
Guizhou Yueqian Power Co., Ltd. ("Yueqian Power")	161,325,870	-	-	70,648,616	-	-	-	231,974,486	-
South Sea Wind Electricity Development Co., Ltd. ("South Sea Wind Electricity")	169,753,693	-	-	25,405,459	-	-	(102,550)	195,056,602	-
Yunnan Energy Investment Weixin Co., Ltd. ("Weixin Yuntou")	138,810,051	-	-	(52,510,020)	-	-	-	86,300,031	(96,327,854)
Sub-total for next page	<u>7,341,104,076</u>	<u>130,000,000</u>	<u>-</u>	<u>899,803,439</u>	<u>11,794,607</u>	<u>636,197</u>	<u>(144,716,208)</u>	<u>8,238,622,111</u>	<u>(96,327,854)</u>

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4 Notes to the consolidated financial statements (Cont'd)

(7) Long-term equity investments (Cont'd)

(b) Associates (Cont'd)

	31 December 2021 (Restated)	Movements in the current year					Cash dividends or profits declared	31 December 2022	Ending balance of provision for impairment loss
		Increase in investments	Decrease in investments	Share of net profit/(loss) under equity method	Share of other comprehensive income (Note 4(36))	Share of other changes in equity (ii)			
Huaneng Shantou Wind Power Co., Ltd. ("Huaneng Shantou Wind Power")	60,691,152	-	-	5,061,794	-	-	(5,530,034)	60,222,912	-
Yunfu Power Plant (B Power Plant) Co., Ltd. ("Yunfu B")	9,596,285	-	-	(9,596,285)	-	-	-	-	(20,819,280)
Others	7,937,809	-	(2,033,756)	2,315,498	-	-	(582,314)	7,637,237	-
Total	7,419,329,322	130,000,000	(2,033,756)	897,584,446	11,794,607	636,197	(150,828,556)	8,306,482,260	(117,147,134)

Please refer to Note 6(2) for related information of equity in associates.

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4 Notes to the consolidated financial statements (Cont'd)

(7) Long-term equity investments (Cont'd)

(b) Associates (Cont'd)

(i) As at 29 August 2022, the Company and GEGC increased a capital of RMB 325,000,000 to Shanxi Yudean Energy in proportion of the shareholding, for the investment in wind farm phase II 100MW project in Xiyan Town, Mengxian, Wuxiang 100MW integrated photovoltaic energy integration project, Qinshui 100MW parity photovoltaic project, Dabu Xianeng 100MW agricultural photovoltaic complementary project, Dongfeng Yueda KIA 36 MW distributed photovoltaic power generation project in Yancheng City, Jiangsu Province, among which the Company contributed RMB 130,000,000 at the shareholding proportion of 40%.

(ii) In 2022, other changes in equity from long-term equity investments in associates were changes in capital surplus of RMB 636,197 (2021: changes in capital surplus of RMB 5,383,623).

(8) Investments in other equity instruments

	31 December 2022	31 December 2021	Cash dividends in the current year
Investments in equity instrument not held for trading			
- Equity of listed companies	2,105,271,054	547,728,682	66,846,450
- Equity of unlisted companies	952,800,000	2,684,300,000	34,416,139
	<u>3,058,071,054</u>	<u>3,232,028,682</u>	<u>101,262,589</u>

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4 Notes to the consolidated financial statements (Cont'd)

(8) Investments in other equity instruments (Cont'd)

Including:

	31 December 2021	Movements in the current year	31 December 2022	% of shareholding in investee	Cash dividends in the current year
Investments in other equity instruments - cost					
- Shanghai Shenergy Co., Ltd. ("Shanghai Shenergy") (a)	235,837,988	-	235,837,988	1.13%	11,106,450
- Sunshine Insurance (e)	356,000,000	-	356,000,000	3.04%	52,500,000
- Shenzhen Capital Group Co., Ltd. ("SCG") (c)	328,034,000	-	328,034,000	3.67%	34,416,139
- Others	20,290,628	2,000,000	22,290,628	-	3,240,000
	<u>940,162,616</u>	<u>2,000,000</u>	<u>942,162,616</u>		<u>101,262,589</u>
Investments in other equity instruments - accumulated changes in fair value					
- Shanghai Shenergy (a)	173,434,694	(104,400,630)	69,034,064		
- Sunshine Insurance (e)	1,297,500,000	42,203,802	1,339,703,802		
- SCG (c)	701,966,000	(80,000,000)	621,966,000		
- Others	118,965,372	(33,760,800)	85,204,572		
	<u>2,291,866,066</u>	<u>(175,957,628)</u>	<u>2,115,908,438</u>		
Total	<u>3,232,028,682</u>	<u>(173,957,628)</u>	<u>3,058,071,054</u>		

The Group does not participate in or influence the financial and operating decisions of the above investees in any ways. Therefore, the Group has no significant influence on the above investees, and accordingly they are accounted for as investments in other equity instruments.

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4 Notes to the consolidated financial statements (Cont'd)

(8) Investments in other equity instruments (Cont'd)

- (a) As at 31 December 2022, the Company held 55,532,250 tradable A shares in Shanghai Shenergy with fair value of RMB 304,872,052, and the investment cost was RMB 235,837,988. The investment was stated at fair value with reference to the market price. During the year, losses on fair value amounted to RMB 104,400,630 (2021: Gains of RMB 119,394,337), and other comprehensive income was adjusted downwards accordingly.
- (b) As at 31 December 2022, the Company held 350,000,000 tradable H shares in Sunshine Insurance with fair value of RMB 1,695,703,802, and the investment cost was RMB 356,000,000. The investment was stated at fair value with reference to the market price. During the year, gains on fair value amounted to RMB 42,203,800 (2021: Losses of RMB 382,500,000), and other comprehensive income was adjusted upwards accordingly.
- (c) As at 31 December 2022, the fair value of the equity that the Company held in SCG amounted to RMB 950,000,000, and the investment cost was RMB 328,034,000. During the year, losses on fair value amounted to RMB 80,000,000 (2021: Losses of RMB 18,000,000), and other comprehensive income was adjusted downwards accordingly.

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4 Notes to the consolidated financial statements (Cont'd)

(9) Investment properties

	Buildings	Land use rights	Total
Cost			
- Opening balance	508,730,777	46,042,801	554,773,578
- Additions in the current year	438,747	-	438,747
- Transfer out in the current year	(6,646,703)	-	(6,646,703)
- Ending balance	<u>502,522,821</u>	<u>46,042,801</u>	<u>548,565,622</u>
Accumulated depreciation			
- Opening balance	(164,834,616)	(11,142,030)	(175,976,646)
- Increase in the current year (a)	(8,382,937)	(903,659)	(9,286,596)
- Transfer out in the current year	1,982,921	-	1,982,921
- Ending balance	<u>(171,234,632)</u>	<u>(12,045,689)</u>	<u>(183,280,321)</u>
Carrying amount			
- Ending balance	<u>331,288,189</u>	<u>33,997,112</u>	<u>365,285,301</u>
- Opening balance	<u>343,896,161</u>	<u>34,900,771</u>	<u>378,796,932</u>

- (a) In 2022, depreciation charged to investment properties amounted to RMB 9,286,596 (2021: RMB 9,980,869) among which depreciation expenses charged to cost of sale, and general and administrative expenses were RMB 8,650,998 and RMB 635,598 (2021: RMB 9,345,271 and RMB 635,598) respectively.

(10) Fixed assets

	31 December 2022	31 December 2021 (Restated)
Fixed assets (a)	62,273,985,182	57,047,122,800
Disposals of fixed assets (b)	126,189,875	97,976,623
	<u>62,400,175,057</u>	<u>57,145,099,423</u>

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4 Notes to the consolidated financial statements (Cont'd)

(10) Fixed assets (Cont'd)

(a) Fixed assets

	Buildings Self-use	Power generation equipment Self-use	Motor vehicles Self-use	Other equipment Self-use	Total
Cost					
31 December 2021 (restated)	30,461,761,423	89,377,001,367	662,435,852	1,477,718,227	121,978,916,869
Increase in the current year					
Purchase	134,349,033	592,158,863	30,097,302	39,528,359	796,133,557
Transfers from construction in progress (ii)	4,242,193,676	5,602,827,775	16,329,419	24,673,176	9,886,024,046
Transfers from investment properties in the current year	6,646,703	-	-	-	6,646,703
Adjustment due to differences in project settlement	-	-	-	344,828	344,828
Decrease in the current year					
Disposal and scrap	(54,322,334)	(1,010,811,239)	(23,399,532)	(27,594,568)	(1,116,127,673)
Decrease in disposals of subsidiaries in the current year	-	(589,568)	(946,774)	(155,678)	(1,692,020)
Adjustment due to differences in project settlement	(173,882,730)	(373,906,790)	(1,318,463)	-	(549,107,983)
31 December 2022	34,616,745,771	94,186,680,408	683,197,804	1,514,514,344	131,001,138,327

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4 Notes to the consolidated financial statements (Cont'd)

(10) Fixed assets (Cont'd)

(a) Fixed assets

	Buildings Self-use	Power generation equipment Self-use	Motor vehicles Self-use	Other equipment Self-use	Total
Accumulated depreciation					
31 December 2021 (restated)	(11,937,538,940)	(50,281,958,185)	(477,541,422)	(1,064,855,631)	(63,761,894,178)
Increase in the current year					
Provision (i)	(788,100,674)	(3,684,084,079)	(36,843,550)	(109,796,801)	(4,618,825,104)
Transfers from investment properties in the current year	(1,982,921)	-	-	-	(1,982,921)
Decrease in the current year					
Disposal and scrap	26,147,085	712,018,401	21,891,122	26,026,064	786,082,672
Decrease in disposals of subsidiaries in the current year	-	406,884	908,682	152,422	1,467,988
31 December 2022	(12,701,475,450)	(53,253,616,979)	(491,585,168)	(1,148,473,946)	(67,595,151,543)

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4 Notes to the consolidated financial statements (Cont'd)

(10) Fixed assets (Cont'd)

(a) Fixed assets

	Buildings Self-use	Power generation equipment Self-use	Motor vehicles Self-use	Other equipment Self-use	Total
Provision for impairment					
31 December 2021	(236,527,567)	(932,674,173)	(422,918)	(275,233)	(1,169,899,891)
Increase in the current year					
Provision (iii)	(155,592,876)	-	-	-	(155,592,876)
Others	(4,519,416)	-	-	-	(4,519,416)
Decrease in the current year					
Disposal and scrap	1,277,211	192,205,656	-	8,298	193,491,165
Other decreases	-	4,519,416	-	-	4,519,416
31 December 2022	(395,362,648)	(735,949,101)	(422,918)	(266,935)	(1,132,001,602)
Carrying amount					
31 December 2022	21,519,907,673	40,197,114,328	191,189,718	365,773,463	62,273,985,182
31 December 2021 (restated)	18,287,694,916	38,162,369,009	184,471,512	412,587,363	57,047,122,800

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4 Notes to the consolidated financial statements (Cont'd)

(10) Fixed assets (Cont'd)

(a) Fixed assets (Cont'd)

As at 31 December 2021 and 31 December 2022, no power generation equipment or buildings were pledged as collateral for long-term borrowings.

(i) In 2022, depreciation of fixed assets charged into cost of sale, general and administrative expenses, construction in progress, research and development expenses and selling expenses are set out as follows:

	2022	2021 (Restated)
Cost of sale	4,404,866,139	3,916,896,479
Research and development expenses	145,433,531	36,944,538
General and administrative expenses	66,063,836	63,638,815
Construction in progress	1,929,448	4,583,607
Selling expenses	532,150	737,724
	<u>4,618,825,104</u>	<u>4,022,801,163</u>

(ii) The costs of fixed assets transferred from construction in progress in the current year amounted to RMB 9,886,024,046 (2021: RMB 9,445,047,480) (Note 4(11)(a)(i)).

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4 Notes to the consolidated financial statements (Cont'd)

(10) Fixed assets (Cont'd)

(a) Fixed assets (Cont'd)

(iii) Impairment of fixed assets

In 2022, movements of provision for impairment of fixed assets are as follows:

	31 December 2021	Increase in the current year	Decrease in the current year	31 December 2022
Guangdong Yuehua Power Co., Ltd. ("Yuehua Power") (Note 1)	538,763,955	-	(164,847,347)	373,916,608
Guangdong Yudean Bohe Energy Co., Ltd. ("Bohe Energy") (Note 2)	208,000,000	-	-	208,000,000
Lincang Energy (Note 3)	200,601,657	-	(461,200)	200,140,457
Guangdong Yudean Shaoguan Power Plant Co., Ltd. (Shaoguan Power Plant) (Note 4)	39,598,360	75,133,692	(108,588)	114,623,464
Guangdong Yudean Yangjiang Offshore Wind Power Co., Ltd. ("Yangjiang Wind Power") (Note 5)	-	80,459,184	-	80,459,184
Guangdong Electric Power Development Co., Ltd. Shajiao A Power Plant ("Shajiao A Power Plant")	50,656,655	-	(8,298)	50,648,357
Guangdong Energy Maoming Thermal Power Station Co., Ltd. ("Maoming Thermal")	29,751,684	-	-	29,751,684
Guangdong Red Bay Power Generation Co., Ltd. ("Red Bay Power")	45,049,547	-	(23,821,407)	21,228,140
Guangdong Yudean Jinghai Power Co., Ltd. ("Jinghai Power")	22,228,873	-	(2,856,886)	19,371,987
Zhanjiang Electric Guangdong Yudean Yunhe Power Co., Ltd. ("Yunhe Power")	18,822,875	-	-	18,822,875
Guangdong Huizhou Natural Gas Power Co., Ltd. ("Huizhou Natural Gas")	10,388,437	-	-	10,388,437
Guangdong Huizhou Natural Gas Power Co., Ltd. ("Huizhou Natural Gas")	3,230,570	-	-	3,230,570
Zhanjiang Zhongyue Energy Co., Ltd. ("Zhongyue Energy")	2,807,278	-	(1,387,439)	1,419,839
	<u>1,169,899,891</u>	<u>155,592,876</u>	<u>(193,491,165)</u>	<u>1,132,001,602</u>

Note 1 Yuehua Power shut down 5# generator unit at the end of 2019 and 6# generator unit at the end of November 2020. The Group tested the recoverable amount of the asset groups of 5# and 6# generator units that had been shut down, and made provision for impairment accordingly. At the end of 2019, a provision for impairment of the related asset group of 5# generator unit amounting to RMB 317,686,700 and a provision for impairment of the related asset group of 6# generator unit amounting to RMB 251,426,700 were made. In 2022, Yunhua Power partly disposed of the related assets of 5# and 6# generator units that had been shut down, the accumulated provision for impairment written off on such disposals amounted to RMB 164,847,347, and the balance of provision for impairment amounted to RMB 373,916,608.

Note 2 In 2020, Bohe Energy obtained approval from Guangdong Provincial Development and Reform Committee. As the alternative capacity of some generator units could not be approved, management expected that the alternative capacity of these units would not be available for subsequent project construction or sale. Therefore, a provision of RMB 208,000,000 for impairment of fixed assets was made to the capitalised acquisition cost of the alternative capacity of these generator units.

Note 3 Due to the fierce competition in the hydroelectric power market in Yunnan Province, Lincang Energy, a subsidiary of the Group, suffered from continuous operating loss. In previous years, the Group had made a provision of RMB 200,601,657 for the impairment of fixed assets for the relevant asset groups of generator units of Lincang Energy.

Note 4 In 2022, the asset group of the special railway line docking station for transferring coal for boiler combustion in Shaoguan Power Plant was expected to be unable to be used for future operation because of the gradual decline of railway coal transport capacity. Therefore, a provision of RMB 75,133,692 for impairment of this asset group was made in 2022.

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4 Notes to the consolidated financial statements (Cont'd)

(10) Fixed assets (Cont'd)

(a) Fixed assets (Cont'd)

(iii) Impairment of fixed assets

Note 5 In 2022, part of wind turbine generator units of Yangjiang Wind Power were hit by typhoons, and part of their infrastructure was seriously damaged and could not operate normally. Management evaluated the recoverable value of this part of the damaged assets and made a provision for impairment amounting to RMB 80,459,184 according to the evaluation results.

(iv) Impairment of related asset groups of certain subsidiaries that have suffered continuous operating loss in recent years

In recent years, certain subsidiaries of the Group suffered continuous operating loss and indications of impairment of related asset groups were observed. Taking into consideration risks that may exist in the future, such as the instability of electricity demand and price of coal for power generation, macro economy and other factors, the Group continuously assessed the impairment of the above-mentioned subsidiaries' power generation asset groups (mainly including fixed assets) in 2022 (refer to Note 2(29)(b)(i) for the assessment method and accounting estimates involved). The assessment results indicated that the estimated recoverable amounts of the above asset groups were higher than their carrying amounts. Therefore, management considered that no provision for impairment should be made.

(iv) Fixed assets with pending certificates of ownership:

	Carrying amount	Reasons for not obtaining certificates of ownership
Buildings	<u>2,121,250,891</u>	Awaiting government approval

As at 31 December 2022, after consulting the Group's legal consultant, management believed that there were no substantial legal obstacles in obtaining the certificates and no material adverse impact on normal operation of the Group would occur.

(b) Disposals of fixed assets

	31 December 2022	31 December 2021
Parts of power generation equipment	124,038,520	93,602,122
Other equipment	<u>2,151,355</u>	<u>4,374,501</u>
	<u>126,189,875</u>	<u>97,976,623</u>

(11) Construction in progress

	31 December 2022	31 December 2021 (Restated)
Construction in progress (a)	11,766,944,424	8,707,685,036
Construction materials	<u>1,883,737</u>	<u>3,006,730</u>
	<u>11,768,828,161</u>	<u>8,710,691,766</u>

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4 Notes to the consolidated financial statements (Cont'd)

(11) Construction in progress (Cont'd)

(a) Construction in progress

	31 December 2022			31 December 2021 (Restated)		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Qingzhou offshore wind power project	2,342,070,500	-	2,342,070,500	27,475,461	-	27,475,461
Shajiao Ningzhou gas power project	1,969,185,872	-	1,969,185,872	253,652,368	-	253,652,368
Guangdong Energy Xinjiang 400,000 kW photovoltaic project	1,448,198,206	-	1,448,198,206	-	-	-
Dacheng wind power project	683,097,937	-	683,097,937	-	-	-
Yuehua Power substitution of natural gas for coal power project	616,219,696	-	616,219,696	57,514,981	-	57,514,981
Zhaoqing Dinghu natural gas thermal power cogeneration project	582,964,452	-	582,964,452	120,337,569	-	120,337,569
Daya Bay petrochemical western thermal power cogeneration project	504,579,892	-	504,579,892	37,759,737	-	37,759,737
Inner Mongolia Yuefeng 300MW photovoltaic park project	409,218,078	-	409,218,078	-	-	-
Dabu Phase II Expansion Project	238,826,677	-	238,826,677	25,214,002	-	25,214,002
Jinchang Muhong Jinchang District West Slope 100MW photovoltaic power generation project	216,333,499	-	216,333,499	-	-	-
Hongdong County 200MW centralised photovoltaic power generation project	207,718,654	-	207,718,654	2,559,959	-	2,559,959
Qiantang 100MW fishery and solar complementary project in Potou, Zhanjiang	194,269,709	-	194,269,709	72,146	-	72,146
Jinchang Mujin Jinchang District West Slope 100MW photovoltaic power generation project	179,642,763	-	179,642,763	-	-	-
Laishui Conservancy Energy Laishui County 80MW affordable on-grid photovoltaic power generation project	149,824,672	-	149,824,672	-	-	-
Wuhua Huangnizhai Project	130,793,897	-	130,793,897	-	-	-
Dongsheng Farm agricultural photovoltaic power generation project (Phase I) in Lianjiang, Zhanjiang	122,913,806	-	122,913,806	2,825,114	-	2,825,114
Changshan Farm agricultural photovoltaic power generation project in Lianjiang, Zhanjiang	109,540,517	-	109,540,517	2,532,711	-	2,532,711
Huadu thermal and power cogeneration project	100,715,497	-	100,715,497	1,054,889,800	-	1,054,889,800
Sub-total for next page	10,206,114,324	-	10,206,114,324	1,584,833,848	-	1,584,833,848

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4 Notes to the consolidated financial statements (Cont'd)

(11) Construction in progress (Cont'd)

(a) Construction in progress (Cont'd)

	31 December 2022			31 December 2021 (Restated)		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Hunan Tongdao Dagaoshan wind power plant project	-	-	-	320,622,384	-	320,622,384
Wuxuan Hequn project	-	-	-	413,866,414	-	413,866,414
Yangjiang Shapa offshore wind power project	-	-	-	4,417,942,531	-	4,417,942,531
Other infrastructure construction projects	1,254,443,125	(273,214,618)	981,228,507	1,423,911,853	(272,760,361)	1,151,151,492
Technology improvement and other projects	588,231,904	(8,630,311)	579,601,593	827,898,678	(8,630,311)	819,268,367
	<u>12,048,789,353</u>	<u>(281,844,929)</u>	<u>11,766,944,424</u>	<u>8,989,075,708</u>	<u>(281,390,672)</u>	<u>8,707,685,036</u>

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4 Notes to the consolidated financial statements (Cont'd)

(11) Construction in progress (Cont'd)

(a) Construction in progress (Cont'd)

(i) Movements of major construction in progress

Project name	Budget	31 December 2021 (Restated)	Increase in the current year	Transfer to fixed assets in the current year (Note 4(10)(a)(ii))	Provision for impairment	Other movements (i)	31 December 2022	Proportion of investment to the budget (%)	Project progress	Capitalised borrowing costs	Including: Capitalised borrowing costs for the year	Capitalisation rate of borrowing cost	Source of fund
Qingzhou offshore wind power project	17,107,250,000	27,475,461	2,314,595,039	-	-	-	2,342,070,500	15.13%	24.90%	30,900,081	30,900,081	2.75%	Borrowing and own funds
Shajiao Ningzhou gas power project	5,927,600,000	253,652,368	1,716,265,813	-	-	(732,309)	1,969,185,872	33.25%	68.63%	50,614,908	42,963,316	3.27%	Borrowing and own funds
Guangdong Energy Xinjiang 40,000 kW photovoltaic project	2,226,851,400	-	1,448,198,206	-	-	-	1,448,198,206	71.73%	65.03%	11,502,012	11,502,012	2.94%	Borrowing and own funds
Dacheng wind power project	800,000,000	-	683,097,937	-	-	-	683,097,937	96.00%	100.00%	-	-	-	Borrowing and own funds
Yuehua Power substitution of natural gas for coal power project	1,532,190,000	57,514,981	558,704,715	-	-	-	616,219,696	35.36%	36.50%	13,558,332	13,558,332	4.18%	Borrowing and own funds
Zhaoqing Dinghu Natural Gas Thermal Power Cogeneration Project	2,998,180,000	120,337,569	462,626,883	-	-	-	582,964,452	57.94%	49.86%	35,172,647	30,462,326	3.77%	Borrowing and own funds
Daya Bay petrochemical western thermal power cogeneration project	3,820,000,000	37,759,737	466,820,155	-	-	-	504,579,892	32.15%	37.86%	10,861,422	10,861,422	2.92%	Borrowing and own funds
Inner Mongolia Yuefeng 300MW photovoltaic park project	1,572,760,000	-	409,218,078	-	-	-	409,218,078	25.16%	22.42%	1,726,696	1,726,696	2.45%	Borrowing and own funds
Dabu Phase II Expansion Project	8,134,220,000	25,214,002	217,448,925	-	-	-	242,662,927	5.58%	4.02%	3,836,250	3,836,250	3.10%	Borrowing and own funds
Jinchang Muhong Jinchang District West Slope 100MW photovoltaic power generation project	598,705,600	-	216,333,499	-	-	-	216,333,499	41.09%	47.00%	502,510	502,510	2.45%	Borrowing and own funds
Hongdong County 200MW centralised photovoltaic power generation project	516,560,000	2,559,959	205,158,695	-	-	-	207,718,654	41.31%	43.86%	1,904,053	1,904,053	3.10%	Borrowing and own funds
Qiantang 100MW fishery and solar complementary project in Potou, Zhanjiang	500,232,000	72,146	194,197,563	-	-	-	194,269,709	42.90%	43.55%	2,565,207	2,565,207	3.37%	Borrowing and own funds
Sub-total for next page		<u>524,586,223</u>	<u>8,892,665,508</u>	<u>-</u>	<u>-</u>	<u>(732,309)</u>	<u>9,416,519,422</u>			<u>163,144,118</u>	<u>150,782,205</u>		

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4 Notes to the consolidated financial statements (Cont'd)

(11) Construction in progress (Cont'd)

(a) Construction in progress (Cont'd)

(i) Movements of major construction in progress (Cont'd)

Project name	Budget	31 December 2021 (Restated)	Increase in the current year	Transfer to fixed assets in the current year (Note 4(10)(a)(ii))	Provision for impairment	Other movements (i)	31 December 2022	Proportion of investment to the budget (%)	Project progress	Capitalised borrowing costs	Including: Capitalised borrowing costs for the year	Capitalisation rate of borrowing cost	Source of fund
Jinchang Mujin Jinchang District West Slope 100MW photovoltaic power generation project	598,705,600	-	179,642,763	-	-	-	179,642,763	34.03%	44.00%	668,245	668,245	2.42%	Borrowing and own funds
Laishui Conservancy Energy Laishui County 80MW affordable on-grid photovoltaic power generation project	376,000,000	-	149,824,672	-	-	-	149,824,672	38.27%	38.26%	533,607	533,607	3.00%	Borrowing and own funds
Wuhua Huangnizhai project Dongsheng Farm agricultural photovoltaic power generation project (Phase I) in Lianjiang, Zhanjiang	336,020,000	-	130,793,897	-	-	-	130,793,897	46.00%	41.67%	721,326	721,326	3.44%	Borrowing and own funds
Changshan Farm agricultural photovoltaic power generation project in Lianjiang, Zhanjiang	299,020,000	2,825,114	120,088,692	-	-	-	122,913,806	45.40%	65.74%	3,420,954	3,420,954	3.10%	Borrowing and own funds
Huadu thermal and power cogeneration project	294,690,000	2,532,711	107,007,806	-	-	-	109,540,517	41.18%	62.93%	1,980,810	1,980,810	3.10%	Borrowing and own funds
Hunan Tongdao Dagaoshan wind power plant project	3,536,710,000	1,054,889,800	485,867,256	(1,440,041,559)	-	-	100,715,497	69.94%	97.80%	92,845,058	54,388,944	3.94%	Borrowing and own funds
Wuxuan Hequn Plant Project Yangjiang Shapa offshore wind power project	531,740,000	320,622,384	50,942,006	(371,564,390)	-	-	-	96.61%	100.00%	19,727,145	10,010,879	4.12%	Borrowing and own funds
Other infrastructure construction projects	485,000,000	413,866,414	12,239,666	(426,106,080)	-	-	-	99.66%	100.00%	20,264,009	8,245,177	4.28%	Borrowing and own funds
Technology improvement and other projects	5,963,270,000	4,417,942,531	1,199,702,277	(5,617,644,808)	-	-	-	95.29%	100.00%	221,735,731	65,673,558	3.25%	Borrowing and own funds
	-	1,151,151,492	886,127,085	(1,059,432,063)	(454,257)	-	977,392,257	-	-	56,036,231	35,931,335	-	Borrowing and own funds
	-	819,268,367	765,199,514	(971,235,146)	-	(33,631,142)	579,601,593	-	-	1,335,162	-	-	Borrowing and own funds
		<u>8,707,685,036</u>	<u>12,980,101,142</u>	<u>(9,886,024,046)</u>	<u>(454,257)</u>	<u>(34,363,451)</u>	<u>11,766,944,424</u>			<u>582,412,396</u>	<u>332,357,040</u>		

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4 Notes to the consolidated financial statements (Cont'd)

(11) Construction in progress (Cont'd)

(a) Construction in progress (Cont'd)

(i) Movements of major construction in progress (Cont'd)

Other movements of construction in progress for the year mainly include construction in progress of RMB 34,363,451 that was completed and transferred to intangible assets.

(ii) Provision for impairment of construction in progress

Item	31 December 2021 (Restated)	Increase in the current year	31 December 2022	Reason for provision
Humen Electric 2*1000MW project	(137,373,040)	-	(137,373,040)	Stoppage of construction
Impairment of upfront expenses for 5# and 6# generator units of Jinghai	(55,389,093)	-	(55,389,093)	Impairment of upfront expenses for construction in progress
Impairment of upfront expenses for Guangdong wind power project	(43,138,231)	-	(43,138,231)	Impairment of upfront expenses for construction in progress
Impairment of upfront expenses for 5# and 6# generator units of Red Bay	(26,446,447)	-	(26,446,447)	Impairment of upfront expenses for construction in progress
Others	(19,043,861)	(454,257)	(19,498,118)	Impairment of upfront expenses for construction in progress
	<u>(281,390,672)</u>	<u>(454,257)</u>	<u>(281,844,929)</u>	

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4 Notes to the consolidated financial statements (Cont'd)

(12) Right-of-use assets

	Land use rights	Buildings	Machinery and equipment	Motor vehicles	Total
Cost					
31 December 2021	-	59,726,188	5,800,549,982	8,434,545	5,868,710,715
Increase in the current year					
New lease contracts	361,855,746	10,328,178	2,087,418,765	7,797,726	2,467,400,415
Decrease in the current year					
Modification of leases	-	(909,835)	(854,267)	(5,421,630)	(7,185,732)
Leases transferred out upon maturity	-	(6,656,395)	-	(1,434,787)	(8,091,182)
31 December 2022	361,855,746	62,488,136	7,887,114,480	9,375,854	8,320,834,216
Accumulated depreciation					
31 December 2021	-	(17,358,410)	(593,074,160)	(2,153,166)	(612,585,736)
Increase in the current year					
Provision (a)	(8,387,293)	(21,791,767)	(331,125,537)	(2,249,943)	(363,554,540)
Decrease in the current year					
Modification of leases	-	504,728	676,138	978,488	2,159,354
Leases transferred out upon maturity	-	6,656,395	-	1,434,787	8,091,182
31 December 2022	(8,387,293)	(31,989,054)	(923,523,559)	(1,989,834)	(965,889,740)
Provision for impairment					
31 December 2021	-	-	-	-	-
Increase in the current year					
Provision	-	-	(2,899,510)	-	(2,899,510)
31 December 2022	-	-	(2,899,510)	-	(2,899,510)
Carrying amount					
31 December 2022	353,468,453	30,499,082	6,960,691,411	7,386,020	7,352,044,966
31 December 2021	-	42,367,778	5,207,475,822	6,281,379	5,256,124,979

- (a) In 2022, depreciation charged to right-of-use assets was RMB 363,554,540 (2021: RMB 244,546,772), among which depreciation expenses charged to cost of sale, general and administrative expenses, selling expenses and construction in progress were RMB 294,975,923, RMB 18,031,393, RMB 2,736,644 and RMB 47,810,580 (2021: RMB 168,487,776, RMB 11,428,272, RMB 2,747,235 and RMB 61,883,489) respectively.

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4 Notes to the consolidated financial statements (Cont'd)

(13) Intangible assets

	Land use rights and sea use rights	Use rights of associated projects for electricity transmission and transformation	Software	Non-patent technology and others	Total
Cost					
31 December 2021	3,155,681,252	260,331,315	214,052,599	91,714,579	3,721,779,745
Increase in the current year					
Purchase	738,127,331	-	18,999,616	101,145	757,228,092
Transfers from construction in progress	-	-	33,631,142	732,309	34,363,451
Decrease in the current year					
Disposal	-	-	(4,581,951)	-	(4,581,951)
31 December 2022	3,893,808,583	260,331,315	262,101,406	92,548,033	4,508,789,337
Accumulated amortisation					
31 December 2021	(575,637,956)	(260,331,315)	(138,064,496)	(32,517,259)	(1,006,551,026)
Increase in the current year					
Provision (a)	(77,523,591)	-	(19,748,237)	(5,901,618)	(103,173,446)
Decrease in the current year					
Disposal	-	-	4,173,004	-	4,173,004
31 December 2022	(653,161,547)	(260,331,315)	(153,639,729)	(38,418,877)	(1,105,551,468)

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4 Notes to the consolidated financial statements (Cont'd)

(13) Intangible assets (Cont'd)

	Land use rights and sea use rights	Use rights of associated projects for electricity transmission and transformation	Software	Non-patent technology and others	Total
Provision for impairment					
31 December 2021	(56,502,373)	-	-	-	(56,502,373)
Decrease in the current year	-	-	-	-	-
31 December 2022	(56,502,373)	-	-	-	(56,502,373)
Carrying amount					
31 December 2022	3,184,144,663	-	108,461,677	54,129,156	3,346,735,496
31 December 2021	2,523,540,923	-	75,988,103	59,197,320	2,658,726,346

- (a) In 2022, amortisation charged to intangible assets was RMB 103,173,446, with cost of sale of RMB 13,917,919, general and administrative expenses of RMB 71,440,393, construction in progress of RMB 15,582,846 and research and development expenses of RMB 2,232,288 respectively (In 2021, amortisation charged to intangible assets was RMB 83,576,878, with cost of sale of RMB 4,225,762, general and administrative expenses of RMB 71,354,033 and construction in progress of RMB 7,581,319 and research and development expenses of RMB 415,764 respectively).
- (b) As at 31 December 2022, for the land use rights with a carrying amount of RMB 224,004,105 (31 December 2021: RMB 40,485,578) and a cost of RMB 233,461,861 (31 December 2021: RMB 48,689,959), the certificates had not been obtained due to incomplete filing documents or the registration procedures were under processing.
- (c) In 2022, the Group's expenditures on research and development amounting to RMB 1,229,311,572 (2021: RMB 584,714,979) were all recognised as research and development expenses in the current period (Note 4(43)). As at 31 December 2022, there were no intangible assets arising from internal research and development of the Group.

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4 Notes to the consolidated financial statements (Cont'd)

(14) Goodwill

	31 December 2022	31 December 2021
Goodwill -		
Tumxuk Thermal Power Co., Ltd. ("Tumxuk Thermal Power")	119,488,672	119,488,672
Others	45,531,259	45,531,259
	<u>165,019,931</u>	<u>165,019,931</u>
Less: Provision for impairment -		
Others	(36,922,378)	(25,036,894)
	<u>128,097,553</u>	<u>139,983,037</u>

(15) Long-term prepaid expenses

	31 December 2021	Increase in the current year	Amortisation in the current year	31 December 2022
Improvements to right- of-use assets	7,965,121	9,577,332	(12,845,788)	4,696,665
Insurance expenses	-	79,363,798	(23,051,376)	56,312,422
Road use rights	-	32,028,855	(850,181)	31,178,674
Others	22,370,180	38,720	(5,110,915)	17,297,985
	<u>30,335,301</u>	<u>121,008,705</u>	<u>(41,858,260)</u>	<u>109,485,746</u>

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4 Notes to the consolidated financial statements (Cont'd)

(16) Deferred tax assets and deferred tax liabilities

(a) Deferred tax assets before offsetting

	31 December 2022		31 December 2021 (Restated)	
	Deductible temporary differences and deductible tax losses	Deferred tax assets	Deductible temporary differences and deductible tax losses	Deferred tax assets
Deductible losses	4,176,626,660	968,337,573	3,189,847,440	758,900,259
Provision for asset impairment	392,229,114	96,899,577	444,961,087	109,842,258
Depreciation of fixed assets	291,680,433	71,206,998	309,188,451	74,032,411
Unrealised profits from intra-group transactions	656,830,968	164,207,742	685,896,928	171,474,232
Employee benefits payable	293,456,521	70,088,187	305,163,061	73,089,625
Government grants	76,328,527	18,673,466	95,459,260	23,306,593
Amortisation of intangible assets	3,328,432	832,108	4,028,407	1,007,101
	<u>5,890,480,655</u>	<u>1,390,245,651</u>	<u>5,034,544,634</u>	<u>1,211,652,479</u>
Including:				
Expected to be recovered within 1 year (inclusive)		89,773,324		115,084,638
Expected to be recovered after 1 year		<u>1,300,472,327</u>		<u>1,096,567,841</u>
		<u>1,390,245,651</u>		<u>1,211,652,479</u>

(b) Deferred tax liabilities before offsetting

	31 December 2022		31 December 2021	
	Taxable temporary differences	Deferred tax liabilities	Taxable temporary differences	Deferred tax liabilities
Changes in fair value of investments in other equity instruments included in other comprehensive income	(2,115,908,438)	(528,977,110)	(2,291,866,066)	(572,966,517)
Depreciation of fixed assets	(85,028,556)	(21,257,139)	(92,116,411)	(23,029,104)
Revaluation reserve of business combinations involving enterprises not under common control	(235,501,692)	(58,875,422)	(272,521,240)	(68,130,309)
Amortisation of land use rights	(15,302,244)	(3,825,561)	(15,685,439)	(3,921,360)
Interest receivable	(9,606,414)	(2,401,603)	(10,071,856)	(2,517,964)
	<u>(2,461,347,344)</u>	<u>(615,336,835)</u>	<u>(2,682,261,012)</u>	<u>(670,565,254)</u>
Including:				
Expected to be recovered within 1 year (inclusive)		(12,535,987)		(10,368,799)
Expected to be recovered after 1 year		<u>(602,800,848)</u>		<u>(660,196,455)</u>
		<u>(615,336,835)</u>		<u>(670,565,254)</u>

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4 Notes to the consolidated financial statements (Cont'd)

(16) Deferred tax assets and deferred tax liabilities (Cont'd)

(c) Deductible temporary differences and deductible losses that are not recognised as deferred tax assets are analysed as follows:

	31 December 2022	31 December 2021 (Restated)
Deductible temporary differences	1,987,366,998	1,831,235,286
Deductible losses	11,033,478,760	5,808,689,992
	<u>13,020,845,758</u>	<u>7,639,925,278</u>

(d) Deductible tax losses that are not recognised as deferred tax assets will expire in following years:

	31 December 2022	31 December 2021
2022	-	679,470,193
2023	1,171,683,402	810,630,290
2024	173,024,661	173,024,661
2025	760,600,486	598,674,880
2026	3,992,021,430	3,546,889,968
2027	4,936,148,781	-
	<u>11,033,478,760</u>	<u>5,808,689,992</u>

Management believed that as at the maturity date for the above deductible losses, the relevant subject of tax payment has no sufficient taxable profits to deduct the above deductible losses; therefore, no related deferred tax asset was recognised.

(e) The net balances of deferred tax assets and deferred tax liabilities after offsetting are as follows:

	<u>31 December 2022</u>		<u>31 December 2021 (Restated)</u>	
	Offsetting amount	Balance after offsetting	Offsetting amount	Balance after offsetting
Deferred tax assets	(31,220,570)	1,359,025,081	(34,810,493)	1,176,841,986
Deferred tax liabilities	31,220,570	(584,116,265)	34,810,493	(635,754,761)

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4 Notes to the consolidated financial statements (Cont'd)

(17) Other non-current assets

	31 December 2022	31 December 2021
Advances for engineering and equipment	4,483,822,263	2,294,733,606
Input VAT to be deducted	1,813,240,967	2,207,784,437
Prepayment for land use rights	198,089,693	166,211,424
Deposits prepaid for equity acquisition (a)	93,426,000	80,000,000
Prepayments for purchase of buildings	11,623,305	58,318,764
Others	6,316,324	3,203,403
	<u>6,606,518,552</u>	<u>4,810,251,634</u>

- (a) In August 2022, Guangdong Wind Power and Shanxi Hengyang New Energy Co., Ltd. ("Hengyang New Energy") signed the *Framework Agreement for Acquiring Equity of Wuxiang Lvheng 100MW Photovoltaic Power Generation Project*, and Guangdong Wind Power paid a deposit of RMB 52,200,000 as agreed in the agreement.

In September 2022, Guangdong Wind Power and Shandong Fengxu New Energy Co., Ltd. ("Shandong Fengxu") signed the *Framework Agreement for Acquiring 100% Equity of Gaotang Fengxu New Energy Co., Ltd.*, and Guangdong Wind Power paid a deposit of RMB 41,226,000 as agreed in the agreement.

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4 Notes to the consolidated financial statements (Cont'd)

(18) Provision for asset impairment and losses

	31 December 2021	Increase in the current year	Reversal in the current year	Write-off/Charge-off in the current year	31 December 2022
Provision for bad debts of accounts receivables	(263,506)	(546,710)	243,357	-	(566,859)
Including: Provision for bad debts on a collective basis	(263,506)	(546,710)	243,357	-	(566,859)
Provision for bad debts of other receivables	<u>(37,747,977)</u>	<u>(6,252,264)</u>	<u>8,118,747</u>	<u>577,662</u>	<u>(35,303,832)</u>
Sub-total	<u>(38,011,483)</u>	<u>(6,798,974)</u>	<u>8,362,104</u>	<u>577,662</u>	<u>(35,870,691)</u>
Provision for impairment of advances to suppliers	(115,000)	-	-	-	(115,000)
Provision for decline in the value of inventories	(34,044,608)	-	-	-	(34,044,608)
Provision for impairment of contrac assets	(21,889)	-	9,360	-	(12,529)
Provision for impairment of long-term equity investments	(117,147,134)	-	-	-	(117,147,134)
Provision for impairment of fixed assets	(1,169,899,891)	(155,592,876)	-	193,491,165	(1,132,001,602)
Provision for impairment of construction in progress	(281,390,672)	(454,257)	-	-	(281,844,929)
Provision for impairment of right-of-use assets	-	(2,899,510)	-	-	(2,899,510)
Provision for impairment of intangible assets	(56,502,373)	-	-	-	(56,502,373)
Provision for impairment of goodwi	(25,036,894)	(11,885,484)	-	-	(36,922,378)
Sub-total	<u>(1,684,158,461)</u>	<u>(170,832,127)</u>	<u>9,360</u>	<u>193,491,165</u>	<u>(1,661,490,063)</u>
	<u>(1,722,169,944)</u>	<u>(177,631,101)</u>	<u>8,371,464</u>	<u>194,068,827</u>	<u>(1,697,360,754)</u>

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4 Notes to the consolidated financial statements (Cont'd)

(19) Short-term borrowings

	31 December 2022	31 December 2021
Credit loan	16,201,278,600	12,062,948,533
Guaranteed loan	60,166,260	297,347,896
	<u>16,261,444,860</u>	<u>12,360,296,429</u>

- (a) As at 31 December 2022, the annual interest rates of the short-term borrowings ranged from 2.00% to 3.85% (31 December 2021: 2.77% to 3.85%).
- (b) As at 31 December 2022, the principal of short-term credit loan provided by related party Energy Group Finance Company amounted to RMB 5,723,903,012 (31 December 2021: RMB 4,977,136,729) (Note 8(6)). Interest payable of short-term borrowings to Energy Group Finance Company amounted to RMB 5,323,466 (31 December 2021: RMB 3,142,408).
- (c) As at 31 December 2022, short-term borrowings of RMB 60,000,000 (31 December 2021: RMB 297,000,000) were guaranteed by Xinjiang Jintai Electric Power Co., Ltd., a minority shareholder of the subsidiary Tumxuk Thermal Power.

(20) Notes payables

	31 December 2022	31 December 2021
Bank acceptance notes	1,019,206,000	1,728,780,000
Trade acceptance notes	476,572,076	180,000,000
	<u>1,495,778,076</u>	<u>1,908,780,000</u>

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4 Notes to the consolidated financial statements (Cont'd)

(21) Accounts payables

	31 December 2022	31 December 2021
Fuel payable	5,182,454,648	5,731,957,639
Materials and spare parts payable	417,506,141	501,756,882
Repair expenses payable	98,126,083	99,748,099
Desulfurisation and denitrification expenses payable	67,846,620	50,427,110
Contracted operation expenses payable	62,414,344	166,296,490
Management fees payable for frequency modulation and energy storage	25,898,303	319,986
Others	84,007,874	76,060,858
	<u>5,938,254,013</u>	<u>6,626,567,064</u>

- (a) As at 31 December 2022, accounts payables with ageing over one year amounted RMB 56,448,384 (31 December 2021: RMB 51,399,876), mainly including unsettled fuel payable and materials payable.

(22) Employee benefits payable

	31 December 2022	31 December 2021
Short-term employee benefits payable (a)	368,880,069	348,069,102
Defined contribution plans payable (b)	3,128,825	3,092,268
Early retirement benefits payable (c)	67,170,982	62,450,865
Defined benefit plans payable (c)	8,241,541	8,400,995
	<u>447,421,417</u>	<u>422,013,230</u>

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4 Notes to the consolidated financial statements (Cont'd)

(22) Employee benefits payable (Cont'd)

(a) Short-term employee benefits

	31 December 2021	Increase in the current year	Decrease in the current year	31 December 2022
Wages and salaries, bonus, allowances and subsidies	11,143,810	1,715,775,659	(1,723,132,997)	3,786,472
Staff welfare	5,035,644	180,750,141	(181,390,687)	4,395,098
Social security contributions	184,406,723	163,862,622	(142,101,008)	206,168,337
Including: Medical insurance	184,406,603	157,254,700	(135,541,925)	206,119,378
Work injury insurance	120	4,243,006	(4,242,888)	238
Maternity insurance	-	2,364,916	(2,316,195)	48,721
Housing funds	4,800	179,950,828	(179,929,654)	25,974
Labour union funds and employee education funds	140,396,647	66,507,488	(61,901,191)	145,002,944
Other short-term employee benefits	7,081,478	100,314,325	(97,894,559)	9,501,244
	<u>348,069,102</u>	<u>2,407,161,063</u>	<u>(2,386,350,096)</u>	<u>368,880,069</u>

(b) Defined contribution plans

	31 December 2021	Increase in the current year	Decrease in the current year	31 December 2022
Basic pensions	4,800	214,025,762	(213,975,805)	54,757
Unemployment insurance	150	5,245,900	(5,239,042)	7,008
Enterprise annuity contribution	3,087,318	124,098,888	(124,119,146)	3,067,060
	<u>3,092,268</u>	<u>343,370,550</u>	<u>(343,333,993)</u>	<u>3,128,825</u>

(c) The remuneration for early retirement and the Group's special retirement pensions that are expected to be paid within one year from the date of the balance sheet are listed as the early retirement benefits payable and the defined benefit plan payable, respectively. Please refer to Note 4(32)(a) and (b) for details.

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4 Notes to the consolidated financial statements (Cont'd)

(23) Taxes payable

	31 December 2022	31 December 2021
Enterprise income tax payable	142,673,955	91,420,743
Land VAT payable	80,216,700	80,216,700
Unpaid VAT	33,926,459	145,874,436
Individual income tax payable	28,187,414	29,777,458
City maintenance and construction tax payable	1,306,426	16,340,357
Educational surcharge payable	1,088,906	12,684,138
Property tax payable	924,458	77,307,640
Land use tax payable	217,542	21,588,871
Others	13,943,055	27,092,732
	<u>302,484,915</u>	<u>502,303,075</u>

(24) Other payables

	31 December 2022	31 December 2021
Construction and equipment expenses payable	8,097,497,010	7,210,562,333
Carbon emission allowances payable	382,721,278	103,819,285
Generator unit capacity payable (b)	249,056,604	219,849,057
Project warranty payable	236,415,770	228,942,252
Advances payable to third parties	98,388,118	-
Payables for equity acquisition (c)	68,180,122	2,501,436,910
Dividends payable (d)	18,553,521	-
Administrative fines payable	11,531,700	11,531,700
Others	241,313,908	293,622,241
	<u>9,403,658,031</u>	<u>10,569,763,778</u>

- (a) As at 31 December 2022, other payables of RMB 2,403,143,193 (31 December 2021: RMB 2,564,331,490) aged over one year mainly represented construction and equipment expenses payable and warranty payable not being settled because the comprehensive acceptance and settlement of relevant projects were yet to be completed or projects were still within their warranty periods.

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4 Notes to the consolidated financial statements (Cont'd)

(24) Other payables (Cont'd)

(b) As at 31 December 2022, 1# and 2# generator units of Bohe Energy had been completed and were temporarily transferred to fixed assets. Generator unit capacity payable by Bohe Energy was estimated to be RMB 249,056,604 based on the capacity index of thermal power generator units.

(c) In 2022, the Company acquired 100% equity of Gaotang Shihui New Energy Co., Ltd. ("Gaotang New Energy"), 80% equity of Dacheng County Dun'An New Energy Co., Ltd. ("Dun'An New Energy") and 100% equity of Jiuzhou New Energy (Zhaoqing) Co., Ltd. ("Jiuzhou New Energy"), with the transaction price of RMB 178,000,000 in total (see Note 5(1) for details). As at 31 December 2022, there were still payables for equity acquisition amounting to RMB 68,180,122 that had not yet been paid. According to the equity acquisition agreement, the remaining equity acquisition payment will be made within one year.

(d) In 2022, Guangdong Yudean Zhuhai Offshore Wind Power Co., Ltd. ("Zhuhai Wind Power"), a subsidiary of the Group, declared to distribute a dividend of RMB 18,553,521 to the minority shareholder Zhuhai Special Economic Zone Power Development Group Co., Ltd. at a resolution of the shareholders' meeting. As at 31 December 2022, the dividend was still not paid.

(25) Current portion of non-current liabilities

	31 December 2022	31 December 2021
Current portion of long-term borrowings (Note 4(27))	2,685,540,872	2,705,229,515
Current portion of long-term payables (Note 4(30))	18,508,453	-
Current portion of debentures payable	334,056,607	121,526,171
Current portion of lease liabilities (Note 4(29))	937,144,038	870,864,067
	<u>3,975,249,970</u>	<u>3,697,619,753</u>

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4 Notes to the consolidated financial statements (Cont'd)

(26) Other current liabilities

	31 December 2022	31 December 2021
Short-term debentures payable	3,503,496,438	1,007,871,233
Output VAT to be written off	671,353,936	650,577,773
	<u>4,174,850,374</u>	<u>1,658,449,006</u>

Related information of short-term debentures payable is as follows:

	Face value	Issuance date	Maturity period	Issuance amount	31 December 2021	Issued in the current year	Interest at face value	Amortisation of discounts or premium	Repayments for the year	31 December 2022
Second batch of super short-term financing notes issued by Guangdong Electric Power Development Co., Ltd., 2021	1,000,000,000	23/8/2021	178 days	1,000,000,000	1,007,871,233	-	2,906,301	-	(1,010,777,534)	-
First batch of super short-term financing notes issued by Guangdong Electric Power Development Co., Ltd., 2022	1,000,000,000	14/2/2022	178 days	1,000,000,000	-	1,200,000,000	11,762,630	-	(1,211,762,630)	-
Second batch of super short-term financing notes issued by Guangdong Electric Power Development Co., Ltd., 2022	1,000,000,000	16/6/2022	178 days	1,000,000,000	-	1,500,000,000	14,630,137	-	(1,514,630,137)	-
Third batch of super short-term financing notes issued by Guangdong Electric Power Development Co., Ltd., 2022	2,000,000,000	9/12/2022	177 days	2,000,000,000	-	2,000,000,000	2,564,383	-	-	2,002,564,383
Fourth batch of super short-term financing notes issued by Guangdong Electric Power Development Co., Ltd., 2022	<u>1,500,000,000</u>	22/12/2022	90 days	<u>1,500,000,000</u>	-	<u>1,500,000,000</u>	932,055	-	-	<u>1,500,932,055</u>
	<u>6,500,000,000</u>			<u>6,500,000,000</u>	<u>1,007,871,233</u>	<u>6,200,000,000</u>	<u>32,795,506</u>	<u>-</u>	<u>(3,737,170,301)</u>	<u>3,503,496,438</u>

In 2022, the interest rate of super short-term financing notes issued by the Company was from 2.00% to 2.52% (2021: 1.80% to 2.21%).

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4 Notes to the consolidated financial statements (Cont'd)

(27) Long-term borrowings

	31 December 2022	31 December 2021
Credit loan	36,895,757,247	23,906,374,506
Pledged loan (a)	6,067,812,048	6,007,416,837
Guaranteed loan (b)	2,582,904,205	1,732,016,028
	<u>45,546,473,500</u>	<u>31,645,807,371</u>
Less: Current portion of long-term borrowings (Note 4(25))		
Credit loan	(2,004,935,172)	(2,181,560,334)
Pledged loan	(528,303,490)	(391,353,153)
Guaranteed loan	(152,302,210)	(132,316,028)
	<u>42,860,932,628</u>	<u>28,940,577,856</u>

(a) Pledged loan

As at 31 December 2022, the charge right for electricity was treated as pledge for long-term pledged loan for some subsidiaries.

(b) Guaranteed loan

As at 31 December 2022, the principal balance of the Group's subsidiary Xuwen Wind Power's long-term borrowings from Energy Group Finance Company was RMB 6,400,000, including current portion of long-term borrowings amounting to RMB 1,400,000, which was secured by Zhanjiang Wind Power (2021: RMB 7,100,000, including current portion of long-term borrowings amounting to RMB 1,400,000). The annual interest rate of the loan is 4.06% (2021: 4.26%), and the remaining principal will mature in installments by 28 November 2031.

As at 31 December 2022, the principal balance of the Group's subsidiary Qujie Wind Power's long-term borrowings from China Clean Development Mechanism Fund was RMB 69,000,000 (2021: 69,000,000), which was guaranteed by Energy Group Finance Company. The annual interest rate of the loan is 3.26% (2021: 3.26%), and these borrowings will mature in installments by 7 May 2025.

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4 Notes to the consolidated financial statements (Cont'd)

(27) Long-term borrowings (Cont'd)

(b) Guaranteed loan (Cont'd)

As at 31 December 2022, the principal balance of the Group's subsidiary Dun'An New Energy's long-term borrowings from Industrial Bank Co., Ltd. Hohhot Branch was RMB 529,386,987, including current portion of long-term borrowings amounting to RMB 13,234,675, which was secured by Beijing Guandong New Energy Co. Ltd. (2021: Nil). The annual interest rate of the loan is 4.40% (2021: Nil), and the remaining principal will mature in installments by 11 December 2037.

As at 31 December 2022, the principal balance of the Group's subsidiary Guangdong Yudean Xinhui Power Generation Co., Ltd. ("Xinhui Power")'s long-term borrowings from China Clean Development Mechanism Fund was RMB 69,000,000 (2021: 69,000,000), which was guaranteed by Energy Group Finance Company. The annual interest rate of the loan is 3.21% (2021: 3.26%), and these borrowings will mature in installments by 27 July 2025.

As at 31 December 2022, the principal balance of the Group's subsidiary Tumxuk Thermal Power's long-term borrowings from Shanghai Pudong Development Bank, China Guangfa Bank and Urumqi was RMB 1,375,000,000, including current portion of long-term borrowings amounting to RMB 130,000,000 (2021: RMB 1,500,000,000, including current portion of long-term borrowings amounting to RMB 125,000,000), which was guaranteed by the Third Division of Xinjiang Production and Construction Corps. The annual interest rate of the loan is 4.90% (2021: 4.90%) and the remaining principal will mature in installments by 27 June 2032.

As at 31 December 2022, the principal balance of the Group's subsidiary Tumxuk Thermal Power's long-term borrowings from Bank of China was RMB 32,649,966, including current portion of long-term borrowings amounting to RMB 6,200,000 (2021: Nil), which was guaranteed by Xinjiang Jintai Electric Power Co., Ltd. The annual interest rate of the loan is 4.30% (2021: Nil), and the remaining principal will mature in installments by 15 December 2031.

(c) As at 31 December 2022, the annual interest rates of long-term borrowings ranged from 0.75% to 4.90% (31 December 2021: 0.80% to 4.90%).

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4 Notes to the consolidated financial statements (Cont'd)

(28) Debentures payable

	31 December 2021	Issued in the current year	Amortisation of discounts or premium	Transferred to current portion of non-current liabilities	31 December 2022
21 Pinghai Bond 01 (a)	199,921,484	-	60,679	(199,982,163)	-
21 Pinghai Power MTN001 (b)	299,212,878	-	295,424	-	299,508,302
20 Yudean Bond 01 (c)	1,499,648,572	-	105,660	-	1,499,754,232
21 Yudean Bond 01 (d)	999,924,528	-	37,736	-	999,962,264
21 Yudean Bond 02 (e)	1,499,855,660	-	33,962	-	1,499,889,622
21 Yudean Bond 03 (f)	799,635,220	-	75,472	-	799,710,692
21 Yudean Faneng MTN001 (g)	1,198,296,858	-	1,075,472	-	1,199,372,330
21 Yudean Faneng MTN002 (g)	2,196,588,222	-	1,183,019	-	2,197,771,241
22 Yudean Faneng MTN001(g)	-	600,000,000	(1,478,774)	-	598,521,226
	<u>8,693,083,422</u>	<u>600,000,000</u>	<u>1,388,650</u>	<u>(199,982,163)</u>	<u>9,094,489,909</u>

- (a) As approved by CSRC Circular SFC License [2020] No. 1771, the Group's subsidiary Pinghai Power issued 2-year book-entry corporate debentures in real-name system with face value of RMB 200,000,000 ("21 Pinghai Bond 01") to the public on 4 June 2021. The Group altogether raised RMB 199,880,000 after deducting an issue expense of RMB 120,000. The debenture is subject to an annual interest rate of 3.57% starting from 4 June 2021 and should be payable annually on simple interest. As at 31 December 2022, debentures payable were measured at amortised cost using effective interest method, with the effective interest rate of 3.60% (31 December 2021: 3.60%).

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4 Notes to the consolidated financial statements (Cont'd)

(28) Debentures payable (Cont'd)

- (b) On 15 October 2021, Pinghai Power issued 3-year middle-term notes with face value of RMB 300,000,000 in the interbank market ("21 Pinghai Power MTN001"). The Group altogether raised RMB 299,100,000 after deducting an issue expense of RMB 900,000. The debenture is subject to an annual interest rate of 3.72% starting from 15 October 2021 and should be payable annually on simple interest. As at 31 December 2022, debentures payable were measured at amortised cost using effective interest method, with the effective interest rate of 3.83% (31 December 2021: 3.83%).
- (c) As approved by CSRC Circular SFC License [2019] No. 2477, the Company issued 5-year book-entry corporate debentures in real-name system with face value of RMB 1,500,000,000 ("20 Yudean Bond 01") to the public on 29 April 2020. The Company altogether raised RMB 1,499,471,698 after deducting an issue expense of RMB 528,302. The debenture is subject to an annual interest rate of 2.45% starting from 29 April 2020 and should be payable annually on simple interest. As at 31 December 2022, debentures payable were measured at amortised cost using effective interest method, with the effective interest rate of 2.46% (31 December 2021: 2.46%).
- (d) As approved by CSRC Circular SFC License [2019] No. 2477, the Company issued 3-year book-entry corporate debentures in real-name system with face value of RMB 1,000,000,000 ("21 Yudean Bond 01") to the public on 27 January 2021. The Company altogether raised RMB 999,848,386 after deducting an issue expense of RMB 151,614. The debenture is subject to an annual interest rate of 3.57% starting from 27 January 2021 and should be payable annually on simple interest. As at 31 December 2022, debentures payable were measured at amortised cost using effective interest method, with the effective interest rate of 3.58% (31 December 2021: 3.58%).
- (e) As approved by CSRC Circular SFC License [2019] No. 2477, the Company issued 5-year book-entry corporate debentures in real-name system with face value of RMB 1,500,000,000 ("21 Yudean Bond 02") to the public on 28 April 2021. The Company altogether raised RMB 1,499,791,783 after deducting an issue expense of RMB 208,217. The debenture is subject to an annual interest rate of 3.50% starting from 28 April 2021 and should be payable annually on simple interest. As at 31 December 2022, debentures payable were measured at amortised cost using effective interest method, with the effective interest rate of 3.50% (31 December 2021: 3.50%).
- (f) As approved by CSRC Circular SFC License [2021] No. 3142, the Company issued 5-year book-entry corporate debentures in real-name system with face value of RMB 800,000,000 ("21 Yudean Bond 03") to the public on 24 November 2021. The Company altogether raised RMB 799,565,033 after deducting an issue expense of RMB 434,967. The debenture is subject to an annual interest rate of 3.41% starting from 24 November 2021 and should be payable annually on simple interest. As at 31 December 2022, debentures payable were measured at amortised cost using effective interest method, with the effective interest rate of 3.42% (31 December 2021: 3.42%).

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4 Notes to the consolidated financial statements (Cont'd)

(28) Debentures payable (Cont'd)

(g) The Company's application for registration of middle-term notes has been accepted by the National Association of Financial Market Institutional Investors at its 51st meeting in 2021. The registered amount of RMB 4,000,000,000 would be valid for 2 years starting from 29 June 2021. On 19 July 2021, the Company issued 3-year middle-term notes with face value of RMB 1,200,000,000 in the interbank market ("21 Yudean Faneng MTN001"). The Company altogether raised RMB 1,197,948,000 after deducting an issue expense of RMB 2,052,000, which should be paid in three years. In 2022, the issue expense of RMB 684,000 was paid. The debenture is subject to an annual interest rate of 3.17% starting from 21 July 2021 and should be payable annually on simple interest. As at 31 December 2022, debentures payable were measured at amortised cost using effective interest method, with the effective interest rate of 3.23% (31 December 2021: 3.23%).

On 15 November 2021, the Company issued 3-year middle-term notes with face value of RMB 2,200,000,000 in the interbank market ("21 Yudean Faneng MTN002"). The Company altogether raised RMB 2,196,238,000 after deducting an issue expense of RMB 3,762,000, which should be paid in three years. In 2022, the issue expense of RMB 1,254,000 was paid. The debenture is subject to an annual interest rate of 3.13% starting from 17 November 2021 and should be payable annually on simple interest. As at 31 December 2022, debentures payable were measured at amortised cost using effective interest method, with the effective interest rate of 3.19% (31 December 2021: 3.19%).

On 24 August 2022, the Company issued 5-year middle-term notes with face value of RMB 600,000,000 in the interbank market ("22 Yudean Faneng MTN001"). The Company altogether raised RMB 598,290,000 after deducting an issue expense of RMB 1,710,000, which should be paid in five years. In 2022, the issue expense of RMB 342,000 was paid. The debenture is subject to an annual interest rate of 2.90% starting from 26 August 2022 and should be payable annually on simple interest. As at 31 December 2022, debentures payable were measured at amortised cost using effective interest method, with the effective interest rate of 2.96%.

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4 Notes to the consolidated financial statements (Cont'd)

(29) Lease liabilities

	31 December 2022	31 December 2021
Lease liabilities	7,807,964,055	5,599,031,209
Less: Current portion of non-current liabilities (Note 4(25))	<u>(937,144,038)</u>	<u>(870,864,067)</u>
	<u>6,870,820,017</u>	<u>4,728,167,142</u>

- (a) As at 31 December 2022, the future minimum lease payments of short-term leases and low value asset leases adopting the practical expedient according to the new lease standard were RMB 5,449,828 and RMB 387,098 (31 December 2021: RMB 3,339,680 and RMB 102,983) respectively, which should be paid within one year.

(30) Long-term payables

	31 December 2022	31 December 2021
Sea area usage fee payable	389,004,362	-
Equipment and construction expenses payable	270,841,119	96,819,223
Others	24,960,000	24,960,000
Less: Current portion of long-term payables	<u>(18,508,453)</u>	<u>-</u>
	<u>666,297,028</u>	<u>121,779,223</u>

(31) Deferred income

	31 December 2021	Increase in the current year	Decrease in the current year	31 December 2022
Government grants (a)	<u>163,611,515</u>	<u>7,156,948</u>	<u>(28,476,248)</u>	<u>142,292,215</u>

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4 Notes to the consolidated financial statements (Cont'd)

(31) Deferred income (Cont'd)

(a) Government grants

	31 December 2021	Increase in the current year	Recognised in other income in the current year	31 December 2022	Asset related/ Income related
Government grants					
Special funds for 1-3# generators' desulfurisation project	15,107,198	-	(1,303,568)	13,803,630	Asset related
Special financial funds for energy conservation	12,407,220	-	(1,383,567)	11,023,653	Asset related
Special treasury bond-based government grants for desulfurisation projects	12,079,169	-	(1,342,130)	10,737,039	Asset related
Compensation for relocation and renovation of Shajiao A Zhenkou pump house	11,122,717	-	(5,561,358)	5,561,359	Asset related
Tax refund for PRC-made equipment	8,036,728	-	(2,296,208)	5,740,520	Asset related
Environmental grants for SCR denitration project	7,559,528	-	(1,764,615)	5,794,913	Asset related
Provincial special funds for enterprises' technology improvement	7,707,105	-	(2,997,831)	4,709,274	Asset related
Comprehensive technology upgrading for the energy saving of 1&2# generator units turbine by Zhongyue Energy	6,923,077	-	(769,230)	6,153,847	Asset related
Second incentives for comprehensive and typical demonstration projects under financial policies of energy saving	6,300,000	-	(450,000)	5,850,000	Asset related
Development and competitiveness funds from SASAC	6,000,000	-	(666,666)	5,333,334	Asset related
Post rewarding subsidies for ultra-low emissions of 1&2# generators	5,012,766	-	(633,191)	4,379,575	Asset related
Grants for energy saving and consumption reduction of 6# generator flow reconstruction	4,698,723	-	(478,188)	4,220,535	Asset related
Grants for comprehensive technical transformation project for generator transformation and upgrading	4,200,416	-	(526,385)	3,674,031	Asset related
Incentives for energy efficiency of power plant by Dongguan	3,295,375	-	(1,647,687)	1,647,688	Asset related
Special funds for technical transformation of ultra-low emissions of 5&6# generators	-	5,133,400	(311,115)	4,822,285	Asset related
Others	53,161,493	2,023,548	(6,344,509)	48,840,532	Asset related
	<u>163,611,515</u>	<u>7,156,948</u>	<u>(28,476,248)</u>	<u>142,292,215</u>	

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4 Notes to the consolidated financial statements (Cont'd)

(32) Long-term employee benefits payable

	31 December 2022	31 December 2021
Early retirement benefits payable (a)	366,776,366	343,077,437
Defined benefit plans payable (b)	91,612,969	100,097,967
Other long-term employee benefits payable (c)	61,903,987	55,536,676
Less: Payable within one year	<u>(91,028,053)</u>	<u>(83,231,818)</u>
	<u>429,265,269</u>	<u>415,480,262</u>

The employee benefits payable within one year are included in the employee benefits payable (Note 4(22)).

- (a) According to the Group's regulations for early retirement of employees, the employees whose early retirement requests are approved by the Group could have early retirement before statutory retirement age. Employees can obtain salary on a monthly basis by a certain ratio of the original salary until they reach the statutory retirement age. Management expects the termination benefits to be paid in the future are determined by the present value of cash flow, when accrued the above termination benefits. As at 31 December 2022, the Group calculated the expected expense for each employee eligible for early retirement in each year before the statutory retirement age in accordance with the related regulations for early retirement, taking into account local salary growth rate, and estimated the present value of future termination benefits by treasury bond interest rate of 3.22% (2021: 3.57%) of the same period. As at 31 December 2022, the Group accrued termination benefits of RMB 366,776,366 (31 December 2021: RMB 343,077,437) and recognised them in long-term employee benefits payable. The actual termination benefits due within one year totalling RMB 67,170,982 (31 December 2021: RMB 62,450,865) were recognised in employee benefits payable.
- (b) In accordance with the *FAQ on Social Management of Retired Employees in State-owned Enterprises* (Guo Zi Ting Fa Gai Ge [2020] No. 36) issued by the State-owned Assets Supervision and Administration Commission of the State Council, the Group made a one-time provision for the expected payments to retired employees eligible for the Group's special retirement pensions in 2020, and made the payment on a monthly basis. The expected present values of cash flows of the Group's special retirement pensions during the expected remaining life of the retired employees are recognised as long-term employee benefits payable and recorded in profit or loss for the current period. The Group's special retirement pensions mainly include retirement subsidies, military transfer subsidies and living allowances for retired primary and secondary school teachers. As at 31 December 2022, the Group calculated the expected special retirement pensions each year during retirees' expected remaining life, and estimated the present value of special retirement pensions in the future by treasury bond interest rate of 3.22% (2021: 3.57%) of the same period. As at 31 December 2022, the Group accrued defined benefit plans of RMB 91,612,969 and recognised them in long-term employee benefits payable (31 December 2021: RMB 100,097,967). The actual defined benefit plans due within one year totalling RMB 8,241,541 are recognised in employee benefits payable (31 December 2021: RMB 8,400,995).

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4 Notes to the consolidated financial statements (Cont'd)

(32) Long-term employee benefits payable (Cont'd)

(b) (Cont'd)

As at 31 December 2022 and 31 December 2021, significant actuarial assumptions for the determination of the present value of the obligations of the defined benefit plan are as follows:

	31 December 2022	31 December 2021
Discount rates	3.22%	3.57%
Growth rates on military transfer subsidies	2% to 12%	2% to 12%
Estimated average life	76	75

The sensitivity analysis below has been carried out based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while all other assumptions are held constant:

If the discount rate decreases by 0.5%, the present value of the Group's obligations of the defined benefit plan would decrease by RMB 5,139,168.

The sensitivity analysis presented above may not reflect the actual changes in the obligations of the defined benefit plan because it is unlikely that changes in one assumption would occur in isolation of one another as some of the assumptions may be correlated.

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4 Notes to the consolidated financial statements (Cont'd)

(32) Long-term employee benefits payable (Cont'd)

- (c) According to relevant regulations on social medical insurance in places where the subsidiaries of the Company and the Group locate, if individual employees participating basic medical insurance for urban residents are under their statutory ages of retirement, but their estimated contribution years fail to meet the local standards, the Group needs to make continuous contribution for the employees per annum till the standards are met even after their retirement. The expected present values of cash flows that shall be paid for medical insurance for the remaining contribution years of retired employees are recognised as long-term employee benefits payable and recorded in profit or loss for the current period. As at 31 December 2022, the balance of the Group's other long-term employee benefits payable was mainly the additional payment of medical insurance made for retired employees. The Group calculated the expected expenses for each year from the end of the current year to regulated contribution years based on the local monthly average salary of the year, and estimated the present value of cash expenses made by retired employees for medical insurance in the future, with a treasury bond interest rate of 3.22% (2021: 3.57%) as discount rate. As at 31 December 2022, the Group accrued other long-term employee benefits payable of RMB 61,903,987 (31 December 2021: RMB 55,536,676), with actual payment of other long-term employee benefits payable due within one year of RMB 15,615,530 (31 December 2021: RMB 12,379,958) recognised in employee benefits payable.

- (d) Long-term employee benefits payable included in profit or loss for the current period in 2022 and 2021 are as follows:

	2022	2021
General and administrative expenses	121,071,303	188,816,127

(33) Other non-current liabilities

	31 December 2022	31 December 2021
Capital injection (a)	128,400,000	74,499,700
Housing working fund	1,028,167	970,029
	129,428,167	75,469,729

- (a) In 2018, the Group's subsidiary Qujie Wind Power received a capital injection of RMB 50,000,000 from GEGC. The capital will be used for Qujie Wailuo offshore wind power plant project. As at 31 December 2022, as Qujie Wind Power's registration for changes of business license had not been completed, the capital increase was recognised in other non-current liabilities.

In 2022, the Group's subsidiary Yuehua Power received a capital injection of RMB 78,400,000 from China Huaneng Group Co., Ltd. The capital will be used for construction of substitution of natural gas for coal power project. The second project capital will be injected in the first quarter of 2023. As at 31 December 2022, as Yuehua Power's registration for changes of business license had not been completed, the capital increase was recognised in other non-current liabilities.

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4 Notes to the consolidated financial statements (Cont'd)

(34) Share capital

	31 December 2021	Movements in the current year					31 December 2022
		Issuance of new shares	Bonus shares	Housing fund transferred to shares	Others	Sub-total	
Shares subject to trading restriction							
- Shares held by domestic state-owned legal person	1,893,342,621	-	-	-	-	-	1,893,342,621
- Other domestic shares							
Including: Shares held by domestic non-state-owned legal person	4,620,666	-	-	-	-	-	4,620,666
Shares held by domestic natural person	5,659	-	-	-	-	-	5,659
Shares not subject to trading restriction							
- RMB-denominated ordinary shares	2,553,907,040	-	-	-	-	-	2,553,907,040
- Domestically-listed foreign shares	798,408,000	-	-	-	-	-	798,408,000
	<u>5,250,283,986</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,250,283,986</u>

	31 December 2020	Movements in the current year					31 December 2021
		Issuance of new shares	Bonus shares	Housing fund transferred to shares	Others	Sub-total	
Shares subject to trading restriction							
- Shares held by domestic state-owned legal person	1,893,342,621	-	-	-	-	-	1,893,342,621
- Other domestic shares							
Including: Shares held by domestic non-state-owned legal person	4,620,666	-	-	-	-	-	4,620,666
Shares held by domestic natural person	5,659	-	-	-	-	-	5,659
Shares not subject to trading restriction							
- RMB-denominated ordinary shares	2,553,907,040	-	-	-	-	-	2,553,907,040
- Domestically-listed foreign shares	798,408,000	-	-	-	-	-	798,408,000
	<u>5,250,283,986</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,250,283,986</u>

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4 Notes to the consolidated financial statements (Cont'd)

(35) Capital surplus

	31 December 2021 (Restated)	Increase in the current year	Decrease in the current year	31 December 2022
Capital premium (a)	3,991,835,030	-	(19,288,105)	3,972,546,925
Revaluation reserve	119,593,718	-	-	119,593,718
Investment from GEGC	395,000,000	-	-	395,000,000
Share of interests in the investee in proportion to the shareholding (b)	(174,299,153)	636,197	-	(173,662,956)
Transfer of capital surplus recognised under the previous accounting system	20,474,592	-	-	20,474,592
Others	(75,652,004)	-	(1,253,770)	(76,905,774)
	<u>4,276,952,183</u>	<u>636,197</u>	<u>(20,541,875)</u>	<u>4,257,046,505</u>

	31 December 2020 (Restated)	Increase in the current year (Restated)	Decrease in the current year	31 December 2021 (Restated)
Capital premium	7,734,477,748	958,923	(3,743,601,641)	3,991,835,030
Revaluation reserve	119,593,718	-	-	119,593,718
Investment from GEGC	395,000,000	-	-	395,000,000
Share of interests in the investee in proportion to the shareholding (b)	(179,682,776)	5,383,623	-	(174,299,153)
Transfer of capital surplus recognised under the previous accounting system	20,474,592	-	-	20,474,592
Others	(75,652,004)	-	-	(75,652,004)
	<u>8,014,211,278</u>	<u>6,342,546</u>	<u>(3,743,601,641)</u>	<u>4,276,952,183</u>

- (a) In 2022, the capital surplus of the Group decreased by RMB 19,288,105 due to the dilution of the proportion of equity held by the Group arising from capital increase by minority shareholders of certain subsidiaries of the Group.
- (b) In 2022, capital surplus of associates calculated based on proportion of equity acquired increased by RMB 636,197 (Note 4(7)(b)).

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4 Notes to the consolidated financial statements (Cont'd)

(36) Other comprehensive income

	Other comprehensive income in the balance sheet				Other comprehensive income in the income statement for the year ended 31 December 2022			
	31 December 2021	Attributable to the parent company after tax	Transfer of other comprehensive income to retained earnings	31 December 2022	Amount incurred before tax	Less: Income tax expenses	Attributable to the parent company after tax	Attributable to minority shareholders after tax
Other comprehensive income that will not be reclassified to profit or loss								
Share of other comprehensive income of the investee accounted for using equity method that will not be reclassified to profit or loss	69,199,467	9,938,693	-	79,138,160	9,938,693	-	9,938,693	1,253,770
Changes in fair value of investments in other equity instruments	1,718,622,133	(131,968,221)	-	1,586,653,912	(175,957,628)	43,989,407	(131,968,221)	-
Changes arising from remeasurement of defined benefit plans	(37,296,993)	-	-	(37,296,993)	-	-	-	-
Other comprehensive income that will be reclassified to profit or loss								
Share of other comprehensive income of the investee accounted for using equity method that will be reclassified to profit or loss	(513,036)	1,855,914	-	1,342,878	1,855,914	-	1,855,914	-
	<u>1,750,011,571</u>	<u>(120,173,614)</u>	<u>-</u>	<u>1,629,837,957</u>	<u>(164,163,021)</u>	<u>43,989,407</u>	<u>(120,173,614)</u>	<u>1,253,770</u>
	Other comprehensive income in the balance sheet				Other comprehensive income in the income statement for the year ended 31 December 2021			
	31 December 2020	Attributable to the parent company after tax	Transfer of other comprehensive income to retained earnings	31 December 2021	Amount incurred before tax	Less: Income tax expenses	Attributable to the parent company after tax	Attributable to minority shareholders after tax
Other comprehensive income that will not be reclassified to profit or loss								
Share of other comprehensive income of the investee accounted for using equity method that will not be reclassified to profit or loss	53,589,732	15,609,735	-	69,199,467	15,609,735	-	15,609,735	-
Changes in fair value of investments in other equity instruments	1,903,766,633	(184,768,848)	(375,652)	1,718,622,133	(246,358,463)	61,589,615	(184,768,848)	-
Changes arising from remeasurement of defined benefit plans	-	(37,296,993)	-	(37,296,993)	(53,499,650)	-	(37,296,993)	(16,202,657)
Other comprehensive income that will be reclassified to profit or loss								
Share of other comprehensive income of the investee accounted for using equity method that will be reclassified to profit or loss	(180,884)	(332,152)	-	(513,036)	(332,152)	-	(332,152)	-
	<u>1,957,175,481</u>	<u>(206,788,258)</u>	<u>(375,652)</u>	<u>1,750,011,571</u>	<u>(284,580,530)</u>	<u>61,589,615</u>	<u>(206,788,258)</u>	<u>(16,202,657)</u>

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4 Notes to the consolidated financial statements (Cont'd)

(37) Surplus reserve

	31 December 2021	Increase in the current year	Decrease in the current year	31 December 2022
Statutory surplus reserve	3,016,893,870	-	-	3,016,893,870
Discretionary surplus reserve	5,886,621,265	-	-	5,886,621,265
	<u>8,903,515,135</u>	<u>-</u>	<u>-</u>	<u>8,903,515,135</u>
	31 December 2020	Increase in the current year	Decrease in the current year	31 December 2021
Statutory surplus reserve	2,905,992,585	110,901,285	-	3,016,893,870
Discretionary surplus reserve	5,609,368,053	277,253,212	-	5,886,621,265
	<u>8,515,360,638</u>	<u>388,154,497</u>	<u>-</u>	<u>8,903,515,135</u>

In accordance with the *Company Law of the People's Republic of China* and the Company's Articles of Association, the Company should appropriate 10% of net profit for the year to the statutory surplus reserve, and the Company can cease appropriation when the statutory surplus reserve accumulates to more than 50% of the registered capital. The Company appropriates for the discretionary surplus reserve after the shareholders' meeting approves the proposal from the Board of Directors. The surplus reserve can be used to make up for the loss or increase the share capital after approval from the appropriate authorities. As at 31 December 2022, the accumulated statutory surplus reserve of the Company exceeded 50% of the registered capital.

According to the resolution at the shareholders' meeting dated 20 May 2022, no appropriation of statutory surplus reserve and discretionary surplus reserve is appropriated (2021: the Company appropriated 10% of net profit for 2020, amounting to RMB 110,901,285, to the statutory surplus reserve and 25% of net profit for 2020, amounting to RMB 277,253,212, to the discretionary surplus reserve).

(38) Undistributed profits

	2022	2021 (Restated)
Undistributed profits at the beginning of the year	3,205,422,561	8,083,048,238
Add: Net profit attributable to equity owners of the Company	(3,003,916,572)	(2,928,171,731)
Less: Appropriation to statutory surplus reserve (Note 4(37))	-	(110,901,285)
Appropriation to discretionary surplus reserve (Note 4(37))	-	(277,253,212)
Dividends payable on ordinary shares (b)	-	(630,034,078)
Allocated to GEGC (c)	-	(930,283,398)
Others	(837,472)	(981,973)
Undistributed profits at the end of the year	<u>200,668,517</u>	<u>3,205,422,561</u>

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4 Notes to the consolidated financial statements (Cont'd)

(38) Undistributed profits (Cont'd)

- (a) As disclosed in Note 2(30), the amount of undistributed profits as at 31 December 2021 has been restated as a result of application of the Interpretation No. 15 related to fixed assets – accounting treatment of sale proceeds before intended use.
- (b) In accordance with the resolution at the shareholders' meeting dated 20 May 2022, the Company did not distribute cash dividend to the shareholders.
- (c) As the business combination under common control was completed in 2021, the dividends allocated by the purchased subsidiary to GEGC in 2021 were deemed to have been distributed by the Company to GEGC while preparing the consolidated financial statements.

(39) Revenue and cost of sale

	2022	2021 (Restated)
Revenue from main operations	52,220,743,337	43,864,972,613
Revenue from other operations	440,345,099	592,893,929
	<u>52,661,088,436</u>	<u>44,457,866,542</u>
	2022	2021 (Restated)
Cost of sale from main operations	52,819,129,582	46,798,109,870
Cost of sale from other operations	33,180,599	29,395,603
	<u>52,852,310,181</u>	<u>46,827,505,473</u>

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4 Notes to the consolidated financial statements (Cont'd)

(39) Revenue and cost of sale (Cont'd)

(a) Revenue and cost of sale from main operations

	2022		2021 (Restated)	
	Revenue from main operations	Cost of sale from main operations	Revenue from main operations	Cost of sale from main operations
Revenue from sale of electricity	51,889,521,596	52,503,713,101	43,568,666,575	46,554,479,693
Revenue from steam	202,658,611	202,979,909	167,971,843	137,147,673
Rendering of services	128,563,130	112,436,572	128,334,195	106,482,504
	<u>52,220,743,337</u>	<u>52,819,129,582</u>	<u>43,864,972,613</u>	<u>46,798,109,870</u>

(b) Revenue and cost of sale from other operations

	2022		2021 (Restated)	
	Revenue from other operations	Cost of sale from other operations	Revenue from other operations	Cost of sale from other operations
Revenue from integrated utilisation of coal ash	365,533,200	4,741,667	495,095,811	7,603,191
Rental income	42,581,955	14,431,892	48,557,619	14,560,409
Others	32,229,944	14,007,040	49,240,499	7,232,003
	<u>440,345,099</u>	<u>33,180,599</u>	<u>592,893,929</u>	<u>29,395,603</u>

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4 Notes to the consolidated financial statements (Cont'd)

(39) Revenue and cost of sale (Cont'd)

(c) The Group's revenue is broken down as follows:

	2022				
	Sale of electricity, steam and coal ash	Services	Rent	Others	Total
Revenue from main operations					
Including: Recognised at a point in time	52,092,180,207	3,389,244	-	-	52,095,569,451
Recognised over a period of time	-	125,173,886	-	-	125,173,886
Revenue from other operations					
Including: Recognised at a point in time	365,533,200	-	-	31,527,646	397,060,846
Recognised over a period of time	-	-	-	702,298	702,298
Rental income	-	-	42,581,955	-	42,581,955
	52,457,713,407	128,563,130	42,581,955	32,229,944	52,661,088,436
	2021 (Restated)				
	Sale of electricity, steam and coal ash	Services	Rent	Others	Total
Revenue from main operations					
Including: Recognised at a point in time	43,736,638,418	3,099,971	-	-	43,739,738,389
Recognised over a period of time	-	125,234,224	-	-	125,234,224
Revenue from other operations					
Including: Recognised at a point in time	495,095,811	-	-	46,929,178	542,024,989
Recognised over a period of time	-	-	-	2,311,321	2,311,321
Rental income	-	-	48,557,619	-	48,557,619
	44,231,734,229	128,334,195	48,557,619	49,240,499	44,457,866,542

As at 31 December 2022, the amount of revenue corresponding to the performance obligation of the Group that has been contracted but not yet performed or not fulfilled was RMB 114,186,101, of which RMB 23,537,608 was expected to be recognised in 2023.

(d) In 2022, the Group's revenue and cost of sale incurred from selling products produced while preparing the production line for its intended use were RMB 458,713,027 and RMB 135,577,216 (2021: RMB 290,642,655 and RMB 12,704,791) respectively.

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4 Notes to the consolidated financial statements (Cont'd)

(40) Taxes and surcharges

	2022	2021	Tax base
Property tax	109,180,727	96,327,360	Note 3
Stamp tax	37,493,970	36,790,843	
Land use tax	30,161,901	26,564,472	
City maintenance and construction tax	26,958,505	62,927,128	Note 3
Environmental protection tax	20,789,155	21,251,165	Note 3
Educational surcharge	20,352,881	49,811,245	Note 3
Others	325,138	307,863	
	<u>245,262,277</u>	<u>293,980,076</u>	

(41) Selling expenses

	2022	2021
Employee benefits	44,598,614	41,365,789
Labour insurance	10,044,506	8,106,497
Entertainment expenses	3,591,287	2,921,288
Depreciation expenses	3,268,794	3,484,959
Travelling expenses	1,315,065	1,431,025
Others	6,290,337	8,097,482
	<u>69,108,603</u>	<u>65,407,040</u>

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4 Notes to the consolidated financial statements (Cont'd)

(42) General and administrative expenses

	2022	2021
Employee benefits	589,588,003	576,664,439
Labour insurance	123,747,304	93,526,218
Depreciation expenses	84,730,831	75,702,685
Amortisation of intangible assets	71,440,393	71,354,033
Fire safety expenses	47,415,882	43,910,145
Property management expenses	46,166,694	38,807,702
Agency fee	45,804,592	41,705,254
Office expenses	34,911,351	30,729,609
Rental expenses	16,814,722	9,419,598
Afforestation fee	11,755,686	11,640,359
Labour costs	11,402,499	10,690,272
Traffic expenses	11,050,160	9,687,185
Maintenance cost	9,723,877	7,593,392
Travelling expenses	8,796,255	7,928,361
Entertainment expenses	8,373,023	5,888,643
Insurance expenses	5,254,017	5,281,139
Others	65,531,642	60,594,253
	<u>1,192,506,931</u>	<u>1,101,123,287</u>

(43) Research and development expenses

	2022	2021
Material expenses	824,545,759	332,438,285
Employee benefits	210,632,851	176,230,301
Depreciation and amortisation expenses	147,665,819	37,360,302
Outsourced research and development expenses	41,811,591	26,650,129
Others	4,655,552	12,035,962
	<u>1,229,311,572</u>	<u>584,714,979</u>

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4 Notes to the consolidated financial statements (Cont'd)

(44) Financial expenses

	2022	2021
Interest costs	2,283,281,355	1,652,673,654
Add: Interest costs on lease liabilities	306,781,528	182,484,109
Less: Amounts capitalised on qualifying assets	<u>(332,357,040)</u>	<u>(335,159,980)</u>
Subtotal of interest expenses	2,257,705,843	1,499,997,783
Amortisation of discounts or premium of debentures payable	3,001,857	2,202,952
Less: Interest income	(132,632,800)	(133,800,923)
Exchange gains - net	(971,955)	(1,001,673)
Bank charges and others	8,797,067	3,967,806
	<u>2,135,900,012</u>	<u>1,371,365,945</u>

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4 Notes to the consolidated financial statements (Cont'd)

(45) Expenses by nature

The cost of sale, selling expenses, general and administrative expenses and research and development expenses in the income statement are listed as follows by nature:

	2022	2021 (Restated)
Consumed fuel, low value consumables, etc.	44,076,541,204	39,046,440,428
Depreciation and amortisation expenses	4,741,747,341	4,120,630,665
Employee benefits	2,764,337,661	2,721,685,066
Maintenance, repair and operation expenses	1,819,598,659	1,252,369,160
Depreciation of right-of-use assets	315,743,960	179,638,516
Transaction costs	315,386,943	165,684,575
Insurance expenses	208,434,264	147,982,370
Management fees for frequency modulation and energy storage	94,379,327	82,235,157
Utility fees	85,575,194	88,367,556
Outsourcing fees for maintenance projects	74,999,608	51,215,122
Fire safety expenses	58,324,674	55,247,715
Property management expenses	53,252,538	38,807,702
Channel dredging and sanitary charges	50,670,983	44,062,837
Office expenses	41,905,156	35,559,262
Traffic expenses	37,545,497	33,409,825
Desulfurisation expenses	32,305,213	3,127,647
Leased labour expenses	28,198,187	23,705,386
Rental expenses	27,805,836	17,146,349
Tug service fees	25,313,710	35,804,563
Operation expenses of ultra-low emissions	19,013,423	761,947
Other expenses	472,157,909	434,868,931
	<u>55,343,237,287</u>	<u>48,578,750,779</u>

- (i) The Group directly recognises the daily maintenance and repair expenses of fixed assets that do not meet the criteria of capitalisation as the cost of sale, and included the costs related to the research and development department, the administrative department and the sale department in research and development expenses, general and administrative expenses and selling expenses, respectively.
- (ii) As disclosed in Note 2(25), the Group directly recognises the lease payments of short-term leases and low value leases in profit or loss for the current period. In 2022, the amount was RMB 27,805,836 (2021: RMB 17,146,349).

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4 Notes to the consolidated financial statements (Cont'd)

(46) Asset impairment losses

	2022	2021
Impairment of fixed assets	158,542,249	29,321,084
Impairment of goodwill	11,885,484	-
Impairment of construction in progress	454,257	-
Other asset impairment losses	2,890,150	9,377
	<u>173,772,140</u>	<u>29,330,461</u>

(47) (Reversal of)/Losses on credit impairment

	2022	2021
(Reversal of)/Losses on bad debts of other receivables (Note 4(4)(b))	(1,866,483)	21,796,665
Losses on/(Reversal of) bad debts of accounts receivables (Note 4(2)(c))	303,353	(28,808)
	<u>(1,563,130)</u>	<u>21,767,857</u>

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4 Notes to the consolidated financial statements (Cont'd)

(48) Other income

	2022	2021	Asset related/ Income related
Income from VAT refund upon collection	28,893,040	28,991,960	Income related
Compensation for relocation and renovation of Shajiao A Zhenkou pump house	5,561,358	5,561,358	Asset related
Subsidies for employment stabilisation provided by unemployment insurance	5,136,757	2,058,912	Income related
Provincial special funds for enterprises' technology improvement	2,997,831	2,997,831	Asset related
Production incentives for production expansion of industrial enterprises	2,680,000	-	Income related
One-time subsidy for retained workers	2,638,271	-	Income related
Incentives for production stabilisation, increase and expansion of industrial enterprises	2,520,000	-	Income related
Tax refund for PRC-made equipment	2,296,208	2,296,208	Asset related
Environmental grants for SCR denitration project	1,764,615	1,764,615	Asset related
Incentives for energy efficiency of power plant by Dongguan	1,647,687	1,647,687	Asset related
Other government grants related to assets	14,208,549	13,626,883	Asset related
Other government grants related to income	9,815,996	13,708,063	Income related
	<u>80,160,312</u>	<u>72,653,517</u>	

(49) Investment income

	2022	2021 (Restated)
Investment income from long-term equity investments under equity method (Note 4(7))	960,006,337	743,767,471
Dividend income earned during the holding period of investments in other equity instruments (Note 4(8))	101,262,589	87,731,408
Others	607,470	4,446,948
	<u>1,061,876,396</u>	<u>835,945,827</u>

There was no significant restriction on remittance of investment income of the Group.

(50) Gains on disposals of assets

	2022	2021	Amount recognised in non-recurring profit or loss in 2022
Gains on disposals of fixed assets	30,527,957	90,856,371	30,527,957
Gains on disposals of intangible assets	-	84,060,264	-
Others	274,880	9,672,390	274,880
	<u>30,802,837</u>	<u>184,589,025</u>	<u>30,802,837</u>

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4 Notes to the consolidated financial statements (Cont'd)

(51) Non-operating income

	2022	2021	Amount recognised in non-recurring profit or loss in 2022
Gains on scrap of non-current assets	47,885,412	95,182,637	47,885,412
Waived payables	20,398,518	3,896,128	20,398,518
Claims and compensation income	20,345,920	6,505,940	20,345,920
Tax reduction and exemption for those having difficulty in paying taxes	6,846,367	-	6,846,367
Compensation for electricity charges during the demolition and construction period	6,533,120	18,040,851	6,533,120
Income from penalties and fines	4,100,221	8,005,031	4,100,221
Income from sales of waste products	3,259,709	785,225	3,259,709
Others	16,121,020	6,677,063	16,121,020
	<u>125,490,287</u>	<u>139,092,875</u>	<u>125,490,287</u>

(52) Non-operating expenses

	2022	2021	Amount recognised in non-recurring profit or loss in 2022
Carbon emission allowances used to fulfil the emission reduction obligation (a)	306,786,693	135,013,051	-
Losses on scrap of non-current assets	73,508,692	25,804,195	73,508,692
Penalties and overdue fines	59,233,310	5,859,197	59,233,310
Others	4,373,861	4,782,288	4,373,861
	<u>443,902,556</u>	<u>171,458,731</u>	<u>137,115,863</u>

- (a) In accordance with the *Interim Provisions on the Accounting Treatment Regarding Carbon Emissions Right Trading* and the *Interim Measures for the Administration of Trading of Carbon Emission Rights* (Cai Kuai [2019] No. 22), subsidiaries within the Group that were identified as key emission units recognised the expected performance obligations of carbon emission in 2022 as non-operating expenses on an accrual basis, and included related provision for carbon emission allowances payable in other payables.

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4 Notes to the consolidated financial statements (Cont'd)

(53) Income tax expenses/(credits)

	2022	2021 (Restated)
Current income tax calculated based on tax law and related regulations	323,728,437	144,706,928
Deferred income tax	<u>(189,832,184)</u>	<u>(670,149,842)</u>
	<u>133,896,253</u>	<u>(525,442,914)</u>

The reconciliation from income tax calculated based on the applicable tax rates and total profit presented in the consolidated income statement to the income tax expenses is listed below:

	2022	2021 (Restated)
Total loss	<u>(4,381,092,874)</u>	<u>(4,776,506,063)</u>
Income tax calculated at applicable tax rates	(1,095,273,219)	(1,194,126,516)
Effect of preferential tax rates of subsidiaries	(50,514,396)	(81,523,102)
Effect of change in the tax rates	(155,561)	4,530,204
Income not subject to tax	(270,470,833)	(210,039,107)
Costs, expenses and losses not deductible for tax purposes	92,867,591	53,267,075
Deductible losses for which no deferred tax asset was recognised	1,233,642,457	892,481,832
Transfer-out of deductible losses for which deferred tax asset was recognised	241,960,423	12,702,380
Deductible temporary differences for which no deferred tax asset was recognised	65,687,623	34,804,647
Utilisation of previously unrecognised deductible losses	(4,499,885)	(9,829,508)
Utilisation of previously unrecognised deductible temporary differences	(57,301,647)	(12,792,715)
Others	(22,046,300)	(14,918,104)
Income tax expenses/(credits)	<u>133,896,253</u>	<u>(525,442,914)</u>

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4 Notes to the consolidated financial statements (Cont'd)

(54) Earnings per share

(a) Basic earnings per share

Basic earnings per share are calculated by dividing consolidated net profit attributable to ordinary shareholders of the parent company by the weighted average number of ordinary shares outstanding:

	2022	2021 (Restated)
Consolidated net loss attributable to ordinary shareholders of the parent company	(3,003,916,572)	(2,928,171,731)
Weighted average number of outstanding ordinary shares of the Company	<u>5,250,283,986</u>	<u>5,250,283,986</u>
Basic earnings per share	<u>(0.57)</u>	<u>(0.56)</u>
Including:		
- Basic earnings per share from continuing operations:	(0.57)	(0.56)
- Basic earnings per share for discontinued operations:	-	-

(b) Diluted earnings per share

Diluted earnings per share are calculated by dividing consolidated net profit attributable to ordinary shareholders of the parent company adjusted based on the dilutive potential ordinary shares by the adjusted weighted average number of ordinary shares outstanding. In 2022, there were no dilutive potential ordinary shares (2021: Nil), and hence diluted earnings per share are equal to basic earnings per share.

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4 Notes to the consolidated financial statements (Cont'd)

(55) Notes to the cash flow statement

(a) Cash received relating to other operating activities

	2022	2021
Interest income	131,645,194	139,255,889
Rental income	42,581,955	48,557,619
Government grants	29,947,972	23,486,977
Income from claims and fines	24,446,141	14,510,971
Others	34,111,315	46,880,126
	<u>262,732,577</u>	<u>272,691,582</u>

(b) Cash paid relating to other operating activities

	2022	2021
Insurance expenses	220,648,827	153,146,648
Utility fees	85,575,194	92,086,938
Administrative penalties and overdue fines	59,233,310	5,859,197
Fire safety expenses	58,324,674	55,247,715
Property management expenses	53,252,538	43,911,232
Carbon emission allowances	50,784,414	70,390,672
Sewage and sanitary charges	50,670,983	44,087,589
Outsourced research and development expenses	46,467,143	38,686,091
Agency fee	45,804,592	41,705,254
Office expenses	41,905,156	35,524,383
Traffic expenses	37,545,497	34,651,955
Rental expenses	27,805,836	17,146,349
Travelling expenses	17,958,287	17,201,473
Others	220,224,296	261,168,637
	<u>1,016,200,747</u>	<u>910,814,133</u>

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4 Notes to the consolidated financial statements (Cont'd)

(55) Notes to the cash flow statement (Cont'd)

(c) Cash received relating to other investing activities

	2022	2021 (Restated)
Recovery of advances for project payment	58,920,000	-
Others	7,872,867	-
	<u>66,792,867</u>	<u>-</u>

(d) Cash paid relating to other investing activities

	2022	2021
Deposits prepaid for equity acquisition	93,426,000	-
Advances for business units	122,438,319	188,784,979
Deposits for ecological protection	-	30,583
	<u>215,864,319</u>	<u>188,815,562</u>

(e) Cash paid relating to other financing activities

	2022	2021
Consideration paid for business combinations involving enterprises under common control (i)	2,501,436,910	1,242,164,731
Repayments of lease liabilities and long-term payables	969,796,495	300,181,939
Agency fee for debenture issuance	2,280,001	150,906
	<u>3,473,513,406</u>	<u>1,542,497,576</u>

In 2022, total cash outflows for leases paid by the Group amounted to RMB 971,977,756, except for the repayments of lease liabilities classified as cash paid relating to financing activities, the remaining was classified as cash paid relating to operating activities.

- (i) In 2022, the Group paid consideration of RMB 2,501,436,910 for acquisition of the remaining equity arising from the prior year's business combinations involving enterprises under common control.

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4 Notes to the consolidated financial statements (Cont'd)

(56) Supplementary information to the cash flow statement

(a) Supplementary information to the cash flow statement

Reconciliation from net profit to cash flows from operating activities

	2022	2021 (Restated)
Net loss	(4,514,989,127)	(4,251,063,149)
Add: Losses on provision for asset impairment	173,772,140	29,330,461
(Reversal of)/Provision for credit impairment loss	(1,563,130)	21,767,857
Depreciation of right-of-use assets	315,743,960	179,638,516
Depreciation of fixed assets	4,626,792,756	4,034,654,237
Depreciation of investment properties	9,286,596	9,980,869
Amortisation of intangible assets	87,590,600	75,995,559
Amortisation of long-term prepaid expenses	18,077,389	4,716,826
Amortisation of deferred income	(28,476,248)	(27,894,582)
Gains on disposals of fixed assets, intangible assets and other long-term assets	(30,802,837)	(184,589,025)
Losses/(Gains) on scrapping of non-current assets	25,623,280	(69,378,442)
Financial expenses	2,255,611,293	1,501,349,968
Investment income	(1,061,876,396)	(835,945,827)
Increase in deferred income taxes	(189,832,184)	(670,149,843)
Increase in inventories	(377,923,028)	(1,283,963,976)
Increase in operating receivables	(1,246,175,995)	(1,721,046,384)
Increase in operating payables	1,417,526,522	3,318,079,673
Decrease/(Increase) in restricted cash	1,479,183	(9,308,070)
Net cash flows from operating activities	<u>1,479,864,774</u>	<u>122,174,668</u>

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4 Notes to the consolidated financial statements (Cont'd)

(56) Supplementary information to the cash flow statement (Cont'd)

(a) Supplementary information to the cash flow statement (Cont'd)

Significant operating, investing and financing activities that do not involve cash receipts and payments

	2022	2021
Right-of-use assets and sea use rights increased in the current period	2,523,522,827	2,042,941,963
Long-term equity investments increased in the current period	-	245,776,161
	<u>2,523,522,827</u>	<u>2,288,718,124</u>

Net increase/(decrease) in cash and cash equivalents

	2022	2021
Cash at the end of the year	11,433,808,500	8,023,116,939
Less: Cash at the beginning of the year	<u>(8,023,116,939)</u>	<u>(9,405,082,609)</u>
Net increase/(decrease) in cash and cash equivalents	<u>3,410,691,561</u>	<u>(1,381,965,670)</u>

(b) Cash and cash equivalents

	31 December 2022	31 December 2021
Cash	11,503,523,618	8,105,320,953
Less: Restricted cash at bank	(33,318,344)	(42,670,394)
Less: Interest receivable	<u>(36,396,774)</u>	<u>(39,533,620)</u>
Cash and cash equivalents at the end of the year (i)	<u>11,433,808,500</u>	<u>8,023,116,939</u>

(i) Cash and cash equivalents at the end of the year

	31 December 2022	31 December 2021
Cash on hand	46,435	83,108
Cash at bank that can be readily drawn on demand	11,433,762,065	8,023,033,831
	<u>11,433,808,500</u>	<u>8,023,116,939</u>

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4 Notes to the consolidated financial statements (Cont'd)

(56) Supplementary information to the cash flow statement (Cont'd)

(c) Acquisition of the subsidiaries

(i) Acquisition of the subsidiaries

2022

Cash and cash equivalents paid in the current year for business combinations incurred in the current year

Including: Xiangtan XEMC Changshan Wind Power Co., Ltd. ("Changshan Wind Power")	89,524,002
Jiuzhou New Energy	29,819,878
Others	956,065
Less: Cash and cash equivalents held by subsidiaries at the acquisition date	
Including: Changshan Wind Power	(22,982,426)
Jiuzhou New Energy	(976,937)
Others	(2,439,134)
Net cash paid to acquire the subsidiaries	<u>93,901,448</u>

(57) Monetary items denominated in foreign currency

	31 December 2022		
	Balance in foreign currencies	Exchange rate	Balance in RMB
Long-term borrowings - USD	<u>6,020,090</u>	6.9646	<u>41,927,519</u>
Current portion of non-current liabilities - USD	<u>975,681</u>	6.9646	<u>6,795,228</u>

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5 Changes of consolidation scope

(1) Subsidiaries established during the year:

Subsidiaries	Major business location	Place of registration	Nature of business	Registered capital	Shareholding (%)		Acquisition method
					Direct	Indirect	
Zhanjiang Shangyang Energy Technology Co., Ltd. ("Shangyang Energy")	Zhanjiang	Zhanjiang	Electricity generation	RMB 1,000,000	-	100.00%	Acquisition of assets
Zhanjiang Potou District Guidian Energy Technology Co., Ltd. ("Guidian Energy")	Zhanjiang	Zhanjiang	Electricity generation	RMB 1,000,000	-	100.00%	Acquisition of assets
Xihua County Shunfeng New Energy Co., Ltd. ("Shunfeng New Energy")	Zhoukou	Zhoukou	Electricity generation	RMB 22,293,880	-	100.00%	Acquisition of assets
Wuzhi Jindian New Energy Technology Co., Ltd. ("Jindian New Energy")	Jiaozuo	Jiaozuo	Electricity generation	RMB 31,350,000	-	100.00%	Acquisition of assets
Lianjiang Yuefeng New Energy Co., Ltd. ("Lianjiang New Energy")	Zhanjiang	Zhanjiang	Electricity generation	RMB 140,070,000	-	100.00%	Investment
Yunfu Luoding Yuefeng New Energy Co., Ltd. ("Luoding Yuefeng")	Luoding	Luoding	Electricity generation	RMB 100,000	-	100.00%	Investment
Linfen Zhaocheng Yuefeng New Energy Co., Ltd. ("Zhaocheng Yuefeng")	Linfen	Linfen	Electricity generation	RMB 100,000	-	100.00%	Investment
Meizhou Wuhua Yuefeng New Energy Co., Ltd. ("Wuhua New Energy")	Meizhou	Meizhou	Electricity generation	RMB 1,000,000	-	100.00%	Investment
Laishui Yingyang New Energy Technology Co., Ltd. ("Yingyang New Energy")	Baoding	Baoding	Electricity generation	RMB 77,050,000	-	100.00%	Acquisition of assets
Laishui Lineng New Energy Technology Co., Ltd. ("Lineng New Energy")	Baoding	Baoding	Electricity generation	RMB 77,050,000	-	100.00%	Acquisition of assets
Huizhou Longmen Yuefeng New Energy Co., Ltd. ("Longmen New Energy")	Huizhou	Huizhou	Electricity generation	RMB 100,000	-	100.00%	Investment
Inner Mongolia Yuefeng New Energy Co., Ltd. ("Inner Mongolia New Energy")	Hohhot	Hohhot	Electricity generation	RMB 314,550,000	-	100.00%	Investment
Zhuhai Yuefeng New Energy Co., Ltd. ("Zhuhai New Energy")	Zhuhai	Zhuhai	Electricity generation	RMB 1,000,000	-	100.00%	Investment
Dun'An New Energy	Langfang	Langfang	Electricity generation	RMB 160,000,000	-	80.00%	Acquisition of assets
Gaotang New Energy Guangdong Shaoguan Guangdong Electric Power New Energy Co., Ltd. ("Shaoguan New Energy")	Liaocheng	Liaocheng	Electricity generation	RMB 36,096,000	-	100.00%	Acquisition of assets
Tumxuk Yudean Hanhai New Energy Co., Ltd. ("Hanhai New Energy")	Shaoguan	Shaoguan	Electricity generation	RMB 5,000,000	100.00%	-	Investment
Yudean Jinxiu Integrated Energy Co., Ltd. ("Jinxiu Integrated Energy")	Tumxuk	Tumxuk	Electricity generation	RMB 5,000,000	100.00%	-	Investment
Nanjing Senhong New Energy Co., Ltd. ("Senhong New Energy")	Laibin	Laibin	Electricity generation	RMB 1,000,000	90.00%	-	Investment
Jinchang Muhong New Energy Co., Ltd. ("Muhong New Energy")	Nanjing	Nanjing	Electricity generation	RMB 10,000,000	100.00%	-	Acquisition of assets
	Jinchang	Jinchang	Electricity generation	RMB 1,000,000	-	100.00%	Acquisition of assets

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5 Changes of consolidation scope

(1) Subsidiaries established during the year (Cont'd):

Subsidiaries	Major business location	Place of registration	Nature of business	Registered capital	Shareholding (%)		Acquisition method
					Direct	Indirect	
Nanjing Linyuan Senhai New Energy Co., Ltd. ("Senhai New Energy")	Nanjing	Nanjing	Electricity generation	RMB 1,000,000	100.00%	-	Acquisition of assets
Jinchang Jieyuan Mujin New Energy Co., Ltd. ("Mujin New Energy")	Jinchang	Jinchang	Electricity generation	RMB 1,000,000	-	100.00%	Acquisition of assets
Guangdong Yudean Huibo New Energy Co., Ltd. ("Huibo New Energy")	Huizhou	Huizhou	Electricity generation	RMB 5,000,000	100.00%	-	Investment
Taishan Dongrun Zhongneng New Energy Co., Ltd. ("Dongrun Zhongneng New Energy")	Taishan	Taishan	Electricity generation	RMB 1,000,000	100.00%	-	Acquisition of assets
Taishan Dongrun Qingneng New Energy Co., Ltd. ("Dongrun Qingneng New Energy")	Taishan	Taishan	Electricity generation	RMB 22,304,520	-	100.00%	Acquisition of assets
Taishan Runze Jieyuan New Energy Co., Ltd. ("Runze Jieyuan New Energy")	Taishan	Taishan	Electricity generation	RMB 22,758,500	-	100.00%	Acquisition of assets
Guangdong Yudean Maoming Natural Gas Thermal Power Co., Ltd. ("Maoming Natural Gas")	Maoming	Maoming	Electricity generation	RMB 135,700,000	85.00%	-	Investment
Meizhou Xingyue New Energy Co., Ltd. ("Xingyue New Energy")	Meizhou	Meizhou	Electricity generation	RMB 9,977,500	100.00%	-	Investment
Guangdong Yudean Huixin Thermal Power Co., Ltd. ("Huixin Thermal Power")	Huizhou	Huizhou	Electricity generation	RMB 13,500,000	85.00%	-	Investment
Yudean Shache Integrated Energy Co., Ltd. ("Shache Integrated Energy")	Kashi Prefecture, Xinjiang	Kashi Prefecture, Xinjiang	Electricity generation	RMB 1,206,110,470	100.00%	-	Investment
Laixi Xinguangyao New Energy Technology Co., Ltd. ("Xinguangyao New Energy")	Qingdao	Qingdao	Electricity generation	RMB 1,000,000	99.00%	-	Acquisition of assets
Laixi Telian New Energy Technology Co., Ltd. ("Telian New Energy")	Qingdao	Qingdao	Electricity generation	RMB 1,000,000	-	99.00%	Acquisition of assets
Pingdu Lianyao New Energy Technology Co., Ltd. ("Lianyao New Energy")	Qingdao	Qingdao	Electricity generation	RMB 1,000,000	-	99.00%	Acquisition of assets
Jiuzhou New Energy	Zhaoqing	Zhaoqing	Electricity generation	RMB 39,000,000	100.00%	-	Acquisition of assets
Changshan Wind Power Yunfu Luoding Yudean New Energy Co., Ltd. ("Luoding New Energy")	Xiangtan	Xiangtan	Electricity generation	RMB 80,000,000	100.00%	-	Acquisition of assets
	Luoding	Luoding	Electricity generation	RMB 500,000	100.00%	-	Investment

The above companies that were acquired by acquisition of assets are subsidiaries acquired by the Company and its subsidiaries through acquisition of assets from related parties. As at the acquisition date, the above companies had no other businesses or assets other than construction in progress, fixed assets and right-of-use assets, and the acquisition did not involve employees. The acquisition of assets did not constitute a business as there was not any output at the acquisition date.

(2) For the information of the Company's disposals of subsidiaries in the current year, please refer to Note 6(1)(a).

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6 Interests in other entities

(1) Interests in subsidiaries

(a) Constitution of the Group

Subsidiaries	Major business location	Place of registration	Nature of business	Shareholding (%)		Acquisition method
				Direct	Indirect	
Maoming Thermal (i)	Maoming	Maoming	Electricity generation	46.54%	-	Investment
Jinghai Power	Jieyang	Jieyang	Electricity generation	65.00%	-	Investment
Zhanjiang Wind Power	Zhanjiang	Zhanjiang	Electricity generation	-	70.00%	Investment
Guangdong Yudean Technology Engineering Management Co., Ltd. ("Technology Engineering Company")	Dongguan	Dongguan	Electricity generation	100.00%	-	Investment
Guangdong Yudean Humen Electric Co., Ltd. ("Humen Electric")	Dongguan	Dongguan	Electricity generation	60.00%	-	Investment
Bohe Energy	Maoming	Maoming	Electricity generation	67.00%	-	Investment
Xuwen Wind Power	Zhanjiang	Zhanjiang	Electricity generation	-	70.00%	Investment
Guangdong Yudean Huadu Natural Gas Thermal Power Co., Ltd. ("Huadu Natural Gas")	Guangzhou	Guangzhou	Electricity generation	65.00%	-	Investment
Guangdong Yudean Dabu Power Generation Co., Ltd. ("Dabu Power Generation")	Meizhou	Meizhou	Electricity generation	100.00%	-	Investment
Guangdong Yudean Leizhou Wind Power Co., Ltd. ("Leizhou Wind Power")	Leizhou	Leizhou	Electricity generation	-	94.00%	Investment
Dianbai Wind Power	Maoming	Maoming	Electricity generation	-	100.00%	Investment
Zhanjiang Electric	Zhanjiang	Zhanjiang	Electricity generation	-	76.00%	Business combinations involving enterprises under common control
Guangdong Yuejia Electric Co., Ltd. ("Yuejia Electric")	Meizhou	Meizhou	Electricity generation	58.00%	-	Business combinations involving enterprises under common control
Shaoguan Power Plant	Shaoguan	Shaoguan	Electricity generation	90.00%	-	Business combinations involving enterprises under common control
Zhongyue Energy	Zhanjiang	Zhanjiang	Electricity generation	90.00%	-	Business combinations involving enterprises under common control
Power Sales	Guangzhou	Guangzhou	Electricity generation	100.00%	-	Investment
Qujie Wind Power	Zhanjiang	Zhanjiang	Electricity generation	-	100.00%	Investment
Yangjiang Wind Power	Yangjiang	Yangjiang	Electricity generation	-	91.41%	Investment
Lincang Energy	Lincang, Yunnan Province	Lincang	Electricity generation	100.00%	-	Business combinations involving enterprises not under common control
Shenzhen Guangqian Electric Co., Ltd. ("Guangqian Electric")	Shenzhen	Shenzhen	Electricity generation	100.00%	-	Business combinations involving enterprises under common control
Huizhou Natural Gas	Huizhou	Huizhou	Electricity generation	67.00%	-	Business combinations involving enterprises under common control
Pinghai Power (ii)	Huizhou	Huizhou	Electricity generation	45.00%	-	Business combinations involving enterprises under common control

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6 Interests in other entities (Cont'd)

(1) Interests in subsidiaries (Cont'd)

(a) Constitution of the Group (Cont'd)

Subsidiaries	Major business location	Place of registration	Nature of business	Shareholding (%)		Acquisition method
				Direct	Indirect	
Shibeishan Wind Power	Jieyang	Jieyang	Electricity generation	-	70.00%	Business combinations involving enterprises under common control
Red Bay Power	Shanwei	Shanwei	Electricity generation	65.00%	-	Business combinations involving enterprises under common control
Guangdong Wind Power Tongdao Yuexin Wind Power Generation Co., Ltd. ("Tongdao Company")	Guangzhou	Guangzhou	Electricity generation	100.00%	-	Business combinations involving enterprises not under common control
Pingyuan Wind Power	Huaihua, Hunan Province	Huaihua	Electricity generation	-	100.00%	Investment
Guangdong Yudean Heping Wind Power Co., Ltd. ("Heping Wind Power")	Meizhou	Meizhou	Electricity generation	-	100.00%	Investment
Huilai Wind Power	Heyuan	Heyuan	Electricity generation	-	100.00%	Investment
Guangdong Yuejiang Hongrui Power Technology Development Co., Ltd. ("Hongrui Technology")	Heyuan	Heyuan	Electricity generation	-	89.83%	Business combinations involving enterprises not under common control
Guangdong Yudean Yongan Natural Gas Thermal Power Co., Ltd. ("Yongan Natural Gas")	Shaoguan	Shaoguan	Electricity generation	-	90.00%	Investment
Hunan Xupu Yuefeng New Energy Co., Ltd. ("Xupu Yuefeng")	Zhaoqing	Zhaoqing	Electricity generation	90.00%	-	Investment
Guangxi Wuxuan Yuefeng New Energy Co., Ltd. ("Wuxuan Yuefeng")	Xupu County, Huaihua, Hunan Province	Xupu County, Huaihua, Hunan Province	Electricity generation	-	100.00%	Investment
Huizhou Pingdian Comprehensive Energy Co., Ltd. ("Pingdian Comprehensive")	Wuxuan, Guangxi Zhuang Autonomous Region	Wuxuan, Guangxi Zhuang Autonomous Region	Electricity generation	-	100.00%	Investment
Zhuhai Wind Power	Huizhou	Huizhou	Electricity generation	-	45.00%	Investment
Guangdong Yudean Binhai Bay Energy Co., Ltd. ("Binhai Bay Company")	Zhuhai	Zhuhai	Electricity generation	-	74.48%	Investment
Guangdong Yuedian Daya Bay Integrated Energy Co., Ltd. ("Daya Bay Company")	Dongguan	Dongguan	Electricity generation	100.00%	-	Investment
Guangdong Yuedian Qiming Energy Co., Ltd. ("Qiming Company")	Huizhou	Huizhou	Electricity generation	70.00%	-	Investment
Shenzhen Huaguoquan Electric Power Service Co., Ltd. ("Huaguoquan Company")	Shenzhen	Shenzhen	Leases	100.00%	-	Business combinations involving enterprises not under common control
Shaoguan Nanxiong Yuefeng New Energy Co., Ltd. ("Nanxiong New Energy")	Shenzhen	Shenzhen	Leases	100.00%	-	Business combinations involving enterprises not under common control
Guangdong Yudean Dananhai Smart Energy Co., Ltd. ("Dananhai Company")	Shaoguan	Shaoguan	Electricity generation	-	100.00%	Investment
Guangdong Yudean Baihua Integrated Energy Co., Ltd. ("Baihua Company")	Jieyang	Jieyang	Electricity generation	100.00%	-	Investment
	Huizhou	Huizhou	Electricity generation	100.00%	-	Investment

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Guangdong Energy Qingzhou Offshore Wind Power Co., Ltd. ("Qingzhou Offshore Wind Power")	Yangjiang	Yangjiang	Electricity generation	-	100.00%	Investment
Zhanjiang Wanhaowei New Energy Co., Ltd. ("Wanhaowei New Energy")	Zhanjiang	Zhanjiang	Electricity generation	-	100.00%	Investment

6 Interests in other entities (Cont'd)

(1) Interests in subsidiaries (Cont'd)

(a) Constitution of the Group (Cont'd)

Subsidiaries	Major business location	Place of registration	Nature of business	Shareholding (%)		Acquisition method
				Direct	Indirect	
Zhanjiang Wanchuang Hengwei New Energy Co., Ltd. ("Wanchuang Hengwei New Energy")	Zhanjiang	Zhanjiang	Electricity generation	-	100.00%	Investment
Guangdong Guangye Nanhua New Energy Co., Ltd. ("Nanhua New Energy")	Zhanjiang	Zhanjiang	Electricity generation	-	51.00%	Business combinations involving enterprises not under common control
Guangdong Yueneng Datang New Energy Co., Ltd. ("Datang New Energy")	Guangzhou	Guangzhou	Electricity generation	-	51.00%	Business combinations involving enterprises not under common control
Yueneng Wind Power	Zhanjiang	Zhanjiang	Electricity generation	-	51.00%	Business combinations involving enterprises not under common control
Tumxuk Thermal Power	Tumxuk	Tumxuk	Electricity generation	79.48%	-	Business combinations involving enterprises not under common control
Guangdong Province Shajiao C Company Generation Corporation ("Sha C Company")	Guangzhou	Guangzhou	Electricity generation	51.00%	-	Business combinations involving enterprises under common control
Guangdong Guanghe Power Co., Ltd. ("Guanghe Power")	Guangzhou	Guangzhou	Electricity generation	-	51.00%	Business combinations involving enterprises under common control
Biomass Power Generation	Zhanjiang	Zhanjiang	Electricity generation	-	51.00%	Business combinations involving enterprises under common control
Xinhui Power	Jiangmen	Jiangmen	Electricity generation	-	45.90%	Business combinations involving enterprises under common control
Guangdong Yudean Huaqing Gas Joint Cycle Power Generation Co., Ltd. ("Huaqing Power")	Jiangmen	Jiangmen	Electricity generation	-	33.15%	Business combinations involving enterprises under common control
Yunhe Power	Yunfu	Yunfu	Electricity generation	90.00%	-	Business combinations involving enterprises under common control
Yunfu Yundian Energy Co., Ltd. ("Yundian Energy")	Yunfu	Yunfu	Electricity generation	-	56.25%	Business combinations involving enterprises under common control
Yuehua Power	Guangzhou	Guangzhou	Electricity generation	51.00%	-	Business combinations involving enterprises under common control
Guangdong Yudean Yuehua Integrated Energy Co., Ltd. ("Yuehua Integrated Energy")	Guangzhou	Guangzhou	Electricity generation	-	51.00%	Business combinations involving enterprises under common control
Guangzhou Huangpu Guangdian Petroleum Store & Transport Co., Ltd. ("Guangdian Petroleum Store & Transport") (Deregistered) (iii)	Guangzhou	Guangzhou	Storage and transportation	-	51.00%	Business combinations involving enterprises under common control
Guangzhou Huangpu Power Engineering Co., Ltd. ("Huangpu Power Engineering")	Guangzhou	Guangzhou	Electricity generation	-	51.00%	Business combinations involving enterprises under common control
Guangzhou Huangdian Training Centre Co., Ltd. ("Huangdian Training Centre") (Deregistered) (iv)	Guangzhou	Guangzhou	Training	-	51.00%	Business combinations involving enterprises under common control

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Guangzhou Huangpu Suishen Power Technology Engineering Co., Ltd. ("Suishen Power Engineering") (Disposed of) (v)	Guangzhou	Guangzhou	Electricity generation	-	35.70%	Business combinations involving enterprises under common control
Guangdong Yuedian Bijie New Energy Co. Ltd. ("Bijie New Energy")	Bijie	Bijie	Electricity generation	100.00%	-	Investment
Shangyang Energy	Zhanjiang	Zhanjiang	Electricity generation	-	100.00%	Acquisition of assets

6 Interests in other entities (Cont'd)

(1) Interests in subsidiaries (Cont'd)

(a) Constitution of the Group (Cont'd)

Subsidiaries	Major business location	Place of registration	Nature of business	Shareholding (%)		Acquisition method
				Direct	Indirect	
Guidian Energy	Zhanjiang	Zhanjiang	Electricity generation	-	100.00%	Acquisition of assets
Shunfeng New Energy	Zhoukou	Zhoukou	Electricity generation	-	100.00%	Acquisition of assets
Jindian New Energy	Jiaozuo	Jiaozuo	Electricity generation	-	100.00%	Acquisition of assets
Lianjiang New Energy	Zhanjiang	Zhanjiang	Electricity generation	-	100.00%	Investment
Luoding Yuefeng	Luoding	Luoding	Electricity generation	-	100.00%	Investment
Zhaocheng Yuefeng	Linfen	Linfen	Electricity generation	-	100.00%	Investment
Wuhua New Energy	Meizhou	Meizhou	Electricity generation	-	100.00%	Investment
Yingyang New Energy	Baoding	Baoding	Electricity generation	-	100.00%	Acquisition of assets
Lineng New Energy	Baoding	Baoding	Electricity generation	-	100.00%	Acquisition of assets
Longmen New Energy	Huizhou	Huizhou	Electricity generation	-	100.00%	Investment
Inner Mongolia New Energy	Hohhot	Hohhot	Electricity generation	-	100.00%	Investment
Zhuhai New Energy	Zhuhai	Zhuhai	Electricity generation	-	100.00%	Investment
Dun'An New Energy	Langfang	Langfang	Electricity generation	-	80.00%	Acquisition of assets
Gaotang New Energy	Liaocheng	Liaocheng	Electricity generation	-	100.00%	Acquisition of assets
Shaoguan New Energy	Shaoguan	Shaoguan	Electricity generation	100.00%	-	Investment
Hanhai New Energy	Tumxuk	Tumxuk	Electricity generation	100.00%	-	Investment
Jinxu Integrated Energy	Laibin	Laibin	Electricity generation	90.00%	-	Investment
Senhong New Energy	Nanjing	Nanjing	Electricity generation	100.00%	-	Acquisition of assets
Muhong New Energy	Jinchang	Jinchang	Electricity generation	-	100.00%	Acquisition of assets
Senhai New Energy	Nanjing	Nanjing	Electricity generation	100.00%	-	Acquisition of assets
Mujin New Energy	Jinchang	Jinchang	Electricity generation	-	100.00%	Acquisition of assets
Huibo New Energy	Huizhou	Huizhou	Electricity generation	100.00%	-	Investment

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6 Interests in other entities (Cont'd)

(1) Interests in subsidiaries (Cont'd)

(a) Constitution of the Group (Cont'd)

Subsidiaries	Major business location	Place of registration	Nature of business	Shareholding (%)		Acquisition method
				Direct	Indirect	
Dongrun Zhongneng New Energy	Taishan	Taishan	Electricity generation	100.00%	-	Acquisition of assets
Dongrun Qingneng New Energy	Taishan	Taishan	Electricity generation	-	100.00%	Acquisition of assets
Runze Jieyuan New Energy	Taishan	Taishan	Electricity generation	-	100.00%	Acquisition of assets
Maoming Natural Gas	Maoming	Maoming	Electricity generation	85.00%	-	Investment
Xingyue New Energy	Meizhou	Meizhou	Electricity generation	100.00%	-	Investment
Huixin Thermal Power	Huizhou	Huizhou	Electricity generation	85.00%	-	Investment
Shache Integrated Energy	Kashi Prefecture, Xinjiang	Kashi Prefecture, Xinjiang	Electricity generation	100.00%	-	Investment
Xinguangyao New Energy	Qingdao	Qingdao	Electricity generation	99.00%	-	Acquisition of assets
Telian New Energy	Qingdao	Qingdao	Electricity generation	-	99.00%	Acquisition of assets
Lianyao New Energy	Qingdao	Qingdao	Electricity generation	-	99.00%	Acquisition of assets
Jiuzhou New Energy	Zhaoqing	Zhaoqing	Electricity generation	100.00%	-	Acquisition of assets
Changshan Wind Power	Xiangtan	Xiangtan	Electricity generation	100.00%	-	Acquisition of assets
Luoding New Energy	Luoding	Luoding	Electricity generation	100.00%	-	Investment

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6 Interests in other entities (Cont'd)

(1) Interests in subsidiaries (Cont'd)

(a) Constitution of the Group (Cont'd)

- (i) On 30 November 2018, Maoming Thermal merged Guangdong Energy Maoming Thermal Power Station Co., Ltd., wholly-owned by GEGC. After the merger, GEGC held 30.12% equity of Maoming Thermal. According to the agreement between the Company and GEGC, the delegated shareholder and director from GEGC maintain consensus with those of the Company while exercising the voting rights during the shareholders' meeting and the Board of Directors' meeting at Maoming Thermal. Therefore, the Company owns control power over Maoming Thermal.
- (ii) Pinghai Power was acquired from GEGC by the Group in 2012 through offering non-public shares. According to the agreement between GEGC and Guangdong Huaxia Electric Power Development Co., Ltd. ("Huaxia Electric"), which holds 40% equity in Pinghai Power, the delegated shareholder and director from Huaxia Electric maintain consensus with those of GEGC when exercising their voting rights during the shareholders' meeting and Board of Directors' meeting at Pinghai Power; besides, after GEGC transfers its 45% equity in Pinghai Power to the Company, the delegated shareholder and director from Huaxia Electric also reach consensus with those of the Company when exercising their voting rights during the shareholders' meeting and Board of Directors' meeting at Pinghai Power. Therefore, the Company owns the control power over Pinghai Power.
- (iii) Guangdian Petroleum Store & Transport, a subsidiary of the Company, held a shareholders' meeting on 24 November 2021, and decided to complete the liquidation and cancellation of Guangdian Petroleum Store & Transport, a wholly-owned subsidiary of Yuehua Power, in 2022. The liquidation and cancellation of Guangdian Petroleum Store & Transport will correspondingly change the scope of the Company's consolidated financial statements. However, it will not have a significant impact on the Company's existing business and operating results, and will not harm the interests of the Company and its shareholders. As at 28 February 2022, the liquidation and cancellation of Guangdian Petroleum Store & Transport had been completed.

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6 Interests in other entities (Cont'd)

- (1) Interests in subsidiaries (Cont'd)
- (a) Constitution of the Group (Cont'd)
- (iv) Huangdian Training Centre, a subsidiary of the Company, held a shareholders' meeting on 23 November 2021 and decided to complete the merger of Huangdian Training Centre by Yuehua Integrated Energy, a subsidiary of the Group, and to dissolve and cancel Huangdian Training Centre upon completion of the merger in 2022. As at 12 January 2022, the merger, liquidation and cancellation of Huangdian Training Centre had been completed.
- (v) On 8 October 2021, Suishen Power Engineering, a subsidiary of the Company and also a non-wholly-owned subsidiary of Yuehua Power, was approved for disposals of its 70% of the equity to third parties. The disposals of Suishen Power Engineering will correspondingly change the scope of the Company's consolidated financial statements. However, it will not have a significant impact on the Company's existing business and operating results, and will not harm the interests of the Company and its shareholders. As at 28 April 2022, Suishen Power Engineering had completed the property rights exchange procedures.

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6 Interests in other entities (Cont'd)

(1) Interests in subsidiaries (Cont'd)

(b) Subsidiaries with significant minority interests

Subsidiaries	Shareholding of minority shareholders (%)	Gains or losses attributable to minority shareholders in 2022	Dividends distributed to minority shareholders in 2022	Minority interests as at 31 December 2022
Bohe Energy	33.00%	2,921,790	-	1,525,747,576
Zhanjiang Electric	24.00%	(75,971,466)	-	813,220,838
Jinghai Power	35.00%	(122,955,569)	-	921,075,752
Red Bay Power	35.00%	(114,573,179)	-	837,700,541
Huizhou Natural Gas	33.00%	68,186,725	25,174,599	694,934,683
Pinghai Power	55.00%	63,851,121	-	1,006,335,803
Sha C Company	49.00%	(447,781,114)	-	999,238,701

(i) Except for Zhuhai Wind Power, dividends distributed to minority shareholders in 2022 had all been paid off in the current year.

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6 Interests in other entities (Cont'd)

(1) Interests in subsidiaries (Cont'd)

(b) Subsidiaries with significant minority interests (Cont'd)

Major financial information of material non-wholly-owned subsidiaries of the Group is listed below:

	31 December 2022						31 December 2021					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Bohe Energy	2,349,678,889	6,994,607,638	9,344,286,527	2,427,792,723	2,293,016,300	4,720,809,023	2,609,681,761	6,892,655,462	9,502,337,223	3,008,450,314	2,359,263,315	5,367,713,629
Zhanjiang Electric	2,470,759,774	1,240,611,761	3,711,371,535	295,849,495	27,101,881	322,951,376	2,650,321,842	1,266,988,373	3,917,310,215	183,009,639	29,332,641	212,342,280
Jinghai Power	1,385,798,584	6,990,898,911	8,376,697,495	4,133,096,606	1,611,955,884	5,745,052,490	1,526,571,272	6,829,232,837	8,355,804,109	4,033,650,563	1,339,227,380	5,372,877,943
Red Bay Power	1,335,712,024	4,929,899,200	6,265,611,224	3,471,806,657	400,374,451	3,872,181,108	1,409,063,788	5,053,935,838	6,462,999,626	3,167,753,333	574,464,236	3,742,217,569
Huizhou Natural Gas	517,592,961	2,729,895,338	3,247,488,299	854,386,780	287,238,842	1,141,625,622	339,090,166	2,930,623,382	3,269,713,548	726,965,377	567,225,268	1,294,190,645
Pinghai Power	1,698,935,258	2,801,846,254	4,500,781,512	1,222,698,173	1,448,381,879	2,671,080,052	1,588,057,850	3,411,190,163	4,999,248,013	1,230,761,702	1,877,492,900	3,108,254,602
Sha C Company	2,223,308,298	3,622,700,798	5,846,009,096	1,883,231,110	1,923,515,331	3,806,746,441	2,916,866,925	3,999,456,043	6,916,322,968	2,657,111,340	1,273,188,755	3,930,300,095
	2022						2021					
	Revenue	Net (loss)/profit	Total comprehensive income	Cash flows from operating activities			Revenue	Net (loss)/profit	Total comprehensive income	Cash flows from operating activities		
Bohe Energy	4,246,193,380	8,853,910	8,853,910	399,072,873			2,782,274,837	(20,922,634)	(20,922,634)	437,918,482		
Zhanjiang Electric	2,527,747,682	(316,547,774)	(316,547,774)	(234,066,362)			2,244,415,610	(304,090,266)	(310,815,500)	(404,758,842)		
Jinghai Power	6,996,344,270	(351,301,626)	(351,301,626)	(197,695,023)			6,657,485,630	(509,356,177)	(509,356,177)	334,454,084		
Red Bay Power	5,565,503,172	(327,351,941)	(327,351,941)	262,097,971			5,009,175,976	(488,495,726)	(488,495,726)	(442,766,950)		
Huizhou Natural Gas	3,250,426,792	206,626,438	206,626,438	692,909,637			3,639,314,264	84,762,958	84,762,958	559,716,915		
Pinghai Power	5,210,093,742	116,092,947	116,092,947	119,302,012			4,877,581,551	30,499,657	30,499,657	344,245,399		
Sha C Company	5,330,603,384	(913,839,007)	(932,845,576)	(1,873,955,939)			1,999,829,883	(568,004,644)	(407,654,995)	48,454,458		

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6 Interests in other entities (Cont'd)

(2) Interests in joint ventures and associates

(a) Basic information of significant joint ventures and associates

	Major business location	Place of registration	Nature of business	Whether strategic to the Group's activities	Shareholding (%)	
					Direct	Indirect
Joint ventures -						
Industry Fuel	Guangzhou, Guangdong	Guangzhou, Guangdong	Fuel trading	Yes	50.00%	-
Associates -						
Shanxi Yudean Energy Group	Taiyuan, Shanxi	Taiyuan, Shanxi	Mining, power generation	Yes	40.00%	-
Finance Company	Guangzhou, Guangdong	Guangzhou, Guangdong	Finance	Yes	25.00%	15.00%
Taishan Electric Energy Financial Leasing Company	Guangdong, Taishan, Guangdong	Guangdong, Taishan, Guangdong	Power generation	Yes	20.00%	-
			Finance leases	Yes	25.00%	-

The equity investments are accounted for using the equity method by the Group.

(b) Summarised financial information of significant joint ventures

	31 December 2022	31 December 2021
	Industry Fuel	Industry Fuel
Current assets	9,759,872,215	8,607,437,424
Non-current assets	6,787,019,420	3,981,342,190
Total assets	<u>16,546,891,635</u>	<u>12,588,779,614</u>
Current liabilities	10,717,387,818	9,741,803,372
Non-current liabilities	4,030,111,167	1,169,197,748
Total liabilities	<u>14,747,498,985</u>	<u>10,911,001,120</u>
Minority interests	67,010,551	67,010,551
Attributable to shareholders of the parent company	1,732,382,099	1,610,767,943
Share of net assets based on shareholding (i)	<u>866,191,050</u>	<u>805,383,972</u>
Adjustments - Unrealised profits from intra-group transactions	(155,792,047)	(159,913,458)
Carrying amount of equity investment in joint ventures	<u>710,399,003</u>	<u>645,470,514</u>
Revenue	41,154,918,017	40,287,196,338
Net profit	129,856,977	230,410,999
Including: Attributable to the parent company	<u>129,856,977</u>	<u>230,410,999</u>
Other comprehensive income	-	15,800,500
Including: Attributable to the parent company	<u>-</u>	<u>15,800,500</u>
Total comprehensive income	<u>129,856,977</u>	<u>246,211,499</u>
Dividends received from joint ventures by the Group for the current year	-	<u>29,649,898</u>

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6 Interests in other entities (Cont'd)

(2) Interests in joint ventures and associates (Cont'd)

(b) Summarised financial information of significant joint ventures (Cont'd)

(i) Share of asset is calculated according to shareholding based on the amount attributable to the parent company in the consolidated financial statements of joint ventures. The amount in the consolidated financial statements of joint ventures considers the impacts of fair value of identifiable assets and liabilities of joint ventures at the time of acquisition and the unification of accounting policies. The assets involved in the transactions between the Group and joint ventures do not constitute a business.

(c) Summarised financial information of significant associates

	31 December 2022		31 December 2021	
	Shanxi Yudean Energy	Energy Financial Leasing Company	Shanxi Yudean Energy	Energy Financial Leasing Company
Current assets	1,782,312,074	1,012,915,138	1,074,073,055	632,968,295
Non-current assets	8,228,428,605	9,190,015,523	6,627,921,355	7,281,003,242
Total assets	10,010,740,679	10,202,930,661	7,701,994,410	7,913,971,537
Current liabilities	606,329,317	2,688,451,249	493,070,520	1,840,650,722
Non-current liabilities	1,697,937,309	5,365,450,397	1,230,741,592	3,944,093,673
Total liabilities	2,304,266,626	8,053,901,646	1,723,812,112	5,784,744,395
Minority interests	76,642,198	-	70,239,165	-
Attributable to shareholders of the parent company	7,629,831,855	2,149,029,015	5,907,943,133	2,129,227,142
Share of net assets based on shareholding (i)	3,051,932,742	537,257,254	2,363,177,253	532,306,787
Adjustments				
- Others (ii)	(32,579,800)	-	-	-
Carrying amount of equity investment in associates	3,019,352,942	537,257,254	2,363,177,253	532,306,787
Revenue	193,310,933	312,042,217	100,199,753	259,494,775
Investment income	1,317,744,134	1,003,115	1,229,294,936	1,540,565
Net profit	1,319,342,256	92,970,585	1,200,222,015	89,599,668
Including: Attributable to the parent company	1,315,439,222	92,970,585	1,200,112,143	89,599,668
Other comprehensive income	-	-	-	-
Including: Attributable to the parent company	-	-	-	-
Total comprehensive income	1,319,342,256	92,970,585	1,200,222,015	89,599,668
Dividends received from associates by the Group for the current year	-	(18,292,179)	-	12,576,669

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6 Interests in other entities (Cont'd)

(2) Interests in joint ventures and associates (Cont'd)

(c) Summarised financial information of significant associates (Cont'd)

	31 December 2022		31 December 2021	
	Energy Group Finance Company	Taishan Electric	Energy Group Finance Company	Taishan Electric
Current assets	8,044,309,162	3,007,543,498	7,694,411,383	2,930,161,081
Non-current assets	18,171,209,855	8,964,593,732	17,101,010,480	9,406,287,125
Total assets	<u>26,215,519,017</u>	<u>11,972,137,230</u>	<u>24,795,421,863</u>	<u>12,336,448,206</u>
Current liabilities	21,896,121,072	2,465,364,570	20,630,423,850	3,414,107,776
Non-current liabilities	91,587,142	-	31,373,853	-
Total liabilities	<u>21,987,708,214</u>	<u>2,465,364,570</u>	<u>20,661,797,703</u>	<u>3,414,107,776</u>
Minority interests	-	-	-	-
Attributable to shareholders of the parent company	4,227,810,803	9,506,772,660	4,133,624,160	8,922,340,430
Share of net assets based on shareholding (i)	<u>1,691,124,321</u>	<u>1,901,354,532</u>	<u>1,653,449,664</u>	<u>1,784,468,086</u>
Adjustments				
- Goodwill	13,325,000	-	13,325,000	-
Carrying amount of equity investment in associates	<u>1,704,449,321</u>	<u>1,901,354,532</u>	<u>1,666,774,664</u>	<u>1,784,468,086</u>
Revenue	765,272,582	12,253,136,746	752,537,763	10,287,027,972
Net profit/(loss)	379,076,682	584,432,230	364,396,199	(17,047,790)
Including: Attributable to the parent company	<u>379,076,682</u>	<u>584,432,230</u>	<u>364,396,199</u>	<u>(17,047,790)</u>
Other comprehensive income	24,846,733	-	19,273,714	-
Including: Attributable to the parent company	<u>24,846,733</u>	<u>-</u>	<u>19,273,714</u>	<u>-</u>
Total comprehensive income/(loss)	<u>403,923,415</u>	<u>584,432,230</u>	<u>383,669,913</u>	<u>(17,047,790)</u>
Dividends received from associates by the Group for the current year	<u>123,894,709</u>	<u>-</u>	<u>122,273,962</u>	<u>101,148,944</u>

- (i) Share of net asset is calculated in proportion to the shareholding based on the amount attributable to the parent company in the consolidated financial statements of associates. The amount in the consolidated financial statements of associates considers the impacts of fair value of identifiable assets and liabilities of associates at the time of acquisition and the unification of accounting policies. The assets involved in the transactions between the Group and associates do not constitute a business.

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6 Interests in other entities (Cont'd)

(2) Interests in joint ventures and associates (Cont'd)

(c) Summarised financial information of significant associates (Cont'd)

(ii) As at 29 August 2022, Shanxi Yudean Energy applied to GEGC and the Group for a capital increase of RMB 460,749,100. Among which the Group shall contribute RMB 184,299,600 at the shareholding proportion of 40%. As at 31 December 2022, the Group actually contributed RMB 130,000,000 for capital increase. The Group has negotiated with Shanxi Yudean Energy that the remaining capital of RMB 54,299,600 would be settled within one year.

(d) Summarised information of insignificant joint ventures and associates

	2022	2021
Joint ventures:		
Aggregated carrying amount of investments	181,171,920	9,350,000
Aggregate of the following items in proportion		
Net loss (i)	(2,506,598)	-
Other comprehensive income (i)	-	-
Total comprehensive income	<u>(2,506,598)</u>	<u>-</u>
Associates:		
Aggregated carrying amount of investments	1,144,068,211	1,070,661,046
Aggregate of the following items in proportion		
Net profit/(loss) (i)	79,648,992	(18,173,212)
Other comprehensive income (i)	1,855,914	(332,152)
Total comprehensive income	<u>81,504,906</u>	<u>(18,505,364)</u>

(i) The net profit/(loss) and other comprehensive income have taken into account the impacts of both the fair value of the identifiable assets and liabilities upon the acquisition of investment at the time of acquisition and the unification of accounting policies.

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7 Segment information

As the Group's revenue and expenses, assets and liabilities are primarily associated with sale of electric power and other related products, the Group's management, taking the sale of electric power as a whole business, periodically obtains accounting information relating to financial status, operating results and cash flow for assessment. Therefore, there is only the electric power segment in the Group.

The Group's revenue from main operations derives from the development and operation of electric plants in China and all assets are within China.

In 2022, the revenue earned by the Group's power plants from Southern Power Grid Company and State Grid Corporation of China amounted to RMB 51,889,521,596 (2021: RMB 43,278,023,920), which took up 98.53% of the Group's revenue (2021: 97.99%).

8 Related parties and related party transactions

(1) General information of the parent company

(a) General information of the parent company

	Place of registration	Nature of business
GEGC	Guangzhou	Operation and management of power generation enterprises, capital management of electricity assets, construction of power plant and sale of electricity

The ultimate holding party of the Company is State-owned Assets Supervision And Administration Commission of the People's Government of Guangdong Province.

(b) Registered capital and changes in registered capital of the parent company

	31 December 2021	Increase in the current year	Decrease in the current year	31 December 2022
GEGC	<u>23,000,000,000</u>	<u>-</u>	<u>-</u>	<u>23,000,000,000</u>

(c) The percentages of shareholding and voting rights in the Company held by the parent company

	31 December 2022		31 December 2021	
	Shareholding (%)	Voting rights (%)	Shareholding (%)	Voting rights (%)
GEGC	<u>67.39%</u>	<u>67.39%</u>	<u>67.39%</u>	<u>67.39%</u>

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8 Related parties and related party transactions (Cont'd)

(2) Information of subsidiaries

The general information and other related information of the subsidiaries are set out in Note 6(1)(a).

(3) Information of joint ventures and associates

Apart from significant joint ventures and associates disclosed in Note 6, other joint ventures and associates that involved in related party transactions with the Group are listed as follows:

Name of entity	Relationship with the Group
GEG Property Insurance	Associate
Yudean Shipping	Associate
Yunfu B	Associate

(4) Information of other related parties

	Relationship with the Group
Guangdong Zhuhai Jinwan Power Co., Ltd. ("Zhuhai Jinwan Electric")	Controlled by GEGC
Guangdong Yudean Property Management Co., Ltd. ("Yudean PM")	Controlled by GEGC
Guangdong Yudean Information Technology Co., Ltd. ("Yudean Technology")	Controlled by GEGC
Yudean Environmental	Controlled by GEGC
Guangdong Yudean Environmental Protection Materials Co., Ltd. ("Environmental Protection Materials")	Controlled by GEGC
Guangdong Yuelong Power Generation Co., Ltd. ("Yuelong Power")	Controlled by GEGC
Guangdong Yudean Zhongshan Thermal Power Plant ("Zhongshan Thermal")	Controlled by GEGC
Guangdong Port of Yangjiang Harbour Service Co., Ltd. ("Port of Yangjiang")	Controlled by GEGC
Guangzhou Development District Yudean New Energy Co., Ltd. ("Yudean New Energy")	Controlled by GEGC
Guangdong Energy Group Natural Gas Co., Ltd. ("Guangdong Energy Natural Gas")	Controlled by GEGC
Zhuhai Special Economic Zone Guangzhu Power Generation Co., Ltd. ("Guangzhu Power")	Controlled by GEGC
Guangdong Energy Group Co., Ltd., Zhuhai Power Plant ("Zhuhai Power")	Controlled by GEGC
Inner Mongolia Yudean Menghua New Energy Co., Ltd. ("Menghua New Energy")	Controlled by GEGC

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8 Related parties and related party transactions (Cont'd)

(5) Related party transactions

(a) Purchase and sale of goods, and rendering and receiving of services

Purchase of goods and receiving of services:

Related parties	Type of related party transaction	Pricing policies of related party transactions	2022	2021
Industry Fuel	Purchase of fuel	Agreement price	33,544,407,573	29,734,481,375
Guangdong Energy	Purchase of fuel	Agreement price	4,528,970,844	3,732,802,782
Natural Gas	Receipt of operational services	Agreement price	537,273,916	-
GEGC				
Yudean	Purchase of materials	Agreement price	164,508,018	156,679,116
Environmental				
Environmental	Purchase of materials	Agreement price	98,555,303	64,389,931
Protection Materials	Receipt of insurance services	Agreement price	69,048,661	59,136,449
GEG Property				
Insurance	Receipt of property services	Agreement price	35,945,216	23,959,792
Yudean PM				
Yudean Shipping	Receipt of tug services	Agreement price	24,891,509	24,226,415
Port of Yangjiang	Receipt of tug services	Agreement price	-	16,431,191
Others	Receipt of services	Agreement price	19,764,515	19,876,271
			<u>39,023,365,555</u>	<u>33,831,983,322</u>

Sale of goods and rendering of services:

Related parties	Type of related party transaction	Pricing policies of related party transactions	2022	2021
Yudean	Revenue from sale of by-products	Agreement price	266,854,916	340,736,159
Environmental				
GEGC	Provision of maintenance and repair services	Agreement price	45,731,154	39,394,206
Zhongshan Thermal	Provision of maintenance and repair services	Agreement price	17,397,443	14,057,773
Zhuhai Power	Provision of maintenance and repair services	Agreement price	10,034,988	10,799,140
Others	Provision of services	Agreement price	24,170,522	24,419,684
			<u>364,189,023</u>	<u>429,406,962</u>

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8 Related parties and related party transactions (Cont'd)

(5) Related party transactions (Cont'd)

(b) Purchase of electric power

Related parties	2022	2021
Guangzhu Power	164,850,645	130,127,530
Zhuhai Jinwan Electric	96,288,825	121,954,252
Yunfu B	50,925,616	16,203,000
Yuelong Power	29,489,945	31,152,000
Zhongshan Thermal	9,101,731	96,302,800
	<u>350,656,762</u>	<u>395,739,582</u>

The amount for purchase of electric power is determined by the difference of decrease in current feed-in tariff and purchased quantity of electricity agreed by companies selling electric power and power plants from related parties.

(c) Leases

Right-of-use assets increased in the current year with the Group as the lessee:

Name of the lessor	Type of the leased asset	2022	2021
Energy Financial Leasing Company	Lease of machinery and equipment	1,765,522,635	4,496,403,656
Others	Housing rental	3,595,926	3,673,203
		<u>1,769,118,561</u>	<u>4,500,076,859</u>

Interest costs on lease liabilities in the current year with the Group as the lessee:

	2022	2021
Energy Financial Leasing Company	269,949,925	152,418,557
Others	1,039,339	383,203
	<u>270,989,264</u>	<u>152,801,760</u>

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8 Related parties and related party transactions (Cont'd)

(5) Related party transactions (Cont'd)

(d) Guarantees

The Group as the guarantor

Guaranteed party	Guaranteed amount	Guaranteed interest	Starting date	Maturity date	Whether the guarantee has been fulfilled or not
GEGC (i)	2,000,000,000	10,734,003	03/12/2019	15/09/2043	No

(i) In order to perform the *Loan Agreement* for the Guangdong Yudean Yangjiang Shapa offshore wind power project signed between the People's Republic of China ("PRC") and New Development Bank ("NDB") ("*Loan Agreement with NDB*") on 3 December 2019, *Project Agreement* signed between NDB and the People's Government of Guangdong Province ("provincial government") ("*Project Agreement with NDB*"), *Loan Transfer Agreement* signed between the Ministry of Finance and the provincial government ("*Loan Transfer Agreement with the Ministry of Finance*") and *Loan Transfer Agreement* signed between the Department of Finance of Guangdong Province and GEGC ("*Loan Transfer Agreement with the Department of Finance of Guangdong Province*"), Yangjiang Wind Power signed *Loan Transfer Agreement* with GEGC (*Loan Transfer Agreement with GEGC*) in 2020, specifying that GEGC shall transfer loans of RMB 2,000,000,000 ("*Project Loan*") to Yangjiang Wind Power; meanwhile, the Company signed a joint liability guarantee contract with GEGC, specifying that the Company provides joint liability guarantee for all liabilities of Yangjiang Wind Power under the *Loan Transfer Agreement* with GEGC on behalf of GEGC to the Department of Finance of Guangdong Province from 3 December 2019 to 15 September 2043, and the guarantee scope includes but not limited to principal and interest. As at 31 December 2022, Yangjiang Wind Power borrowed pledged loan of RMB 2,000,000,000 from NDB, and the interest payable was RMB 10,734,003.

The above Project Loan was transferred to the provincial government by the Ministry of Finance under the country's authorisation according to the same loan conditions, then transferred to GEGC by the Department of Finance of Guangdong Province under the provincial government's authorisation, and finally transferred to Yangjiang Wind Power by GEGC. The above Project Loan was actually provided in entrusted payment. The cash would not flow through the bank accounts of the Ministry of Finance, Department of Finance of Guangdong Province and GEGC, and Yangjiang Wind Power, the actual debtor of the Project Loan, directly withdrew and repaid the loan through its account of NDB. The Project Loan was guaranteed by the Company for GEGC, and actually the Company provided guarantee for the Project Loan obtained by Yangjiang Wind Power from NDB. Therefore, after consulting the Company's legal adviser, management considered that joint liability guarantee provided by the Group for GEGC would not constitute GEGC's occupation of the Group's funds.

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8 Related parties and related party transactions (Cont'd)

(5) Related party transactions (Cont'd)

(e) Lending among related parties

- (i) According to the *2022 Framework Agreement on Financial Services* between the Company and Energy Group Finance Company, Energy Group Finance Company is committed to offering the Group a credit line of no more than RMB 35,000 million in 2022. In 2022 the Group borrowed a total of RMB 13,699,996,952 (2021: RMB 11,491,375,497) from Energy Group Finance Company based on actual capital requirement. The Group paid an interest of RMB 340,462,529 (2021: RMB 343,902,443) for such borrowings (Note 8(5)(h) for details).
- (ii) In 2022, the net increase of the Group's deposits in Energy Group Finance Company was RMB 2,259,804,496 (2021: a net decrease of RMB 1,918,648,394), and the net increase of the Group's other cash balances deposited in Energy Group Finance Company was RMB 6,000,000 (2021: a net decrease of RMB 592,681). Interest due from Energy Group Finance Company amounted to RMB 112,312,499 (2021: RMB 126,350,608) (Note 8(5)(g)). In light of the frequent deposits and withdrawals, the Group only disclosed the amount of net change in deposits.
- (iii) According to the three-party agreement signed among the Group, Energy Group Finance Company and Industry Fuel, the amount of the notes issued to Industry Fuel by the Group and discounted with Energy Group Finance Company represents the amount payable to Energy Group Finance Company. Given the frequent transactions, only the net change of the balance of commercial acceptance notes discounted with Energy Group Finance Company as at 31 December is disclosed. As at 31 December 2022, the net amount of Energy Group Finance Company's discounting of acceptance notes issued by the Group to Industry Fuel decreased by RMB 680,000,000. In 2022, the discounting interest charged by Energy Group Finance Company and borne by the Group which was included in the discounting interest expenses in the current year amounted to RMB 19,284,125 (2021: RMB 20,074,125) (Note 8(5)(h) for details).
- (iv) Based on the *Framework Agreement on Financial Lease* between the Company and Energy Finance Leasing Company in 2022, Energy Finance Leasing Company is committed to offering the Group a credit line of no more than RMB 15,000 million, which is reusable during the one-year agreement period. In 2022, the new lease liabilities incurred in the transaction between the Group and Energy Finance Leasing Company were RMB 1,765,522,635 (2021: RMB 1,271,198,318), and the finance lease payment was RMB 658,995,715 (2021: RMB 175,247,298).

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8 Related parties and related party transactions (Cont'd)

(5) Related party transactions (Cont'd)

(f) Allocation of common expenses

The Company's branches Shajiao A Power Plant and GEGC agreed to share common expenses based on their agreed allocation percentage. In 2022, the common expenses received by the Group from GEGC were RMB 5,496,475 (2021: RMB 5,580,411).

(g) Interest income

Related parties	Type of related party transaction	2022	2021
Energy Group Finance Company	Interest on deposits	<u>112,312,499</u>	<u>126,350,608</u>

(h) Interest costs

Related parties	Type of related party transaction	2022	2021
Energy Group Finance Company	Interest on borrowings	340,462,529	343,902,443
Energy Group Finance Company	Notes discount charges	<u>19,284,125</u>	<u>20,074,125</u>
		<u>359,746,654</u>	<u>363,976,568</u>

In 2022, the loans provided by Energy Group Finance Company to the Group carried an annual interest rate from 2.75% to 4.26% (2021: from 2.70% to 4.90%).

(i) In 2021, in order to optimise the Company's asset structure and promote high-quality development, Bohe Energy, a subsidiary of the Group, disposed of the terminal assets to Industry Fuel at a transaction price of RMB 2,800,327,000 (excluding tax). As at 31 December 2022, all amounts were recovered.

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8 Related parties and related party transactions (Cont'd)

(5) Related party transactions (Cont'd)

(j) Joint investment

As at 31 December 2022, subsidiaries, joint ventures and associates jointly invested by the Group and GEGC are listed below:

Percentage of equity attributable to GEGC

Maoming Thermal	30.12%
Bohe Energy	33.00%
Sha C Company	49.00%
Guanghe Power	49.00%
Biomass Power Generation	49.00%
Xinhui Power	44.10%
Huaqing Power	31.85%
Energy Group Finance Company	60.00%
Industry Fuel	50.00%
Shanxi Yudean Energy	60.00%
GEG Property Insurance	51.00%
Energy Financial Leasing Company	50.00%
Yudean Shipping	65.00%
Yueqian Power	17.48%
Yangjiang Wind Power	10.96%
Zhuhai Wind Power	5.72%

(k) Remuneration of key management

	2022	2021
Remuneration of key management	<u>6,557,221</u>	<u>5,677,057</u>

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8 Related parties and related party transactions (Cont'd)

(6) Receivables from and payables to related parties

Receivables from related parties:

		31 December 2022	31 December 2021
Cash at bank and on hand	Energy Group Finance Company		
- Cash at bank		8,728,625,253	6,468,820,757
- Other cash balances		12,000,000	6,000,000
- Interest receivable		<u>36,396,774</u>	<u>39,533,620</u>
		<u>8,777,022,027</u>	<u>6,514,354,377</u>
Accounts receivables	GEGC	18,753,148	8,500,800
	Zhuhai Power	5,115,602	6,820,689
	Yudean New Energy	4,192,479	5,272,364
	Others	<u>11,485,458</u>	<u>11,643,227</u>
		<u>39,546,687</u>	<u>32,237,080</u>
Contract assets	Zhuhai Power	2,029,830	-
	GEGC	-	3,132,201
	Others	<u>74,139</u>	<u>56,083</u>
		<u>2,103,969</u>	<u>3,188,284</u>
		31 December 2022	31 December 2021
Other receivables	Energy Financial Leasing Company	240,453,119	129,864,979
	Yudean Environmental	131,141,189	76,772,719
	Industry Fuel	1,700,776	1,602,258,185
	Others	<u>16,292,201</u>	<u>8,113,032</u>
		<u>389,587,285</u>	<u>1,817,008,915</u>
Advances to suppliers	Industry Fuel	1,107,710,903	481,701,342
	Others	<u>1,905,036</u>	<u>3,707,618</u>
		<u>1,109,615,939</u>	<u>485,408,960</u>
Other non-current assets	Yudean Technology	<u>250,000</u>	<u>250,000</u>

As at 31 December 2022 and 31 December 2021, the Group made no provision for bad debts of receivables from related parties.

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8 Related parties and related party transactions (Cont'd)

(6) Receivables from and payables to related parties (Cont'd)

Payables to related parties:

		31 December 2022	31 December 2021
Notes payables	Energy Group Finance Company	<u>597,272,076</u>	<u>866,000,000</u>
Accounts payables	Industry Fuel	4,566,760,528	4,251,347,098
	GEGC	262,414,344	1,101,296,490
	Guangdong Energy Natural Gas	180,748,337	390,755,352
	Yudean Environmental	40,995,467	35,115,820
	Environmental Protection Materials	21,639,938	24,316,381
	Others	4,661,297	3,511,517
		<u>5,077,219,911</u>	<u>5,806,342,658</u>
Contract liabilities	GEGC	<u>-</u>	<u>2,606,132</u>
Other payables	Menghua New Energy	10,240,523	5,276,682
	GEGC	-	2,501,436,910
	Energy Financial Leasing Company	-	42,722,792
	Others	6,601,259	6,780,239
		<u>16,841,782</u>	<u>2,556,216,623</u>
Lease liabilities	Energy Financial Leasing Company	<u>6,697,106,654</u>	<u>3,801,408,039</u>

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8 Related parties and related party transactions (Cont'd)

(6) Receivables from and payables to related parties (Cont'd)

Payables to related parties (Cont'd):

	31 December 2022	31 December 2021
Short-term borrowings		
Energy Group Finance Company		
- Principal	5,723,903,012	4,977,136,729
- Interest	5,323,466	3,142,408
	<u>5,729,226,478</u>	<u>4,980,279,137</u>
Current portion of non-current liabilities		
Energy Group Finance Company		
- Principal	222,079,444	191,911,238
- Interest	5,112,690	6,612,663
GEGC		
- Principal	-	82,000,000
- Interest	527,083	368,958
	<u>227,719,217</u>	<u>280,892,859</u>
Energy Financial Leasing Company	<u>769,850,008</u>	<u>33,630,163</u>
Long-term borrowings		
Energy Group Finance Company		
- Principal	3,962,102,717	4,175,122,351
GEGC		
- Principal	500,000,000	268,000,000
	<u>4,462,102,717</u>	<u>4,443,122,351</u>

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9 Commitments

(1) Capital commitments

Capital expenditures contracted for by the Group but are not yet necessary to be recognised on the balance sheet as at the balance sheet date are as follows:

	31 December 2022	31 December 2021
Buildings and power generation equipment	<u>27,198,894,118</u>	<u>23,518,696,981</u>

The above capital commitments will be primarily used for the construction of new electric plants and the purchase of new generator units.

(2) Investment commitments

- (a) In September 2022, Guangdong Wind Power, a subsidiary of the Group, signed the framework agreement with Shandong Fengxu for the acquisition of its 100% equity in Gaotang Fengxu New Energy Co., Ltd. As at 31 December 2022, Guangdong Wind Power paid a deposit of RMB 41,226,000 to Shandong Fengxu (Note 4(17)), but the consideration for the equity transaction has not yet been determined.
- (b) In August 2022, Guangdong Wind Power, a subsidiary of the Group, signed the framework agreement with Hengyang New Energy for the acquisition of its no less than 65% equity in Wuxiang Lvheng Photovoltaic Power Generation Co., Ltd. As at 31 December 2022, Guangdong Wind Power paid a deposit of RMB 52,200,000 to Hengyang New Energy (Note 4(17)), but the consideration for the equity transaction has not yet been determined.
- (c) In February 2022, Guangdong Wind Power, a subsidiary of the Group, signed the framework agreement with Nanchang Hangneng New Energy Centre (Limited Partnership) (“Nanchang Hangneng”) for the acquisition of its 100% equity in Lianjiang Hangneng New Energy Co., Ltd. The consideration for the equity transaction has not yet been determined.
- (d) In September 2022, Guangdong Wind Power, a subsidiary of the Group, signed the framework agreement with Qinhuangdao Wohua Highway Engineering Co., Ltd. (“Wohua Engineering”) and Qinhuangdao Angqian Trading Co., Ltd. (“Angqian Trading”) for the acquisition of their 100% equity (51% of equity from Wohua Engineering and 49% of equity from Angqian Trading) in Qinglong Manchu Autonomous County Jianhao Photovoltaic Technology Co., Ltd. (“Jianhao PV”). The consideration for the equity transaction has not yet been determined.

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10 Operating lease proceeds after the balance sheet date

As the lessor, the Group's undiscounted lease proceeds receivable after the balance sheet date are as follows:

	31 December 2022
Within 1 year	35,164,085
1 to 2 years	24,668,139
2 to 3 years	12,110,192
3 to 4 years	8,301,891
4 to 5 years	2,442,113
Over 5 years	2,644,731
	<u>85,331,151</u>

11 Financial instruments and risks

The Group's activities expose it to a variety of financial risks: market risk (primarily including foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

- (1) Market risk
- (a) Foreign exchange risk

The Group's major operational activities are carried out in the Chinese mainland and a majority of the transactions are denominated in RMB. The Group is exposed to foreign exchange risk arising from the recognised assets and liabilities, and future transactions denominated in foreign currencies, primarily with respect to USD. The Group's finance department at its headquarters is responsible for monitoring the amount of assets and liabilities, and transactions denominated in foreign currencies to minimise the foreign exchange risk. Therefore, the Group may consider taking proper measures to mitigate the foreign exchange risk as appropriate. During 2022 and 2021, the Group did not enter into any forward exchange contracts or currency swap contracts.

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11 Financial instruments and risks (Cont'd)

(1) Market risk (Cont'd)

(a) Foreign exchange risk (Cont'd)

As at 31 December 2022 and 31 December 2021, the carrying amounts in RMB equivalent of the Group's financial liabilities denominated in foreign currencies are summarised below:

	<u>31 December 2022</u>
	USD
Financial liabilities denominated in foreign currency -	
Long-term borrowings	41,927,519
Current portion of non-current liabilities	<u>6,795,228</u>
	<u>48,722,747</u>
	<u>31 December 2021</u>
	USD
Financial liabilities denominated in foreign currency -	
Long-term borrowings	44,506,676
Current portion of non-current liabilities	<u>6,542,011</u>
	<u>51,048,687</u>

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11 Financial instruments and risks (Cont'd)

(1) Market risk (Cont'd)

(a) Foreign exchange risk (Cont'd)

As at 31 December 2022, if the RMB had strengthened/weakened by 10% against the USD while all other variables had been held constant, the Group's net profit would have been approximately RMB 3,618,743 (31 December 2021: approximately RMB 3,812,098) higher/lower for various financial liabilities denominated in USD of subsidiaries, whose recording currency was RMB.

As at 31 December 2022, as the Group's financial assets and liabilities denominated in other foreign currencies were not significant, the changes in exchange rate of other foreign currencies had no significant influence on the Group.

(b) Interest rate risk

The Group's interest rate risk mainly arises from interest bearing borrowings including bank borrowings, debentures payable, lease liabilities and long-term payables. Financial liabilities issued at floating rates expose the Group to cash flow interest rate risk. Financial liabilities issued at fixed rates expose the Group to fair value interest rate risk. The Group determines the relative proportions of its fixed rate and floating rate contracts depending on the prevailing market conditions.

The Group continuously monitors its interest rate position. Increases in interest rates will increase the cost of new borrowing and the interest expenses with respect to the Group's outstanding floating rate borrowings, and therefore could have a material adverse effect on the Group's financial performance. The Group makes adjustments timely with reference to the latest market conditions and may enter into interest rate swap agreements to mitigate its exposure to interest rate risk. During 2022 and 2021, the Group did not enter into any interest rate swap agreements.

The Group's interest bearing borrowings were mainly bank borrowings, debentures payable, lease liabilities and long-term payables with fixed and floating interest rates, and the amounts of respective interest are as follows:

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11 Financial instruments and risks (Cont'd)

(1) Market risk (Cont'd)

(b) Interest rate risk (Cont'd)

	31 December 2022	31 December 2021
Short-term borrowings		
- Fixed interest rate	8,558,171,817	9,242,146,729
- Floating interest rate	7,685,222,429	3,107,000,000
	<u>16,243,394,246</u>	<u>12,349,146,729</u>
	31 December 2022	31 December 2021
Long-term borrowings and current portion of long-term borrowings		
- Fixed interest rate	3,032,550,500	-
- Floating interest rate	42,450,700,741	31,587,611,645
	<u>45,483,251,241</u>	<u>31,587,611,645</u>
	31 December 2022	31 December 2021
Debentures payable and current portion of debentures payable		
- Fixed interest rate	9,294,472,072	8,693,083,422
	<u>9,294,472,072</u>	<u>8,693,083,422</u>
	31 December 2022	31 December 2021
Long-term payables and current portion of long-term payables		
- Fixed interest rate	413,964,363	24,960,000
- Floating interest rate	270,841,118	96,819,223
	<u>684,805,481</u>	<u>121,779,223</u>
	31 December 2022	31 December 2021
Lease liabilities and current portion of lease liabilities		
- Fixed interest rate	344,260,300	52,036,473
- Floating interest rate	7,463,703,755	5,546,994,736
	<u>7,807,964,055</u>	<u>5,599,031,209</u>

As at 31 December 2022, the Group's fixed interest bearing borrowings amounted to RMB 21,777,493,496 and floating interest bearing borrowings amounted to RMB 57,870,468,043 (31 December 2021: fixed interest bearing borrowings of RMB 18,012,226,624, and floating interest bearing borrowings of RMB 40,338,425,604).

As at 31 December 2022, if interest rates on the floating rate borrowings had risen/fallen by 10 basis points while all other variables had been held constant, the Group's interest costs would have increased/decreased by approximately RMB 57,870,468 (31 December 2021: approximately RMB 40,345,191).

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11 Financial instruments and risks (Cont'd)

(2) Credit risk

Credit risk of the Group mainly arises from cash at bank and on hand, notes receivables, accounts receivables, contract assets, other receivables and long-term receivables. The carrying amount of the Group's financial assets reflects its maximum credit exposure on the balance sheet date.

The Group expects that there is no significant credit risk associated with cash at bank and on hand since they are deposited at Energy Group Finance Company, state-owned banks and other medium or large size listed banks with good reputation and high credit rating. The Group does not expect that there will be significant losses from non-performance by the counterparty.

In addition, the Group has policies to limit the credit exposure on notes receivables, accounts receivables, contract assets, other receivables and long-term receivables. The Group assesses the credit quality of and sets credit limits on its customers by taking into account their financial position, the availability of guarantee from third parties, their credit history and other factors such as current market conditions. The credit history of the customers is regularly monitored by the Group. In respect of customers with a poor credit history, the Group will use written payment reminders, or shorten or cancel credit periods, to ensure the overall credit risk of the Group is limited to a controllable extent.

As at 31 December 2022, the Group had no significant collateral or other credit enhancements held as a result of the debtor's mortgage (31 December 2021: Nil).

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11 Financial instruments and risks (Cont'd)

(3) Liquidity risk

Cash flow forecasting is performed by each subsidiary of the Group. The Group is exposed to a certain degree of liquidity risk as it has net current liabilities. In view of the above-mentioned facts, the Group has formulated certain plans and measures to alleviate the pressure on working capital and improve its financial position, as detailed in Note 2(1).

The financial liabilities of the Group at the balance sheet date are analysed by their maturity date below at their undiscounted contractual cash flows:

	31 December 2022					Carrying amount on balance sheet
	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total	
Short-term borrowings	16,553,465,153	-	-	-	16,553,465,153	16,261,444,860
Notes payables	1,495,778,076	-	-	-	1,495,778,076	1,495,778,076
Accounts payables	5,938,254,013	-	-	-	5,938,254,013	5,938,254,013
Other payables	9,403,658,031	-	-	-	9,403,658,031	9,403,658,031
Other current liabilities	4,203,765,374	-	-	-	4,203,765,374	4,174,850,374
Current portion of non-current liabilities	4,321,223,232	-	-	-	4,321,223,232	3,975,249,970
Long-term borrowings	1,500,338,841	6,278,047,921	17,262,962,985	28,480,679,593	53,522,029,340	42,860,932,628
Debentures payable	494,830,000	4,987,690,000	4,648,510,000	-	10,131,030,000	9,094,489,909
Lease liabilities	-	624,509,123	1,900,722,122	5,890,036,507	8,415,267,752	6,870,820,017
Long-term payables	-	47,109,237	224,035,543	690,202,587	961,347,367	641,337,028
	<u>43,911,312,720</u>	<u>11,937,356,281</u>	<u>24,036,230,650</u>	<u>35,060,918,687</u>	<u>114,945,818,338</u>	<u>100,716,814,906</u>

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11 Financial instruments and risks (Cont'd)

(3) Liquidity risk (Cont'd)

	31 December 2021					Total	Carrying amount on balance sheet
	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years			
Short-term borrowings	12,562,159,932	-	-	-	12,562,159,932	12,360,296,429	
Notes payables	1,908,780,000	-	-	-	1,908,780,000	1,908,780,000	
Accounts payables	6,626,567,064	-	-	-	6,626,567,064	6,626,567,064	
Other payables	10,569,763,778	-	-	-	10,569,763,778	10,569,763,778	
Other current liabilities	1,981,058,957	-	-	-	1,981,058,957	1,658,449,006	
Current portion of non-current liabilities	4,045,277,512	-	-	-	4,045,277,512	3,697,619,753	
Long-term borrowings	1,255,490,613	2,864,007,167	9,130,610,877	24,125,559,315	37,375,667,972	28,940,577,856	
Debentures payable	259,130,000	459,051,484	8,954,652,878	-	9,672,834,362	8,693,083,422	
Lease liabilities	-	581,556,623	1,310,762,376	3,969,525,034	5,861,844,033	4,728,167,142	
Long-term payables	-	-	-	96,819,223	96,819,223	96,819,223	
	<u>39,208,227,856</u>	<u>3,904,615,274</u>	<u>19,396,026,131</u>	<u>28,191,903,572</u>	<u>90,700,772,833</u>	<u>79,280,123,673</u>	

The Group's available financing credit lines under agreement with the financial institutions as at balance sheet date are as follows:

	31 December 2022	31 December 2021
Available financing credit lines under agreement with the financing institutions	<u>76,698,774,410</u>	<u>36,078,452,111</u>

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12 Fair value estimates

The level in which fair value measurement is categorised is determined by the level of the fair value hierarchy of the lowest level input that is significant to the entire fair value measurement:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

(1) Assets measured at fair value on a non-recurring basis

As at 31 December 2022, the assets measured at fair value on a recurring basis by the above three levels are analysed below:

	Level 1	Level 2	Level 3	Total
Investments in other equity instruments -				
Other equity instruments	<u>2,105,271,054</u>	<u>-</u>	<u>952,800,000</u>	<u>3,058,071,054</u>

As at 31 December 2021, the assets measured at fair value on a recurring basis by the above three levels are analysed below:

	Level 1	Level 2	Level 3	Total
Investments in other equity instruments -				
Other equity instruments	<u>547,728,682</u>	<u>-</u>	<u>2,684,300,000</u>	<u>3,232,028,682</u>

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12 Fair value estimates (Cont'd)

(1) Assets measured at fair value on a recurring basis (Cont'd)

The Group takes the date on which events causing the transfers between the levels take place as the timing specific for recognising the transfers. Sunshine Insurance was listed on the Hong Kong Stock Exchange on 9 December 2022, therefore, there is a transfer between Level 3 and Level 1 for the current year.

The fair value of financial instruments traded in an active market is determined at the quoted market price; and the fair value of those not traded in an active market is determined by the Group using valuation techniques. The Group adopt such valuation models as cash flow discounting model and comparable company in the market to evaluate the fair value of the other equity instrument of Level 3 financial assets. The Group adopts average price to book value ratio (PB) and discounts for lack of marketability (DLOM) as major unobservable inputs for SCG.

The changes in Level 3 financial assets are analysed below:

	31 December 2021	Purchase	Transfer out of Level 3	Gains recognised in other comprehensive income	31 December 2022
Investments in other equity instruments - Other equity instruments	2,684,300,000	2,000,000	(1,653,500,000)	(80,000,000)	952,800,000

(2) Assets and liabilities not measured at fair value but for which the fair value is disclosed

Financial assets and liabilities measured at amortised cost mainly include notes receivables, accounts receivables, other receivables, long-term receivables, short-term borrowings, payables, lease liabilities, long-term borrowings, debentures payable and long-term payables.

The carrying amount of the financial assets and liabilities not measured at fair value is a reasonable approximation of their fair value.

13 Capital management

The Group's capital management policies aim to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

The Group's total capital is calculated as 'shareholders' equity' as shown in the consolidated balance sheet. The Group is not subject to external mandatory capital requirements, and monitors capital on the basis of gearing ratio.

As at 31 December 2022 and 31 December 2021, the Group's gearing ratio is as follows:

	31 December 2022	31 December 2021 (Restated)
Gearing ratio	78.16%	71.21%

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14 Notes to the Company's financial statements

(1) Accounts receivables

	31 December 2022	31 December 2021
Accounts receivables	191,716,383	192,707,778
Less: Provision for bad debts	-	-
	<u>191,716,383</u>	<u>192,707,778</u>

(a) The ageing of accounts receivables is analysed as follows:

	31 December 2022	31 December 2021
Within 1 year	<u>191,716,383</u>	<u>192,707,778</u>

(b) As at 31 December 2022, the five largest amounts of accounts receivables aggregated by debtors are summarised and analysed as follows:

	Balance	Provision for bad debts	% of total balance
Total balance of the five largest accounts receivables	<u>191,716,383</u>	-	<u>100.00%</u>

(c) Provision for bad debts

For accounts receivables, the Company recognises the lifetime ECL regardless of whether there exists a significant financing component.

(i) As at 31 December 2022, provision for bad debts made on a collective basis for accounts receivables is analysed as follows:

Group 1

As at 31 December 2022, the Company's receivables from sale of electricity amounted to RMB 191,716,383, which mainly comprised receivables from Southern Power Grid Company. Considering the favourable credit history of Southern Power Grid Company, the Company held that there was no significant credit risk arising from receivables from sale of electricity. Since the possibility of material losses due to the default by Southern Power Grid Company was extremely low, the Company made no provision for the ECL of the receivables from sale of electricity.

As at 31 December 2022, there were no accounts receivables categorised in Group 2 and 3.

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14 Notes to the Company's financial statements (Cont'd)

- (1) Accounts receivables (Cont'd)
- (c) Provision for bad debts (Cont'd)
- (ii) In 2022, the Company did not make any provision for bad debts of accounts receivables (2021: Nil), and there was no provision for bad debts of accounts receivables written off in the current year (2021: Nil).
- (2) Other receivables

	31 December 2022	31 December 2021
Entrusted loans receivable	487,000,000	100,000,000
Supplementary medical insurance fund receivable	44,006,139	39,346,861
Receivables from sale of by-products	22,733,484	13,723,340
Advances receivable	4,115,142	2,250,884
Interest receivable	1,569,590	887,856
Capacity receivable	-	252,000,000
Others	8,894,452	7,933,062
	<u>568,318,807</u>	<u>416,142,003</u>
Less: Provision for bad debts	<u>(219,042)</u>	<u>(151,437)</u>
	<u>568,099,765</u>	<u>415,990,566</u>

- (a) The ageing of other receivables is analysed as follows:

	31 December 2022	31 December 2021
Within 1 year	528,305,879	412,826,194
1 to 2 years	38,707,456	1,889,053
2 to 3 years	984,907	229,312
Over 3 years	320,565	1,197,444
	<u>568,318,807</u>	<u>416,142,003</u>

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14 Notes to the Company's financial statements (Cont'd)

(2) Other receivables (Cont'd)

(b) Loss provision and changes in book balance

	Stage 1			Stage 3		Total		
	12-month ECL (group)		12-month ECL (individual)		Lifetime ECL (credit impaired)			
	Book balance	Provision for bad debts	Book balance	Provision for bad debts	Book balance		Provision for bad debts	
31 December 2021	2,558,592	(151,437)	413,583,411	-	(151,437)	-	-	(151,437)
Increase in the current year	6,752,837	(100,849)	146,877,178	-	(100,849)	-	-	(100,849)
Reversal in the current year	(1,453,211)	33,244	-	-	33,244	-	-	33,244
31 December 2022	7,858,218	(219,042)	560,460,589	-	(219,042)	-	-	(219,042)

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14 Notes to the Company's financial statements (Cont'd)

(2) Other receivables (Cont'd)

(b) Loss provision and changes in book balance (Cont'd)

As at 31 December 2022 and 31 December 2021, the Company did not have other receivables at Stage 2 or Stage 3. Other receivables at Stage 1 are analysed below:

(i) As at 31 December 2022, other receivables at Stage 1 for which the related provision for bad debts was provided on the individual basis are analysed as follows:

	Book balance	12-month ECL rates	Provision for bad debts	Reason
Entrusted loans receivable	487,000,000	-	-	The counterparty is the Company's subsidiary with a historical loss rate of 0%; therefore, the risk of ECL is extremely low.
Supplementary medical insurance fund receivable	44,006,139	-	-	The counterparty is Taikang Pension, which provides custody services to the Company's supplementary medical insurance fund; therefore, the risk of ECL is extremely low.
Receivables from related parties	29,454,450	-	-	The counterparty is a related party, with a historical loss rate of 0%; therefore, the risk of ECL is extremely low.
	<u>560,460,589</u>		<u>-</u>	

As at 31 December 2021, other receivables at Stage 1 for which the related provision for bad debts was provided on the individual basis are analysed as follows:

	Book balance	12-month ECL rates	Provision for bad debts	Reason
Entrusted loans receivable	100,000,000	-	-	The counterparty is the Company's subsidiary with a historical loss rate of 0%; therefore, the risk of ECL is extremely low.
Supplementary medical insurance fund receivable	39,346,861	-	-	The counterparty is Taikang Pension, which provides custody services to the Company's supplementary medical insurance fund; therefore, the risk of ECL is extremely low.
Receivables from related parties	274,236,550	-	-	The counterparty is a related party, with a historical loss rate of 0%; therefore, the risk of ECL is extremely low.
	<u>413,583,411</u>		<u>-</u>	

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14 Notes to the Company's financial statements (Cont'd)

(2) Other receivables (Cont'd)

(b) Loss provision and changes in book balance (Cont'd)

(ii) As at 31 December 2022, other receivables at Stage 1 for which the related provision for bad debts was provided on the collective basis are analysed as follows:

	31 December 2022		
	Book balance	Loss provision	
	Amount	Amount	Provision ratio
Group 1			
Within 1 year	6,752,837	(19,060)	0.28%
1 to 2 years	784,602	(39,871)	5.08%
2 to 3 years	229,526	(68,858)	30.00%
Over 3 years	91,253	(91,253)	100.00%
	<u>7,858,218</u>	<u>(219,042)</u>	<u>2.79%</u>

As at 31 December 2021, other receivables at Stage 1 for which the related provision for bad debts was provided on the collective basis are analysed as follows:

	31 December 2021		
	Book balance	Loss provision	
	Amount	Amount	Provision ratio
Group 1			
Within 1 year	2,029,378	(16,388)	0.81%
1 to 2 years	437,961	(43,796)	10.00%
Over 3 years	91,253	(91,253)	100.00%
	<u>2,558,592</u>	<u>(151,437)</u>	<u>5.92%</u>

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14 Notes to the Company's financial statements (Cont'd)

(2) Other receivables (Cont'd)

(c) As at 31 December 2022, the five largest amounts of other receivables aggregated by debtors are analysed as follows:

	Nature	Balance	Ageing	% of total balance	Provision for bad debts
Shaoguan Power Plant	Entrusted loans	337,215,234	Within 1 year	59.34%	-
Lincang Energy	Entrusted loans	81,280,564	Within 1 year	14.30%	-
Jiuzhou New Energy	Entrusted loans	70,073,792	Within 1 year	12.33%	-
	Supplementary medical insurance				
Taikang Pension fund receivable		44,006,139	Within 2 years	7.74%	-
Yudean Environmental	Receivables from sale of by-products	22,721,897	Within 1 year	4.00%	-
		<u>555,297,626</u>		<u>97.71%</u>	<u>-</u>

(3) Long-term equity investments

	31 December 2022	31 December 2021
Subsidiaries (a)	35,870,036,063	30,519,715,049
Joint ventures (b)	865,576,323	804,769,245
Associates (c)	<u>7,519,839,714</u>	<u>6,659,945,716</u>
Less: Long-term equity investments - provision for impairment of subsidiaries (a)	(2,449,328,079)	(1,348,124,079)
Long-term equity investments - provision for impairment of associates (c)	<u>(96,327,854)</u>	<u>(96,327,854)</u>
	<u>41,709,796,167</u>	<u>36,539,978,077</u>

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14 Notes to the Company's financial statements (Cont'd)

(3) Long-term equity investments (Cont'd)

(a) Subsidiaries

	31 December 2021	Increase in investments	Decrease in investments	Provision for impairment	31 December 2022	Ending balance of provision for impairment loss	Declared cash dividends during the year
Zhanjiang Electric	2,185,334,400	-	-	-	2,185,334,400	-	-
Yuejia Electric	-	-	-	-	-	(455,584,267)	-
Maoming Thermal	687,458,978	-	-	-	687,458,978	-	-
Jinghai Power	1,930,395,668	520,000,000	-	-	2,450,395,668	-	-
Zhongyue Energy	963,000,000	-	-	-	963,000,000	(187,248,115)	-
Humen Electric	3,192,416	-	-	-	3,192,416	(86,807,584)	-
Technology Engineering Company	20,000,000	-	-	-	20,000,000	-	5,155,800
Bohe Energy	3,167,000,000	321,600,000	-	-	3,488,600,000	-	-
Pinghai Power	720,311,347	-	-	-	720,311,347	-	-
Red Bay Power	2,220,023,386	-	-	-	2,220,023,386	-	-
Huizhou Natural Gas	1,205,199,446	-	-	-	1,205,199,446	-	51,112,064
Guangqian Electric	1,353,153,223	-	-	-	1,353,153,223	-	-
Shaoguan Power Plant	1,101,203,999	-	-	(1,101,203,999)	-	(1,509,698,674)	-
Huadu Natural Gas	186,550,000	-	-	-	186,550,000	-	-
Dabu Electric	1,040,000,000	867,100,000	-	-	1,907,100,000	-	-
Sub-total for next page	<u>16,782,822,863</u>	<u>1,708,700,000</u>	<u>-</u>	<u>(1,101,203,999)</u>	<u>17,390,318,864</u>	<u>(2,239,338,640)</u>	<u>56,267,864</u>

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14 Notes to the Company's financial statements (Cont'd)

(3) Long-term equity investments (Cont'd)

(a) Subsidiaries (Cont'd)

	31 December 2021	Increase in investments	Decrease in investments	Provision for impairment	31 December 2022	Ending balance of provision for impairment loss	Declared cash dividends during the year
Subtotal brought forward	16,782,822,863	1,708,700,000	-	(1,101,203,999)	17,390,318,864	(2,239,338,640)	56,267,864
Guangdong Wind Power	6,872,556,260	832,000,000	-	-	7,704,556,260	-	-
Power Sales	230,000,000	-	-	-	230,000,000	-	47,181,475
Lincang Energy	281,000,000	-	-	-	281,000,000	(209,989,439)	-
Yongan Natural Gas	180,000,000	180,000,000	-	-	360,000,000	-	-
Binhai Bay Company	620,000,000	100,000,000	-	-	720,000,000	-	-
Daya Bay Company	145,600,000	84,729,500	-	-	230,329,500	-	-
Qiming	20,000,000	18,000,000	-	-	38,000,000	-	-
Huaguoquan Company	49,680,900	-	-	-	49,680,900	-	2,833,534
Dananhai Company	15,000,000	156,000,000	-	-	171,000,000	-	-
Baihua Company	3,000,000	-	-	-	3,000,000	-	-
Sha C Company	1,559,120,782	-	-	-	1,559,120,782	-	-
Yunhe Power	1,066,562,327	-	-	-	1,066,562,327	-	-
Yuehua Power	541,247,838	-	-	-	541,247,838	-	-
Bijie New Energy	5,000,000	9,500,000	-	-	14,500,000	-	-
Tumxuk Thermal Power	800,000,000	-	-	-	800,000,000	-	-
Shaoguan New Energy	-	33,473,000	-	-	33,473,000	-	-
Tumxuk Hanhai	-	324,050,000	-	-	324,050,000	-	-
Jinxiu Integrated Energy	-	2,621,800	-	-	2,621,800	-	-
Sub-total for next page	<u>29,171,590,970</u>	<u>3,449,074,300</u>	<u>-</u>	<u>(1,101,203,999)</u>	<u>31,519,461,271</u>	<u>(2,449,328,079)</u>	<u>106,282,873</u>

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14 Notes to the Company's financial statements (Cont'd)

(3) Long-term equity investments (Cont'd)

(a) Subsidiaries (Cont'd)

	31 December 2021	Increase in investments	Decrease in investments	Provision for impairment	31 December 2022	Ending balance of provision for impairment loss	Declared cash dividends during the year
Subtotal brought forward	29,171,590,970	3,449,074,300	-	(1,101,203,999)	31,519,461,271	(2,449,328,079)	106,282,873
Jinchang Mujin	-	120,495,920	-	-	120,495,920	-	-
Jinchang Muhong	-	120,495,920	-	-	120,495,920	-	-
Huibo New Energy	-	15,492,360	-	-	15,492,360	-	-
Xingyue New Energy	-	9,977,500	-	-	9,977,500	-	-
Maoming Natural Gas	-	115,345,000	-	-	115,345,000	-	-
Huixin Thermal Power	-	104,975,000	-	-	104,975,000	-	-
Dongrun Zhongneng	-	45,063,020	-	-	45,063,020	-	-
Shache Integrated Energy	-	1,206,110,470	-	-	1,206,110,470	-	-
Xinguangyao New Energy	-	32,923,000	-	-	32,923,000	-	-
Luoding New Energy	-	1,844,520	-	-	1,844,520	-	-
Jiuzhou New Energy	-	39,000,000	-	-	39,000,000	-	-
Changshan Wind Power	-	89,524,003	-	-	89,524,003	-	-
Total	29,171,590,970	5,350,321,013	-	(1,101,203,999)	33,420,707,984	(2,449,328,079)	106,282,873

Relevant information of the Company's subsidiaries is set out in Note 6(1)(a).

- (i) As at 31 December 2022, the accumulated losses of Shaoguan Power Plant amounted to RMB 2,917,780,188. The Company tested the recoverable amounts of the long-term equity investments in Shaoguan Power Plant and made a provision for impairment of RMB 1,101,203,999 accordingly.

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14 Notes to the Company's financial statements (Cont'd)

(3) Long-term equity investments (Cont'd)

(b) Joint ventures

	31 December 2021	Movements for the current year			31 December 2022	Ending balance of provision for impairment loss
		Increase in investments	Share of net profit/(loss) under equity method	Share of other comprehensive income		
Industry Fuel	804,769,245	-	60,807,078	-	865,576,323	-

(c) Associates

	31 December 2021	Movements for the current year					31 December 2022	Ending balance of provision for impairment loss	
		Increase in investments	Decrease in investments	Share of net profit/(loss) under equity method	Share of other comprehensive income	Share of other changes in equity			Cash dividends declared
Taishan Electric	1,784,468,086	-	-	116,886,446	-	-	-	1,901,354,532	-
Shanxi Yudean Energy	2,363,177,253	130,000,000	-	526,175,689	-	-	-	3,019,352,942	-
Energy Group Finance Company	1,046,702,914	-	-	94,769,170	6,211,682	-	(77,434,193)	1,070,249,573	-
Yudean Shipping	247,954,895	-	-	26,726,321	1,855,914	636,197	-	277,173,327	-
GEG Property Insurance	276,532,777	-	-	11,597,609	-	-	(2,426,770)	285,703,616	-
Weixin Yuntou	138,810,051	-	-	(52,510,020)	-	-	-	86,300,031	(96,327,854)
Energy Financial Leasing Company	532,306,787	-	-	23,242,646	-	-	(18,292,179)	537,257,254	-
Yueqian Power	161,325,870	-	-	70,648,616	-	-	-	231,974,486	-
Others	12,339,229	-	-	2,389,184	-	-	(582,314)	14,146,099	-
	<u>6,563,617,862</u>	<u>130,000,000</u>	<u>-</u>	<u>819,925,661</u>	<u>8,067,596</u>	<u>636,197</u>	<u>(98,735,456)</u>	<u>7,423,511,860</u>	<u>(96,327,854)</u>

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14 Notes to the Company's financial statements (Cont'd)

(4) Revenue and cost of sale

	2022	2021
Revenue from main operations	1,483,048,324	1,522,773,313
Revenue from other operations	50,218,658	71,049,232
	<u>1,533,266,982</u>	<u>1,593,822,545</u>

	2022	2021
Cost of sale from main operations	1,848,107,659	1,910,172,008
Cost of sale from other operations	1,667,069	1,779,127
	<u>1,849,774,728</u>	<u>1,911,951,135</u>

(a) Revenue and cost of sale from main operations

	2022		2021	
	Revenue from main operations	Cost of sale from main operations	Revenue from main operations	Cost of sale from main operations
Revenue from sale of electricity	<u>1,483,048,324</u>	<u>1,848,107,659</u>	<u>1,522,773,313</u>	<u>1,910,172,008</u>

(b) Revenue and cost of sale from other operations

	2022		2021	
	Revenue from other operations	Cost of sale from other operations	Revenue from other operations	Cost of sale from other operations
Revenue from integrated utilisation of coal ash	30,835,280	-	31,187,580	-
Rental income	11,653,863	1,037,124	13,524,618	1,010,171
Others	7,729,515	629,945	26,337,034	768,956
	<u>50,218,658</u>	<u>1,667,069</u>	<u>71,049,232</u>	<u>1,779,127</u>

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14 Notes to the Company's financial statements (Cont'd)

(4) Revenue and cost of sale (Cont'd)

(c) The Company's revenue is disaggregated as follows:

	2022			
	Sale of electricity and coal ash	Rental	Others	Total
Revenue from main operations Including: Recognition at a point in time	1,483,048,324			1,483,048,324
Revenue from other operations Including: Recognition at a point in time	30,835,280	-	6,031,402	36,866,682
Recognised over a period of time	-	-	1,698,113	1,698,113
Rental income	-	11,653,863	-	11,653,863
	<u>1,513,883,604</u>	<u>11,653,863</u>	<u>7,729,515</u>	<u>1,533,266,982</u>
	2021			
	Sale of electricity and coal ash	Rental	Others	Total
Revenue from main operations Including: Recognition at a point in time	1,522,773,313	-	-	1,522,773,313
Revenue from other operations Including: Recognition at a point in time	31,187,580	-	19,526,298	50,713,878
Recognised over a period of time	-	-	6,810,736	6,810,736
Rental income	-	13,524,618	-	13,524,618
	<u>1,553,960,893</u>	<u>13,524,618</u>	<u>26,337,034</u>	<u>1,593,822,545</u>

As at 31 December 2022, the Company had no performance obligation that had been contracted but not yet fulfilled.

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14 Notes to the Company's financial statements (Cont'd)

(5) Investment income

	2022	2021
Investment income from long-term equity investments under equity method	880,732,739	697,838,523
Income from long-term equity investments under cost method	106,282,873	1,632,390,475
Dividend income earned during the holding period of investments in other equity instruments	101,262,589	87,731,408
Interest income from entrusted loans	26,780,747	27,667,677
Recognised investment income from equity replacement	-	973,426,650
	<u>1,115,058,948</u>	<u>3,419,054,733</u>

There was no significant restriction on remittance of investment income of the Company.

(6) Asset impairment losses

	2022	2021
Impairment of long-term equity investments	1,101,203,999	-
Impairment of fixed assets	-	29,321,084
	<u>1,101,203,999</u>	<u>29,321,084</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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1 Statement of non-recurring profit or loss

	2022	2021
Net profit or loss of the subsidiaries acquired in business combinations involving enterprises under common control for the period from the beginning of the period to the combination date	-	(658,714,842)
Government grants recognised in profit or loss for the current period	51,267,272	37,606,578
Gains on scrapping of non-current assets	47,885,412	95,182,637
Gains on disposals of non-current assets	30,802,837	82,842,178
Waived payables	20,398,517	3,896,128
Compensation for electricity charges during the demolition and construction period	6,533,120	18,040,851
Provision for asset impairment losses due to natural disasters	(83,358,694)	-
Losses on scrapping of non-current assets	(73,508,692)	(24,792,577)
Penalties and overdue fines	(59,233,310)	(5,756,168)
Other non-operating income and expenses other than aforesaid items	46,299,376	13,083,044
	<u>(12,914,162)</u>	<u>(438,612,171)</u>
Effect of income tax	(38,582,624)	(55,885,342)
Impact on minority interests (after tax)	(15,662,748)	252,056,993
	<u>(67,159,534)</u>	<u>(242,440,520)</u>

Basis for preparation of statement of non-recurring profit or loss

Pursuant to the *Explanatory Announcement for Information Disclosure of Companies Offering Securities to the Public No. 1 - Non-recurring Profit or Loss (2008)* issued by the China Securities Regulatory Commission, non-recurring profit or loss refers to profit or loss arising from transactions and events those are not directly related to the Company's normal course of business, also from transactions and events those even are related to the Company's normal course of business, but will interfere with the right judgement of users of the financial statements on the Company's operation performance and profitability due to their special nature and occasional occurrence.

Non-recurring profit or loss items defined according to the definition of non-recurring profit or loss and non-recurring profit or loss items listed which are defined as recurring profit and loss items are as follows:

	Amount of 2022	Reasons for regarding as recurring profit or loss
VAT refund upon collection	28,893,040	Constant occurrence, conforming to national policies and regulations
Carbon emission allowances used to fulfil the emission reduction obligation	(306,786,693)	Constant occurrence, conforming to national policies and regulations

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2 Return on net assets and earnings per share

	Rate of return on weighted average net assets (%)		Earnings per share			
			Basic earnings per share		Diluted earnings per share	
	2022	2021	2022	2021	2022	2021
		(Restated)		(Restated)		(Restated)
Net profit attributable to ordinary shareholders of the Company	(13.77)%	(9.94)%	(0.57)	(0.56)	(0.57)	(0.56)
Net profit attributable to ordinary shareholders of the Company after deduction of non- recurring profit or loss	(13.46)%	(10.41)%	(0.56)	(0.51)	(0.56)	(0.51)