



金风科技股份有限公司

GOLDWIND SCIENCE&TECHNOLOGY CO., LTD.*

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

Stock Code: 2208



Innovating for a
BRIGHTER TOMORROW

INTERIM REPORT 2024

* For identification purpose only



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Definitions



In this interim report, the following expressions have the following meanings unless the context requires otherwise:

“2023 AGM”	the 2023 annual general meeting of the Company held on 25 June 2024;
“A Shares”	ordinary shares issued by the Company, with RMB-denominated par value of RMB1.00 each, which are listed on the SZSE and traded in RMB;
“A Shareholders”	the holders of the A Shares;
“Articles”	the Articles of Association of the Company, as amended, modified or otherwise supplemented from time to time;
“attributable capacity”	represents the capacity attributed to the Group calculated by multiplying the Group’s percentage ownership in a power project by the total capacity of such power project;
“Audit Committee”	the audit committee of the Board;
“Board”	the board of directors of the Company;
“CASBE”	China Accounting Standards for Business Enterprises;
“Chairman”	the chairman of the Board;
“Chief Executive”	has the meaning as ascribed in the Listing Rules;
“China” or “PRC”	the People’s Republic of China. References in this interim report to the PRC and China exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan;
“China Three Gorges Corporation”	China Three Gorges Corporation (中國長江三峽集團有限公司), a company incorporated under the laws of the PRC and the parent company of China Three Gorges Energy;
“China Three Gorges Energy”	China Three Gorges New Energy (Group) Co., Ltd. (中國三峽新能源(集團)股份有限公司), a joint stock limited company incorporated under the laws of the PRC, an owned subsidiary of China Three Gorges Corporation;
“Company”	GOLDWIND SCIENCE&TECHNOLOGY CO., LTD. (金風科技股份有限公司);
“Corporate Governance Code”	Corporate Governance Code, as set out in Appendix C1 of the Listing Rules;
“Directors”	the directors of the Company;

“Financial Statements”	the condensed consolidated financial statements of the Group for the six months ended 30 June 2024, prepared in accordance with IFRSs;
“gearing ratio”	net debt divided by the sum of capital and net debt;
“Group”, “Goldwind”, “us” or “we”	the Company and its subsidiaries;
“GW”	gigawatt, a unit of power, 1GW equals 1,000MW;
“H Shares”	ordinary shares issued by the Company, with RMB-denominated par value of RMB1.00 each, which are listed on the Stock Exchange and traded in HKD;
“H Shareholders”	the holders of the H Shares;
“HKD”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“IFRSs”	International Financial Reporting Standards;
“kW”	kilowatt, a unit of power, 1kW equals 1,000 watts;
“kWh”	kilowatt hour, the unit of measurement for calculating the quantity of power production output. 1kWh is the work completed by a kilowatt generator running continuously for one hour at the rated output capacity;
“Latest Practicable Date”	23 September 2024, being the latest practicable date prior to the publication of this interim report for ascertaining certain information contained in this report;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 of the Listing Rules;
“MW”	megawatt, a unit of power, 1MW equals 1,000kW;
“NDRC”	National Development and Reform Commission of the PRC (中國國家發展和改革委員會);
“NEA”	National Energy Administration of the PRC (中國國家能源局);
“R&D”	research and development;
“Reporting Period”	six months ended 30 June 2024;
“RMB”	Renminbi, the lawful currency of the PRC;

Definitions



“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time;
“Shareholders”	shareholders of the Company;
“State Council”	the State Council of the PRC (中國國務院);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“subsidiary”	has the meaning as ascribed in the Listing Rules;
“Supervisors”	the supervisors of the Company;
“Supervisory Committee”	the supervisory committee of the Company;
“SZSE”	Shenzhen Stock Exchange;
“Wind Farm Investment and Development”	the Group's wind farm investment and development segment, one of the three primary business segments of the Group;
“Wind Power Services”	the Group's wind power services business segment, one of the three primary business segments of the Group;
“WTG”	wind turbine generator;
“WTG Manufacturing”	the Group's WTG R&D, manufacturing and sales business segment, the core business of the Group and one of the three primary business segments of the Group;
“Xinjiang”	the Xinjiang Uyghur Autonomous Region of the PRC;
“Xinjiang Wind Power”	Xinjiang Wind Power Co., Ltd. (新疆風能有限責任公司), a state-owned enterprise incorporated under the laws of the PRC and a substantial shareholder of the Company;
“YoY”	year-over-year, a method of evaluating two or more measured events to compare the results at one time period with those from another time period on an annualised basis; and
“%”	percent, in this interim report, calculations of percentage shall be based on the financial data contained in the Financial Statements including the relevant notes (where applicable).

BOARD OF DIRECTORS

Executive Directors

Mr. Wu Gang (*Chairman*)
Mr. Cao Zhigang
Mr. Liu Rixin

Non-executive Directors

Mr. Gao Jianjun
Ms. Yang Liying
Mr. Zhang Xudong

Independent Non-executive Directors

Ms. Yang Jianping
Mr. Tsang Hin Fun Anthony
Mr. Wei Wei

SUPERVISORS

Mr. Chang Qing
(*Chairman of Supervisory Committee*)
Mr. Luo Jun
Mr. Wang Yan
Mr. Lu Min
Ms. Ji Tian

COMPANY SECRETARY

Ms. Ma Jinru

PLACE OF BUSINESS

In the PRC

No. 107 Shanghai Road
Economic & Technological Development District
Urumqi, Xinjiang

In Hong Kong

33/F, Edinburgh Tower
The Landmark
15 Queen's Road Central
Hong Kong

LEGAL COUNSEL

Morrison & Foerster

AUDITORS

International Auditors

Deloitte Touche Tohmatsu

PRC Auditors

Deloitte Touche Tohmatsu
Certified Public Accountants LLP

LISTING PLACES

H Shares:
The Stock Exchange of Hong Kong Limited
Stock name: Goldwind
Stock code: 2208

A Shares:
Shenzhen Stock Exchange
Stock name: Goldwind
Stock code: 002202

SHARE REGISTRARS

H Shares:
Computershare Hong Kong Investor Services Limited

A Shares:
China Securities Depository and Clearing Corporation
Limited, Shenzhen Branch

PRINCIPAL BANKS

China Development Bank
Export-import Bank of China, Xinjiang Branch
Bank of China Limited, Xinjiang Branch
China Construction Bank Corporation, Xinjiang Branch
Agricultural Bank of China Limited, Xinjiang Branch
Industrial and Commercial Bank of China Limited,
Xinjiang Branch

COMPANY WEBSITE

www.goldwind.com

Management Discussion and Analysis



I. PRIMARY ACTIVITIES OF THE COMPANY DURING THE REPORTING PERIOD

The Company is mainly engaged in three primary activities, namely WTG Manufacturing, Wind Power Services and Wind Farm Investment and Development and other activities such as water treatment, which provide the Company with diversified sources of profits. Drawing from the Company's extensive experience in R&D and manufacturing of WTGs and wind farm construction, the Company is able to provide its customers with high quality WTGs as well as comprehensive solutions, which include Wind Power Services and Wind Farm Investment and Development, allowing the Company to meet its customers' demands in multiple segments of the wind power industry's value chain. The Company's turbines are capable of sustained operation in many varying environments, from high to low temperatures, high altitude, low wind speed and marine environments. In terms of market expansion, the Company has actively expanded into the global wind power market while consolidating the domestic market, with development spreading across six continents.

II. CORE COMPETITIVE ADVANTAGES

i. Market Leading Position

Goldwind was among the earliest enterprises to enter into the field of WTG manufacturing in China. After more than 20 years of development, Goldwind has become an industry-leading, comprehensive wind power solution provider both in China and overseas. Relying on the advanced technology and products, and years of experience in WTG R&D and manufacturing, the Company's WTGs with independent intellectual property rights ranked first in domestic wind power market for 13 consecutive years, and ranked first again in the world in 2023, symbolizing its industry-leading position for many years.

ii. Advanced Products and Technology

Goldwind has always attached great importance to investment in research and development and innovation, persisted in product and technological innovation, continuously improved the performance of wind turbine products, enriched the wind turbine products, and actively established a complete intellectual property management system to continuously enhance the Company's innovation capabilities and core competitiveness. The Company has eight R&D centers in both China and overseas and more than 3,000 R&D staff with extensive industry experience. Through mastering more cutting-edge technologies, the Company constantly develops and streamlines its serialized product portfolio to ensure the application of products in diversified usage scenarios and the Company's market coverage. The Company's outstanding product quality and performance has been demonstrated by its substantial order backlog in the market, which provides visibility to the Company's revenue in the foreseeable future.

iii. Excellent Product Quality

The Company attaches great importance to the quality of WTGs and insists on the approach of quality benefits. With more than 20 years of WTG R&D and manufacturing experience, the Company ensures the quality and reliability of WTGs and reduces the levelized cost of energy throughout turbine lifecycle. Goldwind has earned good reputation and industry leverage after years of industry precipitation thanks to its advanced technology, excellent quality, high power generation efficiency, good warranty service and overall solutions for its customers. It has been highly recognized by the government, customers, partners and investors.



Management Discussion and Analysis

iv. Comprehensive Solution Provider

Relying on the Company's advanced technology and products, and years of experience in wind power development, construction, and O&M, in addition to WTG sales, the Company actively expands comprehensive solutions of wind farm services and wind farm development to satisfy customer demands throughout the value chain in wind power industry. Meanwhile, it has enhanced the Company's competitiveness as a whole and gained a unique advantage. In the field of energy conservation and environmental protection, the Company continuously accumulated water treatment and environmental protection assets, and developed smart water treatment comprehensive solutions. The Company is committed to becoming a global leader in clean energy, energy conservation and environmental protection comprehensive solutions. At the same time, the Company has actively explored new business areas such as hybrid towers, energy storage, and energy-carbon, deeply explored the development potential of new businesses, expanded new boundaries for the efficient development and utilization of wind energy resources, and continued to promote technological innovation in wind power and peripheral product solutions, leading the balanced development of the industrial chain and helping achieve the "dual carbon" goal.

v. Global Expansion

As one of the first domestic wind power enterprises in China to expand overseas business, the Company has actively promoted its internationalization strategy for many years, adhering to the aim of "promoting internationalization through localization". The Company has successfully developed the markets of North America, Oceania, Europe, Asia, South America and Africa to actively participate in international market competition. Currently, the Company's operations have expanded in 42 countries across six continents worldwide, and the installed capacity in North America, Oceania, Asia (except China) and South America has exceeded 1GW respectively. The Company has deployed eight major overseas regional centres across the globe and is committed to realizing the internationalization of capital, market, technology, talent and management.

III. MAIN BUSINESS ANALYSIS

i. Overview

According to the latest report of "World Economic Outlook" released by the International Monetary Fund (IMF), the global economic growth forecast is 3.2% for 2024 and 3.3% for 2025. Global economic growth is gradually stabilizing with a relatively weak growth momentum. Amidst the intensified geopolitical conflicts, frequent international trade friction and rising trade protectionism, global economic outlook remains uncertain.

Facing the challenges resulted from the complex and ever-changing international environment and the continued deepening of domestic economic structure, the Chinese government has continued to increase the efforts in macroeconomic policies, adhered to the working principle of making steady progress, fully implemented the new development concept, accelerated the construction of a new development pattern, and soundly promoted high-quality development. The national economy remained generally stable. According to the data released by the National Bureau of Statistics of China, the gross domestic product (GDP) in China was RMB61,683.6 billion in the first half of 2024, representing a YoY increase of 5.0%.

Management Discussion and Analysis



China registered ongoing growth in electricity demand during the Reporting Period. Statistics released by the NEA indicate that in the first six months of 2024, China's electricity consumption grew by 8.1% YoY to 4,657.5 billion kWh. On the power supply side, the accumulated installed power generation capacity of China was about 3,071 GW by the end of June, representing a 14.1% YoY increase. Among which, the accumulated installed capacity of wind power was about 467 GW, representing a 19.9% YoY increase.

1. Main Policies Review

China's recent energy situation is undergoing profound and complex changes, with the energy structure transforming rapidly. Since 2024, in face of the realization of "dual carbon" goals and tasks, energy industry in China has thoroughly implemented the new development concept, issued and executed key driving policies for the transformation of the energy system, utilized the renewable energy consumption guarantee mechanism rationally, actively changed the energy consumption mode, improved the marketization of electricity trading, and gradually built an electricity market mechanism that adapts to the development of new energy and participates in market transactions.

(1) *Deeply promote energy revolution and promote energy development in the new era*

On 11 January 2024, the Guidelines of the Communist Party of China Central Committee and the State Council to Comprehensively Promote the Development of a Beautiful China proposed that by 2035, green production and lifestyle shall be widely formed, carbon emissions will stabilize and decline after peaking, the ecological environment will improve fundamentally, and the new layout of development and protection of land and space will be achieved. The diversity, stability and continuity of ecosystem has improved significantly, with national ecological security becoming more stable, the modernization of the ecological environment governance system and governance capabilities realizing basically, and the goal of a beautiful China achieved as a whole. Meanwhile, the Group will actively and steadily promote carbon peak and carbon neutrality. There are plans in place to implement the carbon peak action step by step, striving to achieve carbon peak by 2030, laying the foundation for striving to achieve carbon neutrality by 2060. By adhering to the principle of establishing first and breaking then, planning and construction of new energy systems will be accelerated to ensure energy security. Focusing on controlling the consumption of fossil energy such as coal, the Company will strengthen the cleaning and efficient use of coal, vigorously develop non-fossil energy, and accelerate the construction of new power systems.

On 29 May 2024, the State Council issued a Notice on the 2024-2025 Energy Conservation and Carbon Reduction Action Plan proposing that by 2024, energy consumption and carbon dioxide emissions per unit of GDP will reduce by approximately 2.5% and 3.9% respectively, energy consumption per unit of added value of industrial enterprises above designated size will reduce by approximately 3.5%, the proportion of non-fossil energy consumption will reach approximately 18.9%, and energy conservation and carbon reduction transformation in key areas and industries will decrease by approximately 50 million tons in terms of standard coal and decrease by approximately 130 million tons in terms of carbon dioxide emissions. In 2025, the proportion of non-fossil energy consumption will reach by approximately 20%, and energy conservation and carbon reduction transformation in key areas and industries will decrease by approximately 50 million tons in terms of standard coal and decrease by approximately 130 million tons in terms of carbon dioxide emissions.



Management Discussion and Analysis

(2) *Continue to optimize the energy consumption structure and accelerate the construction of a new power system*

On 18 March 2024, the NDRC published the Supervisory Measures on Full Guaranteed Purchase of Renewable Energy Electricity” (Order No. 15 of 2024), which clarified the scope of guaranteed purchase, and detailed the division of responsibilities of power market members such as power grid companies, power dispatching agencies and power trading agencies in the full guaranteed purchase of renewable energy electricity from guaranteed purchase, market trading and temporary dispatch.

On 22 March 2024, the NEA issued the Notice on Printing and Issuing the Guiding Opinions on Energy Work in 2024 stating that the energy structure continues to be optimized. The proportion of non-fossil energy power generation installed capacity has increased to approximately 55%. Wind power and solar power generation account for more than 17% of the national power generation. Natural gas consumption has increased steadily, with the proportion of non-fossil energy in total energy consumption increased to approximately 18.9%, and the proportion of terminal power consumption has continued to increase.

On 12 April 2024, the NEA issued the Notice on Promoting the Grid Connection and Dispatching of New Energy Storage stating the need to accurately grasp the functional position of new energy storage. In combination with the functional position of new energy storage and market requirements, the management of new energy storage grid connection shall be further standardized, the new energy storage dispatching mechanism shall be improved continuously to utilize new energy storage in a rational and efficient manner and effectively support the construction of new power systems. The scope of new energy storage to be dispatched by the power system shall be accepted, the technical requirements for the grid connection and dispatching of new energy storage shall be clarified, and the coordination and guarantee of the grid connection and dispatching of new energy storage shall be strengthened.

On 28 May 2024, the NEA issued the Notice on Performing Well in New Energy Consumption and Ensuring the High-Quality Development of New Energy. The Notice proposed measures to perform well in consumption and put forward four key tasks: First, accelerate the construction of new energy supporting power grid projects; second, actively promote the improvement of system regulation capabilities and coordinated development of network sources; third, fully utilize the role of the power grid resource allocation platform; fourth, scientifically optimize the new energy utilization rate target.

(3) *Promote the retirement and renewal of energy products and push forward the development of wind power in rural areas*

On 13 March 2024, the State Council issued the Notice on Printing and Issuing Action Plan for Promoting Large-Scale Equipment Renewal and Consumer Goods Substitution proposing to improve the standards for upgrading and decommissioning wind turbines, photovoltaic equipment and products, explore the remanufacturing business of high-end equipment in emerging sectors such as wind power, photovoltaics, and aviation. By accelerating the research and development of residual life assessment technology for wind power, photovoltaics, power batteries and other products and equipment, the cascade utilization of products, equipment and key components shall be promoted orderly.

Management Discussion and Analysis



On 1 April 2024, the NDRC, the NEA and the Ministry of Agriculture and Rural Affairs issued a Notice on Organizing and Launching the Thousands of Villages Wind Power Coverage Action, proposing that during the 14th Five-Year Plan period, in rural areas of counties (cities, districts, and banners) fulfilling conditions, a number of wind power projects developed and utilized locally and nearby will be constructed village-by-village. In general, each administrative village shall not exceed 20MW, explored the formation of a new model of wind power investment and construction of “village-enterprise cooperation” and a new mechanism for the distribution of benefits of “co-construction and sharing”, and promoted the construction of a new layout of wind power development and utilization of “wind power in the village, increased collective benefits, and benefits for villagers”. At the same time, the basic principles for the implementation of the Thousands of Villages Wind Power Coverage Action, the division of responsibilities in various links, the innovative mechanisms for approval, benefit distribution and application scenarios, and the support and guarantee of land use, grid connection and consumption, and finance were proposed.

2. Industry Review

(1) *China’s wind power construction and operating efficiency continue to improve*

25.84 GW installed wind power was newly connected to the grid in China in the first half of 2024, up by 12% YoY, according to NEA statistics. Out of the total, additions to installed onshore and offshore wind power capacity were 25.01 GW and 0.83 GW, respectively. The country-wide cumulative installed wind power capacity came in at 467 GW by the end of June 2024, representing a 19.9% YoY increase and accounting for 15.2% of the installed capacity of the grid. Out of the total, onshore and offshore wind power capacity were 429GW and 38.17GW, respectively. In the first half of 2024, wind power generation in China was 508.8 billion kWh, up by 10% YoY; wind power utilization was 1,134 hours on average in the country; and national average wind power utilization was 96.1%.

(2) *The scale of public bidding for wind power turbines has significantly increased YoY*

From January to June in 2024, bids in the domestic market totalled 66.11 GW, an increase by 47.88% YoY, in which onshore bids reached 60.74GW and offshore bids reached 5.37GW. Among them, 77% is located in north China, which is a major source of wind power demand. Along with technological progress and the development of large-scale wind power, 6MW-unit turbines and above are dominant types in bids.

(3) *Promote new markets and scenarios for wind power development and utilization*

Since the NDRC, the NEA and the Ministry of Agriculture and Rural Affairs jointly issued the Notice on Organizing and Launching the Thousands of Villages Wind Power Coverage Action this year, certain provinces have successively released action work plans, innovated wind power investment and construction models and land use mechanisms, vigorously promoted rural wind power development, and opened up new market space for wind power development.

Management Discussion and Analysis

ii. Main Business Analysis

Under the guidance of the global energy transformation and the national “14th Five-Year Plan” energy development plan and the “dual carbon” strategic goals, the proportion of renewable energy in the energy system has increased year by year, and wind power installed capacity has maintained high-quality and large-scale growth. With the rapid development of the wind power industry, the challenges in technological innovation and product research and development are increasing continuously. Goldwind adheres to technological innovation as its core, and is committed to creating innovation-led technologies, mature and reliable products and solutions, maintaining its leading position in the wind power market, and actively exploring the advantages of wind, light, storage, and hydrogen integration, constantly enriching the application scenarios of wind power, thus further broadening the development space of the new energy market. During the Reporting Period, revenue for the Group was RMB20,143.15 million, representing an increase of 6.53% YoY. Net profit attributable to owners of the Company was RMB1,386.84 million, representing an increase of 10.83% YoY.

1. WTG Manufacturing, R&D and Sales

(1) WTG Manufacturing and Sales

During the Reporting Period, the Group’s revenue from the sales of WTGs and components was RMB12,767.68 million, accounting for 63.38% of the Group’s revenue. From January to June 2024, the Group’s external sales capacity totaled 5,150.72MW. The large-scale capacity transformation process of the wind power industry continues to accelerate. During the Reporting Period, units of 6MW and above became the Company’s main models, with sales capacity up by 97.05% YoY.

The following table sets out the details of products sold by the Group in the first half of 2024 and 2023:

	Six months ended 30 June				Change in Capacity Sold
	2024		2023		
	Units Sold	Capacity Sold (MW)	Units Sold	Capacity Sold (MW)	
Below 4MW	9	24.85	9	29.30	-15.19%
4MW (inclusive)					
-6MW	415	2,104.52	831	4,221.10	-50.14%
6MW and above	465	3,021.35	252	1,533.30	97.05%
Total	889	5,150.72	1,092	5,783.70	-10.94%

Management Discussion and Analysis



During the Reporting Period, the Company sustained stable growth for its orders on hand. As at 30 June 2024, the Company had 24,597.87MW external orders to be executed, including 766.92MW for units below 4MW, 10,062.80MW for units 4MW (inclusive)-6MW, 13,768.15MW for units 6MW and above. The Company had 10,991.36MW of external winning but unsigned contract orders, including 1,591.00MW for units 4MW (inclusive)-6MW, 9,400.36MW for units 6MW and above. The Company's external order on hand totaled 35,589.23MW, up by 26.40% YoY; of which 5,173.12MW are overseas orders, up by 12.44% YoY. In addition, the Company had 2,768.61MW of internal orders.

(2) *Technology R&D and Product Certification*

As competition in the wind power industry intensifies and product technology iteration accelerates, wind turbines are becoming larger and lighter, with large onshore wind and solar bases continue to advance, and offshore wind power is developing towards scale and deep sea. Goldwind adheres to high-quality development with technological progress and product innovation as its core, and focuses on domestic and foreign business market needs to continuously develop and improve various product platforms to further enhance the high reliability and scenario adaptability of its products.

a. *Product R&D and Mass Production*

In order to respond to the diversified needs of the market and customers, the Company has continuously optimised and upgraded the existing product platforms around the strategy of product and technology leadership, and has now formed a multi-platform series of GWHV11, GWHV12, GWHV15, GWHV17, GWHV20, and GWHV21, with a rich spectrum of products covering both the onshore, offshore and overseas wind power market.

For the domestic onshore market, the GWHV12 platform series units are the main delivery products. During the Reporting Period, there were continuous breakthroughs in new orders and delivery operations, with steady increase in the scale of hoisting and grid-connected volume and stable and efficient operation of units. The GWHV17 platform continues to promote series products, expanding from 8-10MW to 6-11MW, fully covering the low, medium and high wind speed markets. The platform has conducted comprehensive testing, verification and application of long and flexible blades made of new materials, integrated transmission chains, and domestically produced key components, maximizing the quality and safety of the products, and has become the most competitive product in the northern market.

For the domestic offshore market, the GWHV20 and GWHV21 platform units have become the major products of the Company in the offshore market. While the first prototype of the GWH 252-16.0MW on the GWHV20 platform has been operating stably for over a year, batch projects using this model have successfully achieved a total of 112MW of grid-connected operation, setting a new record for large-megawatt batch operation projects offshore. In addition, the GWH 252-16.7MW and GWH 266-16.2MW launched on the GWHV20 platform have successively secured orders. The GWH 252-16.7MW model has a 4% increase in single-unit capacity in high wind speed offshore scenarios, and the GWH 266-16.2MW model has an 11% increase in swept area in medium and high wind speed offshore scenarios.



Management Discussion and Analysis

For the international market, the Company has successively completed the international development of three platform units, namely GWHV11, GWHV12 and GWHV15, and has signed projects in various countries and regions such as the Middle East, North Africa, Central Asia, South Africa, South America and Europe. The Company's first overseas medium-speed permanent magnet unit was successfully hoisted in Brazil. Egypt's first 504MW wind power project completed the hoisting of the first phase 276MW unit, while an order for the second phase 150MW expansion project was received, which has become the largest project group in Egypt. In addition, the Company has also achieved business breakthroughs in other markets such as Morocco, the Philippines, Georgia and Namibia.

During the Reporting Period, the “Safe and Efficient Development of Offshore Wind Power Complete Sets of Technologies and Equipment and Industrialization” project and the “High-Performance Service Key Technologies and Applications of Ultra-Large Capacity Wind Power Energy Conversion Systems” project in which Goldwind participated were awarded the First Prize and Second Prize for the 2023 National Science and Technology Awards respectively. The former has conquered the key technologies of the anti-typhoon system for the whole life cycle of offshore wind power, such as the anti-typhoon assessment method, Beidou satellite-based remote control technology and typhoon period power generation technology, and significantly improved the safety performance and operational efficiency of offshore wind power; while the latter has conquered 20+MW level-one machine experiments with key software and hardware technologies to effectively improve the overall quality level of large-megawatt units, and successfully breaks through a number of key stuck technologies in the aerodynamic and structural design of ultra-long and flexible blades, improving the blade design and manufacturing level.

b. Intellectual Property and Standard-Setting, Product Certification

With a strong emphasis on investment in R&D and innovation, Goldwind has been actively engaged in new product accreditation and protection of its core technologies through intellectual property rights to continuously improve the construction of its intellectual property management system. It owns an increasing number of patents at home and abroad with a consistently optimized mix of patent applications.

In the first half of 2024, Goldwind received 87 wind turbines certificates in total, of which 65 were domestic certificates and 22 were international certificates. The Company's turbine development certificates cover multiple platforms and various models, meeting the diverse market demands both domestically and internationally.

As at the end of the Reporting Period, the Company had 6,052 patent applications in China, including 3,619 invention patent applications, accounting for 60% of the total. The Company obtained 4,436 patent licenses in China, including 2,140 invention patents, accounting for 48%, ranking first in the industry. The Company had 1,285 patent applications and 727 patent licenses abroad. During the Reporting Period, the China National Intellectual Property Administration released the first batch of “Top Ten Typical Cases” of patent industrialization, and Goldwind was the only wind power company which was successfully nominated.

Management Discussion and Analysis



Meanwhile, the Company actively participated in the formulation and revision of domestic and international standards in the new energy field. As at 30 June 2024, Goldwind participated in the formulation and revision of 31 International Electrotechnical Commission (IEC) standards, led the formulation for one standard, and was a participant in 14 International Energy Agency (IEA) standardised research projects. The Company also led and participated in the formulation and revision of 504 domestic standards, including 164 national standards, 174 industrial standards and 166 regional and association standards, among which 426 were already published. The Company will continue to play the role of standards in leading innovation and supporting guarantees and promote high-quality development of the wind power industry with high standards.

(3) *Quality Management*

In the wave of energy transformation and green development, Goldwind has always regarded “quality-first” as the core competitiveness of its products, and has unwaveringly implemented the quality concept of “high quality and constant reliability”. During the Reporting Period, the Company focused on the quality assurance of core components, strengthened risk prevention and control, deepened technological innovation, and was committed to improving product quality and customer experience, achieving customer value with excellent quality.

The Company implements full-chain quality management, formulates red line standards for core component design on the R&D side, strengthens the feasibility review of process design solutions, and ensures design stability and reliability; implements the red and yellow card management system on the supplier side, and promotes suppliers to continuously improve product quality through multi-dimensional indicator assessment; organizes the “Suppliers Enter the Goldwind Factory” activity, and jointly promotes the improvement and optimization of the manufacturing chain with suppliers; establishes a special quality assurance group on site to solve on-site problems in a swift manner and ensure delivery quality. It comprehensively reduces quality losses and ensures that every link from design to delivery of products meets the highest standards.

In terms of improving customer satisfaction, the Company continues to carry out customer visits, technical exchanges and benchmark wind farm construction, and jointly establishes a rapid response team with suppliers to ensure that customers’ problems can be solved as soon as possible. Meanwhile, the Company has introduced advanced technologies such as drones and all-terrain robots to improve the efficiency and accuracy of on-site inspections and provide customers with more efficient and accurate services.

2. **Wind Power Services**

With the digital transformation of the industry and the continuous innovation and iteration of technology, new energy asset operation is intelligent and unmanned, and technical transformation services that increase power generation and enhance safety and reliability have become the mainstream of the industry’s mid- to long-term high-quality development. Based on years of technological innovation in the fields of cloud-edge collaboration technology, AI, digital twins and industrial robots and accumulation of industrial collaboration, during the Reporting Period, Goldwind’s service business has made phased progress in “wind farm unmanned” solutions and the optimization of wind turbine equipment technical transformation.



Management Discussion and Analysis

In terms of “unmanned” wind farms, in 2024, the Company took lead in compiling the industry’s first Wind Farm Operation Intelligent Level Grading Specification, which clarified four digital construction levels in wind farms: manned, less manned, unattended and automatic operation. Through machine intelligent inspection and intelligent safety innovation and practice, the Company is committed to creating a wind farm that can only be visited once a month, significantly improving the intelligent level of wind power operation and maintenance. Currently, the accuracy of machine inspections reaches 90%; the digital and intelligent safety management system can realize all-weather active care and all-round safety management. Compared with the purely manual on-site safety management model, the accident rate is reduced by 20%-30%.

In terms of reliability technical improvement services, Goldwind’s “Wind Turbine Anti-Ice Comprehensive Solution” was officially launched and fully promoted. The solution uses an integrated electric heating film de-icing technology. Compared with traditional gas-thermal de-icing solutions, this type of de-icing technology has low energy consumption, high efficiency, intelligence, wide application, stronger adaptability, and is safer and more reliable. Regarding the risk of lightning strikes caused by using carbon materials for electrothermal de-icing blades, no lightning strike damage was found after testing and observation in experimental wind farms.

In terms of asset management services, with the goal of deterministic returns from new energy assets, the Company builds unmanned smart benchmark stations and iteratively upgrades Goldwind Tianji transactions cloud platforms, digital intelligence centers and AI technology applications to improve asset operation efficiency and stabilize revenue expectations. As of the end of the Reporting Period, the scale of the Company’s external wind farm asset management services had reached 13,577MW.

For electricity sales services, the Company has achieved an effective link between the power generation side and the power consumption side with its innovative “Alpha Algorithm” cluster, improved transaction efficiency by optimizing load forecasts and electricity price forecasts, and assisted users configure distributed power sources and purchased energy rationally, tapped adjustable loads, and achieved the goal of optimizing energy use costs. The Company owns six electricity sales companies, with a business scope covering more than 10 provinces. Currently, the Company has provided highly reliable, reasonably priced and convenient green energy to more than 3,500 power users through power trading on the generation side and power retailing by power sales companies. During the Reporting Period, the Company’s electricity sales business executed approximately 6.5 billion kWh of electricity.

During the Reporting Period, the Company’s post warranty projects under operation at home and abroad totaled nearly 33.55GW, representing an increase of 13% YoY. During the Reporting Period, revenue from the Wind Power Services was RMB2,374.09 million, among which the Post-Warranty Service revenue totaled RMB1,601.66 million, representing an increase of 32.84% YoY.

3. Wind Farm Investment and Development

In the first half of 2024, the wind farm project resource acquisition method of the Company gradually expanded from the traditional power generation model to the comprehensive energy solutions combined with load. During the Reporting Period, the Company continued its attempt on new project development methods such as source-network-load integration project, green power direct supply/substitution, wind power hydrogen production and rural revitalization, and has successively obtained various green power direct supply and other types of projects.

Management Discussion and Analysis



Meanwhile, by segmenting the load conditions and development conditions of various regions nationwide, strategically selecting development models based on the current status of new energy development in various regions, establishing regional strategic bases, and forming a business logic of “plan + industry + cooperation + technology”, continuous acquisition of construction plan indicators could be ensured.

In addition, the trouble-free wind farms of the Company in 2023 increased to 20 from 12 in 2022, representing a YoY increase of 66.67%, reflecting the trouble-free wind farm operation and maintenance management level of the Company.

For wind farm engineering construction, the Company actively promoted the scale of onshore wind power construction, optimized and continuously implemented the management mechanism of “special class” and “project system”, improved the efficiency of wind farm grid connection, and strengthened planning, safety, quality, cost, process control, and improved risk resistance through precise planning, pre-management, optimization plans and timely alert. During the Reporting Period, the grid connection of multiple large base projects in the Northwest region was completed in batches, and the goal of attributable grid-connected capacity in the first half of the year exceeded 1 million kW for the first time.

During the Reporting Period, the newly added grid-connected attributable installed capacity in wind farms run by Company at home and abroad amounted to 1,078.67MW, and the Company transferred 225MW of grid-connected attributable capacity. As of the end of the Reporting Period, the global cumulative grid-connected attributable installed capacity totaled 8,143.06MW and the attributable capacity in wind farms under construction was 3,689.21MW.

During the Reporting Period, power generation revenue from wind power projects of the Group was RMB3,471.57 million, representing an increase of 3.72% YoY. During the Reporting Period, gain on disposal of equity investment in wind farms totaled RMB105.24 million.

As of the end of the Reporting Period, the Company’s wind power assets accounted in the consolidated financial statements covered 23 provinces across China, and the Company’s power generation at home accounted for in the consolidated financial statements was 7.454 billion kWh, and on-grid power generation was 7.284 billion kWh. During the Reporting Period, the average power generation utilization hours of domestic turbines were 1,268 hours, which exceeded the national average level by 134 hours.

4. Water Treatment and other Business

In 2024, on the basis of continuing to develop wind power equipment and wind power service businesses, and vigorously developing and investing in wind farms, the Company has deeply explored the water environmental protection industry chain, seized the development opportunities of emerging growth businesses, and actively expanded hybrid towers, energy storage, and energy-carbon businesses.

For water treatment, relying on its profound accumulation in the field of clean energy, Goldwind focused on municipal wastewater and industrial wastewater treatment business based on the intelligent water platform system and supported by comprehensive water solutions, and achieved better results during the Reporting Period. As of the end of the Reporting Period, Goldwind owned 64 water treatment companies covering 13 provinces in China with water treatment volume of 2,631,500 tons per day under the operating agreements. During the Reporting Period, the Group’s revenue from water operation business totaled RMB504.94 million, representing an increase of 10.66% YoY.



Management Discussion and Analysis

For hybrid tower business, the Company continues to maintain its leading position in the industry, with a YoY increase of 120% in newly signed external orders for the first half of 2024. Fuyang Hybrid Tower Prefabrication Plant of the Company has become China's first wind power hybrid tower prefabrication plant passing the European standard factory manufacturing assessment of DNV, an international authoritative certification organization, indicating that the hybrid tower manufacturing process of the Company has reached a mature level internationally. In addition, the Company jointly appraised and released the White Paper on China Onshore Steel Concrete Tower, the first hybrid tower technology white paper in China's wind power industry with China General Certification, which provides support and guidance for promoting the integration and progress of the upstream and downstream of the industrial chain and the healthy development of the industry.

For energy storage business, the scale of energy storage business of the Company maintains rapid growth in 2024, with a YoY increase of 268% in new external orders. During the Reporting Period, the Company completed the nation's first 220kV black start and microgrid artificial short-circuit experiment of the grid forming wind storage station, which is another innovative application breakthrough of Goldwind's grid forming technology and equipment. In addition, the Company has landed in the Qinhuangdao energy storage integration factory, with a total assembly and integration capacity of 7GWh, which further improves the layout of the energy storage industry and achieves steady improvement in production and manufacturing efficiency.

For energy-carbon business, the Company has opened up the entire value chain of customer development, engineering construction, asset trading and asset management services, and realized the first batch transaction of load-side assets, with an increased scale of 3.4 times than in 2023; the Company successfully applied for the 78MW source-network-load-storage integration project in the cement industry of Henan, which supports high-energy-consuming enterprises in achieving the "dual-carbon" objective.

5. Outlook for the Future

In 2024, renewable energy installation continued to grow globally. However, global renewable energy development shall continue to accelerate if nations worldwide are to achieve the goal of tripling global renewable energy capacity by 2030 as promised at COP28.

Wood Mackenzie has released the Q2 2024 Global Wind Power Market Outlook, forecasting that new global wind power installed capacity will reach 1,763GW in the next decade (2024-2033), of which China will increase by 915GW and remain as the major wind power market; North America and Asia Pacific (excluding Mainland China) will increase by 180GW and 162GW respectively.

The Global Wind Energy Council (GWEC) has released the Global Offshore Wind Report 2024, predicting that global new offshore wind power installed capacity will increase by more than 410GW in the next decade (2024-2033), of which two-thirds of the new installed capacity will be completed by 2029-2033. In addition, GWEC stated that global new offshore installed capacity in 2028 will be three times of the new installed capacity of 10.8GW in 2023, and the global new offshore installed capacity in 2033 will reach 66GW.

Management Discussion and Analysis



6. Major Subsidiaries

As at 30 June 2024, the Group had 811 subsidiaries, among which 55 were directly owned subsidiaries and 756 were indirectly owned subsidiaries. In addition, the Group had 21 joint ventures, 32 associate companies and 27 equity investments. These subsidiaries include WTG R&D and manufacturing companies, wind power investment and development companies, wind power services companies, water treatment and finance lease companies, etc. The following table sets out major financial information of the principal subsidiaries of the Company (reported in accordance with CASBE):

As at 30 June 2024

Unit: RMB

No	Company Name	Registered Capital	Total Assets	Net Assets	Revenue from Operations	Net Profits
1	Beijing Tianrun New Energy Investment Co., Ltd.	5,550,000,000	68,282,322,447.05	19,046,101,916.23	4,672,369,542.27	1,306,156,409.74
2	Goldwind Investment Holding Co., Ltd.	1,000,000,000	4,503,657,359.40	3,113,383,773.87	8,144,761.38	464,267,058.85
3	Goldwind International Holdings (HK) Limited.	USD635,197,000	19,315,162,621.98	4,250,225,999.94	4,841,339,799.61	464,273,394.06
4	Beijing Goldwind Science & Creation Wind Power Equipment Co., Ltd	1,044,000,000	15,853,998,354.75	997,364,149.95	4,053,932,096.79	(465,082,101.26)

IV. OPERATIONS PERFORMANCE AND ANALYSIS

The contents of this section should be read in conjunction with the Financial Statements, including the relevant notes, set out in this report.

Summary

During the six months ended 30 June 2024, the Group's operating revenue was RMB20,143.15 million, representing an increase of 6.53% compared with RMB18,909.12 million for the corresponding period in 2023. Net profit attributable to owners of the Company was RMB1,386.84 million, representing an increase of 10.83% compared with RMB1,251.33 million for the corresponding period in 2023. The Company reported basic earnings per share of RMB0.32 for the Reporting Period.

Revenue

The Group's revenue was generated mainly from: (i) WTG Manufacturing and Sale; (ii) Wind Power Services; (iii) Wind Farm Investment and Development; and (iv) Others. Revenue from WTG Manufacturing and Sale was mainly generated through sales of WTGs and components. Revenue from Wind Power Services was mainly generated through wind farm construction, post-warranty services, asset management services, finance services etc. Revenue from Wind Farm Investment and Development was mainly generated from the sale of wind power generation service provided by the Group's wind farms and power station products. Revenue from other business segments included revenue from water operation business, etc.

Management Discussion and Analysis

During the six months ended 30 June 2024, the Group's operating revenue was RMB20,143.15 million. Details are set out below:

Unit: RMB thousand

	Six months ended 30 June		Amount Change	Percentage Change
	2024	2023		
WTG Manufacturing and Sale	12,767,677	12,740,915	26,762	0.21%
Wind Power Services	2,374,091	2,314,110	59,981	2.59%
Wind Farm Investment and Development	4,401,088	3,347,156	1,053,932	31.49%
Others	600,298	506,934	93,364	18.42%
Total	20,143,154	18,909,115	1,234,039	6.53%

Revenue increased during the Reporting Period YoY was mainly due to: (i) the increase in sale of WTG components led to the increased revenue from WTG Manufacturing and Sale YoY; (ii) due to the steady increase in installed capacity of wind farms, the Group's revenue from post-warranty-service increased, leading to increased revenue from Wind Power Services YoY; (iii) the growing capacity of operational wind farms of the Group and the increase in sale of power station products led to the increase in the revenue from Wind Farm Investment and Development YoY; and (iv) the increase in revenue from water treatment business led to the increased revenue from other business.

Cost of Sales

Unit: RMB thousand

	Six months ended 30 June		Amount Change	Percentage Change
	2024	2023		
WTG Manufacturing and Sale	12,269,398	13,080,924	(811,526)	-6.20%
Wind Power Services	1,785,942	1,963,559	(177,617)	-9.05%
Wind Farm Investment and Development	1,916,923	1,026,488	890,435	86.75%
Others	477,150	423,083	54,067	12.78%
Total	16,449,413	16,494,054	(44,641)	-0.27%

During the Reporting Period, the Group's cost of sales decreased YoY mainly caused by the decrease in cost of sales of WTG Manufacturing and Sale and Wind Power Services, and the increase in cost of sales of Wind Farm Investment and Development.

Management Discussion and Analysis



Gross Profit

Unit: RMB thousand

	Six months ended		Amount Change	Percentage Change
	30 June 2024	2023		
WTG Manufacturing and Sale	498,279	(340,009)	838,288	246.55%
Wind Power Services	588,149	350,551	237,598	67.78%
Wind Farm Investment and Development	2,484,165	2,320,668	163,497	7.05%
Others	123,148	83,851	39,297	46.87%
Total	3,693,741	2,415,061	1,278,680	52.95%

During the Reporting Period, the Group's gross profit increased mainly due to the increase in gross profits from each business segment of the Group.

For the six months ended 30 June 2024 and 2023, the Group's overall gross profit margin were 18.34% and 12.77%, respectively. The following table sets out the gross profit margins for each business segment:

Gross Profit Margin

	Six months ended		Change (percentage points)
	30 June 2024	2023	
WTG Manufacturing and Sale	3.90%	-2.67%	6.57
Wind Power Services	24.77%	15.15%	9.62
Wind Farm Investment and Development	56.44%	69.33%	-12.89
Others	20.51%	16.54%	3.97

During the Reporting Period, the Group's gross profit margins for WTG Manufacturing and Sale, Wind Power Services and other business segments increased YoY. Gross profit margins for Wind Farm Investment and Development decreased YoY.

Other Income and Gains, Net

The Group's other income and gains primarily consisted of gains from the disposal of wind farms (including gains from the sale of WTGs installed at the disposed wind farms), gains on loss of significant influence over associates or disposal of investments in associates and joint ventures, bank interest income, government grants received for R&D projects and upgrades of production facilities, Value-added tax ("VAT") refund, etc.

Other income and gains of the Group for the six months ended 30 June 2024 were RMB1,274.60 million, representing a decrease of 51.22% compared with RMB2,613.11 million for the corresponding period in 2023. This was mainly attributed to the decrease in gain on disposal of interests in subsidiaries, the increase in fair value losses on listed equity investments and derivative financial instruments, the decrease in bank interest income and gains on loss of significant influence over associates or disposal of investments in associates and joint ventures, etc.



Management Discussion and Analysis

Selling and Distribution Expenses

The Group's selling and distribution expenses primarily consisted of employee benefit expenses, bidding service fees, etc.

Selling and distribution expenses of the Group for the six months ended 30 June 2024 was RMB604.81 million, representing an increase of 7.41% compared with RMB563.08 million for the corresponding period in 2023. This was mainly attributable to the increase in staff costs, etc.

Administrative Expenses

The Group's administrative expenses primarily consisted of R&D expenses, employee benefit expenses, depreciation and amortization, consultation fees, travel expenses, etc.

Administrative expenses of the Group for the six months ended 30 June 2024 was RMB1,806.84 million, representing an increase of 14.47% compared with RMB1,578.48 million for the corresponding period in 2023. This was mainly attributed to the increase in R&D expenses and staff costs, etc.

Impairment Losses on Financial and Contract Assets, Net

The Group's impairment losses on financial and contract assets primarily consisted of impairment losses on trade receivables, other receivables, contract assets, etc.

Impairment losses on financial and contract assets for the six months ended 30 June 2024 was RMB125.85 million, representing a decrease of 28.89% compared with loss of RMB176.99 million for the corresponding period in 2023. This was mainly attributable to the decrease in impairment loss of trade receivables, other receivables, etc.

Other Expenses

The Group's other expenses primarily consisted of foreign exchange loss, bank charges and others fees, etc.

Other expenses of the Group for the six months ended 30 June 2024 was RMB108.22 million, representing a decrease of 60.16% compared with RMB271.66 million for the corresponding period in 2023. This was mainly attributable to the decrease in foreign exchange loss, bank charge, etc.

Finance Costs

Finance costs of the Group for the six months ended 30 June 2024 was RMB617.72 million, maintaining roughly the same level compared with RMB625.33 million for the corresponding period in 2023.

Income Tax Expense

Income tax expense of the Group for the six months ended 30 June 2024 was RMB408.94 million, representing a decrease of 35.68% compared with RMB635.77 million for the corresponding period in 2023. This was mainly attributable to the decrease in taxable profit during the Reporting Period.

Management Discussion and Analysis



Financial Position

As at 30 June 2024 and 31 December 2023, total assets of the Group were RMB144,211.91 million and RMB143,494.60 million, respectively. Total current assets of the Group were RMB64,048.17 million and RMB63,829.48 million, respectively. The ratio of current assets to total assets of the Group were 44.41% and 44.48%, respectively. The Group's current assets increased mainly due to the increase in inventories, trade and bills receivables, prepayments, other receivables and other assets, contract assets, etc. Such increase was offset by the decrease in cash and cash equivalents, financial assets at fair value through profit or loss, pledged deposits, etc.

As at 30 June 2024 and 31 December 2023, total non-current assets of the Group were RMB80,163.74 million and RMB79,665.12 million, respectively. The Group's non-current assets increased mainly due to the increase in financial assets at fair value through profit or loss, property, plant and equipment, deferred tax assets, etc. Such increase was offset by the decrease in financial receivables, right-of-use assets, contract assets, etc.

As at 30 June 2024 and 31 December 2023, total liabilities of the Group were RMB103,520.65 million and RMB103,265.69 million, respectively. Current liabilities of the Group were RMB59,663.91 million and RMB63,019.60 million, respectively. The Group's current liabilities decreased mainly due to the decrease in trade and bills payables, etc. Such decrease was offset by the increase in interest-bearing bank loans, other payables and accruals, etc.

As at 30 June 2024 and 31 December 2023, total non-current liabilities of the Group were RMB43,856.74 million and RMB40,246.08 million, respectively. The Group's non-current liabilities increased mainly due to the increase in interest-bearing bank and other borrowings, etc.

As at 30 June 2024 and 31 December 2023, net current asset of the Group were RMB4,384.26 million and RMB809.87 million, respectively. Net assets of the Group were RMB40,691.26 million and RMB40,228.91 million, respectively.

As at 30 June 2024 and 31 December 2023, cash and cash equivalents of the Group were RMB8,054.36 million and RMB13,693.91 million, respectively. Total interest-bearing bank and other borrowings of the Group were RMB44,612.59 million and RMB38,843.10 million, respectively.

Financial Resources and Liquidity

Unit: RMB thousand

Cash Flow Statements	Six months ended 30 June	
	2024	2023
Net cash flows used in operating activities	(8,150,780)	(8,071,245)
Net cash flows (used in)/generated from investing activities	(836,625)	1,751,715
Net cash flows from financing activities	4,085,818	953,731
Net decrease in cash and cash equivalents	(4,901,587)	(5,365,799)
Cash and cash equivalents at beginning of the Reporting Period	12,634,213	14,842,821
Net effect of foreign exchange rate changes	(20,918)	(32,497)
Cash and cash equivalents at end of the Reporting Period	7,711,708	9,444,525



Management Discussion and Analysis

1. Net cash flows used in operating activities

Net cash flows of the Group used in operating activities primarily represent profit before tax adjusted for non-cash items, movements in working capital, and other income and gains.

For the six months ended 30 June 2024, the Group reported net cash flows used in operating activities of RMB8,150.78 million. Cash outflows were principally comprised of the decrease in trade and bills payables of RMB6,317.24 million, the increase in inventory of RMB3,911.54 million, the increase in trade and bills receivables of RMB1,618.02 million, the adjustments of the decrease of RMB824.31 million in gains on loss of significant influence over associates or disposal of investments in associates and joint ventures, etc. Such cash outflows were offset by the profit before tax of RMB1,844.93 million, adjustments of the increase in depreciation of property, plant and equipment and investment properties of RMB1,224.91 million, the increase in other payables and accruals of RMB904.58 million, the decrease of contract assets of RMB646.16 million, etc.

For the six months ended 30 June 2023, the Group reported net cash flows used in operating activities of RMB8,071.25 million. Cash outflows were principally comprised of the decrease in trade and bills payables of RMB6,030.04 million, the increase in inventory of RMB4,946.37 million, the increase in trade and bills receivables of RMB1,075.34 million, the adjustments of decrease for gain on disposal of subsidiaries, including wind farm project companies of RMB924.11 million, gain on disposal of investment in an associate and joint ventures of RMB867.94 million, the decrease in income tax paid of RMB777.67 million, etc. Such cash outflows were offset by the profit before tax of RMB1,981.11 million, the adjustments of the increase in other payables and accruals of RMB2,386.95 million, the decrease in financial receivables of RMB1,230.72 million, the increase in depreciation of property, plant and equipment and investment properties of RMB1,121.94 million, etc.

2. Net cash flows (used in)/generated from investing activities

The Group's net cash flows used in investing activities primarily consist of the purchases of items of property, plant and equipment, the acquisition of subsidiaries, the purchase of financial assets, investment in joint ventures and associates, other intangible assets, etc.

For the six months ended 30 June 2024, the Group reported net cash flows used in investing activities of RMB836.63 million. Cash outflows were principally comprised of the purchases of items of property, plant and equipment of RMB2,267.72 million, purchases of financial assets at fair value through profit or loss of RMB1,462.50 million, etc. Such cash outflows were offset by the inflows from disposal of financial assets at fair value through profit or loss of RMB1,937.30 million, the decrease in non-pledged time deposits with original maturity of three months or more when acquired of RMB705.95 million, disposal of subsidiaries, net of cash disposed of RMB338.94 million, etc.

For the six months ended 30 June 2023, the Group reported net cash flows generated from investing activities of RMB1,751.72 million. Cash inflows were principally comprised of the proceeds from disposal of shareholding in joint ventures and associates of RMB2,466.58 million, disposals of subsidiaries, net of cash disposed of RMB1,509.00 million, disposal of financial assets at fair value through profit or loss of RMB500.00 million, dividends received from joint ventures and associates of RMB269.87 million, etc. Such cash inflows were offset by the outflows from the purchases of items of property, plant and equipment of RMB2,417.33 million, increase in non-pledged time deposits with original maturity of three months or more when acquired of RMB649.92 million, etc.

Management Discussion and Analysis



3. Net cash flows from financing activities

The Group's net cash flows from financing activities primarily consist of repayments of perpetual bonds, bank loans, other borrowings, and interests, etc. The Group's net cash flows from financing activities primarily consist of new bank loans, etc.

For the six months ended 30 June 2024, the Group reported net cash flows from financing activities of RMB4,085.82 million. Cash inflows consist mainly of new bank loans and other borrowings of RMB10,053.23 million, capital contributions from other equity instruments holders of RMB1,000.00 million, etc. Such cash inflows were offset by the repayment of bank loans and other borrowings of RMB3,833.95 million, repayment of other equity instruments of RMB1,549.82 million, interest paid of RMB624.13 million, principal portion of lease liabilities payments of RMB569.20 million, payments for sale and leaseback of RMB364.16 million, etc.

For the six months ended 30 June 2023, the Group reported net cash flows from financing activities of RMB953.73 million. Cash inflows consist mainly of new bank loans and other borrowings of RMB6,295.43 million, etc. Such cash inflows were offset by the repayment of bank loans and other borrowings of RMB4,893.22 million, interest paid of RMB729.93 million, etc.

Capital Expenditure

Capital expenditure of the Group for the six months ended 30 June 2024 was RMB2,444.42 million, representing a decrease of 41.98% compared with RMB4,213.13 million for the corresponding period in 2023. The Group's primary financing resources for capital expenditure included bank loans and cash flows from operations of the Group.

Interest-Bearing Bank Loans and Other Borrowings

As at 30 June 2024, the total amount of interest-bearing bank loans of the Group was RMB37,185.41 million, including amounts due within one year of RMB5,744.15 million, in the second year of RMB5,462.81 million, in the third to fifth year of RMB8,671.00 million, and above five years of RMB17,307.45 million. In addition, as at 30 June 2024, the total amount of other borrowings of the Group was RMB7,427.18 million, including amounts due within one year of RMB989.16 million, in the second year of RMB796.95 million, in the third to fifth year of RMB1,746.67 million and above five years of RMB3,894.40 million.

As at 31 December 2023, the Group's interest-bearing bank loans were RMB32,432.00 million, including bank loans repayable within one year of RMB4,281.38 million, in the second year of RMB4,482.01 million, in the third to fifth year of RMB8,828.85 million, and above five years of RMB14,839.76 million. In addition, as at 31 December 2023, the Group's other borrowings were RMB6,411.10 million, including other borrowings repayable within one year of RMB403.98 million, in the second year of RMB862.10 million, in the third to fifth year of RMB1,503.18 million, and above five year of RMB3,641.84 million.

Restricted Assets

As at 30 June 2024, the following assets of the Group with a total carrying value of RMB20,207.27 million were restricted as security for certain bank loans, other banking facilities. Such assets included property, plant and equipment of RMB11,513.08 million, trade and bills receivables of RMB6,377.47 million, financial receivables of RMB1,505.90 million, bank deposits of RMB408.67 million, right-of-use assets of RMB220.87 million, inventory of RMB114.84 million, other intangible assets of RMB66.44 million.



Management Discussion and Analysis

As at 31 December 2023, certain assets of the Group with a total carrying value of RMB19,835.57 million were pledged as security for certain bank loans, other banking facilities, etc. Such assets include property, plant and equipment of RMB11,405.30 million, trade and bills receivables of RMB5,641.49 million, financial receivables of RMB1,828.00 million, bank deposits of RMB551.28 million, right-of-use asset of RMB219.84 million, other intangible assets of RMB189.66 million.

Gearing Ratio

As at 30 June 2024 and 31 December 2023, the Group's gearing ratios, defined as net liabilities divided by total capital, were 66.41% and 65.09%, respectively.

Exposure to Fluctuations in Exchange Rates and any Related Hedges

The Group primarily operates its businesses in China. Over 75% of the Group's revenue, expenditure, financial assets and liabilities are denominated in RMB. The exchange rate of the RMB against foreign currencies did not have a significant impact on the Group's businesses. For the six months ended 30 June 2024, the Group's foreign exchange exposure associated with such transactions (except for the functional currency of the relevant operating entities) maintained at a relatively low level. The currency exchange difference incurred by the Group in respect of the long-term equity investment by our subsidiaries incorporated outside China was recorded under the exchange reserve.

Contingent Liabilities

The Group's contingent liabilities primarily consist of issued letters of credit, letters of guarantee, guarantees provided to associates, independent third parties, etc.

As at 30 June 2024 and 31 December 2023, contingent liabilities of the Group were RMB21,227.92 million and RMB21,076.78 million, respectively.

Major Investments

The Group made no major investment during the six months ended 30 June 2024.

Material Acquisitions and Disposals

The Group did not have any material acquisitions and disposals during the six months ended 30 June 2024.

Future Plans for Material Investments or Capital Assets

The Group had no specific future plans for material investments or purchase of capital assets as at 30 June 2024.

V. POSSIBLE RISKS AND COUNTERMEASURES

(1) Policy Risk

The development of wind power industry is impacted by national policies and industrial development policies, and the changes of policies will impact the production and sales of the Company's major products.

Management Discussion and Analysis



(2) Market Competition Risk

The “dual carbon” goals announced by the government create unparalleled opportunities for the wind power industry in China. Competition among peer companies may intensify due to demand in improving WTGs quality and efficiency, seizing of advantageous resources, and expanding market share.

(3) Economic Environment and Exchange Rate Fluctuations

The current economic landscapes at home and abroad are complicated and volatile, as developments such as the Russia-Ukraine conflict and global inflation have created immense difficulties for global economic recovery and uncertainties in domestic as well as international macro-economic conditions, which might affect the Company’s internationalization strategy and international business development. As the Company’s overseas businesses are mainly denominated in USD, AUD or other local currencies, it is subject to the risk of exchange rate loss arising from exchange rate movements.

Facing with the aforesaid possible risks, the Company will consolidate its manufacturing base, roll out products and solutions of high quality and better performance, with technological innovation and product upgrade as main drivers, and bring into play its advantage in the whole industrial chain competition. Meanwhile, it will continue to strengthen its profitability through diversification, and achieve sustainability. In face of the ever-changing domestic and international economic environment, the Company will further strengthen risk control, enhance communication and cooperation with customers, and achieve comprehensive development of domestic and international business.

INTERESTS AND SHORT POSITIONS IN SHARES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS BY DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE

Based on information known to the Directors, as at 30 June 2024, the interests and short positions of the Directors, Supervisors and the Chief Executive in shares of the Company are set out as follows:

Long position:

Name	Capacity	Share Category	Number of Shares	As a Percentage of A Shares	As a Percentage of Total Shares
Mr. Wu Gang	Beneficial owner	A Shares	62,138,411	1.80%	1.47%
Mr. Cao Zhigang	Beneficial owner	A Shares	12,343,283	0.36%	0.29%
Mr. Liu Rixin	Beneficial owner	H Shares	79,300	0.002%	0.002%

Other than as disclosed above, as at 30 June 2024, to the best knowledge of the Company, none of the Directors, Supervisors or Chief Executive of the Company had any interests or short positions in shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), or as recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

PURCHASE, SALE AND REDEMPTION OF SHARES

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any securities of the Company (including sale of treasury shares (as defined in the Listing Rules)), save as the ultra-short-term financing bonds disclosed in this report.

As at 30 June 2024, the company does not hold any treasury shares.

ULTRA-SHORT-TERM FINANCING BONDS

The Board considered and approved the Proposal on the Application for Registration and Issuance of Ultra-short-term Financing Bonds on 26 April 2023. It was agreed that the Company will apply to the National Association of Financial Market Institutional Investors for registration and issuance of ultra-short-term financing bonds with a total amount not exceeding RMB2 billion. On 21 July 2023, the Company received the Notification of Acceptance of Registration (Zhong Shi Xie Zhu [2023] No. SCP287) (《接受註冊通知書》(中市協注[2023]SCP287號)) issued by the National Association of Financial Market Institutional Investors, accepting the Company's registration of ultra-short-term financing bonds, with a registration amount of RMB2 billion. The registration amount is valid within 2 years from the date of signing the Notification of Acceptance of Registration. On 12 June 2024, the Company issued the First Tranche of Green Ultra-Short-Term Financing Bonds in 2024 (the "Kechuang Note"). The funds were received on 13 June 2024. The actual issued amount of the bonds is RMB500 million and the interest rate of the bonds is 2.08%.

For details, please refer to the announcement of the Company dated 13 June 2024.

Other Information

INTERIM DIVIDENDS

The Company has decided not to distribute interim dividends for the six months ended 30 June 2024 (six months ended 30 June 2023: nil).

SHARE CAPITAL STRUCTURE

The particulars of the issued share capital of the Company as at 30 June 2024 are set out as follows:

Share Category	Number of Shares	As a Percentage of Total Shares
A Shares	3,451,495,248	81.69%
H Shares	773,572,399	18.31%
Total	4,225,067,647	100.00%

SUBSTANTIAL SHAREHOLDERS

As at 30 June 2024, to the best knowledge of the Directors, the following persons (not being the Directors, the Supervisors or the Chief Executive) had an interest or short position in shares of the Company which would require disclosure under the provisions of Divisions 2 and 3 of Part XV of the SFO:

A Shares (Long Position):

Name of Shareholder	Capacity	Number of Shares	Total	As a Percentage of A Shares	As a Percentage of Total Shares
Xinjiang Wind Power	Beneficial owner	497,510,186	497,510,186	14.41%	11.78%
Hexie Health Insurance Co., Ltd.	Beneficial owner	486,085,542	486,085,542	14.08%	11.50%
China Three Gorges Energy ¹	Beneficial owner	386,909,686	884,419,872	25.62%	20.93%
	Interest in controlled corporation	497,510,186			
China Three Gorges Corporation ²	Interest in controlled corporation	884,419,872	884,419,872	25.62%	20.93%

Notes:

1. China Three Gorges Energy directly holds 386,909,686 A Shares. China Three Gorges Energy holds 43.33% of the issued share capital of Xinjiang Wind Power. Under the SFO, besides directly holding interests in our Company, China Three Gorges Energy is deemed to be interested in the 497,510,186 A Shares held by Xinjiang Wind Power.
2. China Three Gorges Corporation is the holding company of China Three Gorges Energy. Under the SFO, the 497,510,186 A Shares held by Xinjiang Wind Power in which China Three Gorges Energy is deemed to be interested, and the 386,909,686 A Shares directly held by China Three Gorges Energy are deemed to be the interests of China Three Gorges Corporation in our Company.

Other than as disclosed above, as at 30 June 2024, to the best knowledge of the Directors, no other persons (excluding Directors, Supervisors, and the Chief Executive) had an interest or short position in shares of the Company which would require disclosure under the provisions of Divisions 2 and 3 of Part XV of the SFO.

NUMBER OF SHAREHOLDERS

As at 30 June 2024, the total number of the Shareholders was 248,306, among which the numbers of holders of A Shares and H Shares were 247,292 and 1,014, respectively.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE AND THE LISTING RULES

During the Reporting Period, the Company has complied with all applicable code provisions under the Corporate Governance Code as set out in Appendix C1 to the Listing Rules.

COMPLIANCE WITH THE MODEL CODE

During the Reporting Period, the Company has strictly complied with the restrictions on the trading of the Company's shares by directors, supervisors and relevant employees as set out by the regulatory bodies in Hong Kong and the PRC. Upon specific enquiries by the Company, all Directors, Supervisors and relevant employees have confirmed that they have complied with the provisions of the Model Code during the six months ended 30 June 2024 and up to the Latest Practicable Date.

REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at the Latest Practicable Date, the Audit Committee consisted of two independent non-executive Directors, namely Ms. Yang Jianping and Mr. Tsang Hin Fun Anthony, and one non-executive Director, namely Ms. Yang Liying. The chairman of the Audit Committee was Ms. Yang Jianping. The Audit Committee and the Company's auditors, Deloitte Touche Tohmatsu, have reviewed the unaudited interim results of the Group for the six months ended 30 June 2024.

EVENTS AFTER THE REPORTING PERIOD

On 23 July 2024, the Company issued the Second Tranche of Green Ultra-Short-Term Financing Bonds in 2024 ("Kechuang Note"), with the issue amount of RMB750 million and the interest rate of 2.03%. For details, please refer to the announcement of the Company dated 24 July 2024.

On 20 August 2024, the Company issued the Third Tranche of Green Ultra-Short-Term Financing Bonds in 2024 ("Kechuang Note"), with the issue amount of RMB750 million and the interest rate of 2.00%. For details, please refer to the announcement of the Company dated 21 August 2024.

Saved as disclosed above, there are no significant events subsequent to 30 June 2024 which would materially affect the Group's operating and financial performance as at the Latest Practicable Date.

Other Information



CHANGES TO MEMBERS OF THE BOARD AND SUPERVISORY COMMITTEE

The Board approved the *Proposal on Recommending Company Director Candidates* on 22 December 2023 and recommended Mr. Zhang Xudong as a non-executive Director. The proposal was presented to the Shareholders for consideration at the 2024 first extraordinary general meeting and was approved by Shareholders. Please refer to the poll results of the 2024 first extraordinary general meeting and election of director of the Company dated 27 February 2024 for details.

The Supervisory Committee approved the *Proposal on Recommending Company Supervisor Candidates* on 26 April 2024 and recommended Mr. Chang Qing as a Supervisor. The proposal was presented to the Shareholders for consideration at the 2023 AGM and was approved by Shareholders. Please refer to the poll results of the 2023 AGM dated 25 June 2024 for details.

On 24 April 2024, Ms. Li Tiefeng resigned as a Supervisor and chairman of the 8th session of Supervisory Committee.

CHANGES TO INFORMATION ON DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE

To the best knowledge of the Company, during the six months ended 30 June 2024, there were no changes to information about the Directors, Supervisors and Chief Executive that was required to be disclosed pursuant to paragraphs (a) to (e) and (g) of Rule 13.51(2) of the Listing Rules.

EMPLOYEES

As at 30 June 2024, the Group had a total of 10,375 employees. As at 30 June 2023, the Group had a total of 10,655 employees.

During the six months ended 30 June 2024, the remuneration of Group's employees amounted to RMB2,061,107,000, which comprises of wages and salaries, pension scheme contributions, and welfare and other expenses. During the six months ended 30 June 2023, the remuneration of Group's employees amounted to RMB1,835,521,000.

REMUNERATION OF EMPLOYEES

As a reward for employees to assume work responsibility and create value, remuneration is the embodiment of employee value. Taking responsibility, ability and performance as the main criteria for evaluating employee value, the Company build a competitive remuneration management system, combined with characteristics of the industry. With value creation as the incentive orientation, the Company's incentive system is designed as a whole, and is built and optimized step by step. At the same time, the Company provides employees with diversified welfare system, reasonable vacation system and good working environment to stimulate the employees' working potential.

As at 30 June 2024, the Company had no share schemes for employees.

TRAINING FOR EMPLOYEES

The Company follows the principle of “position-related, input-output, division-based management, and collaborative sharing”, and establishes a three-tier training management system comprising of Goldwind Learning & Development Center, Human Resources Departments, and various centres/departments. It takes fully into account the strategic planning and personalized growth needs of employees, and creates diverse learning opportunities and platforms for employees based on different training goals and requirements. It makes full use of internal and external knowledge resources to develop, and introduce training courses suitable for the Company’s current and future needs to create a learning-oriented organization and accelerate the personal development of employees.

During the first half of 2024, the Company made full use of online learning platforms to expand the coverage of training, as well as broaden the range of training and enrich learning content (583 new courses launched); focusing on leadership and management capability development, transferable skill development and talent cultivation at key posts, the Company carried out training activities such as newly appointment management cadre, new employees, Goldwind Lectures and precise empowerment for key talents. During the six months ended 30 June 2024, the average training hours per capita reached 21.6 hours.

SUFFICIENCY OF PUBLIC FLOAT

From publicly available information and to the best knowledge of the Directors, the Company had maintained a sufficient public float as required under the Listing Rules throughout the six months ended 30 June 2024 and up to the Latest Practicable Date.

AMENDMENT OF ARTICLES

On 22 December 2023, the Board approved the proposal in relation to the amendment of the Articles, for details please refer to the announcement dated 22 December 2023 of the Company. The proposal was presented to the Shareholders for consideration at the 2024 first extraordinary general meeting, the 2024 first class meeting of the A Shareholders and the 2024 first class meeting of the H Shareholders. However, it did not receive approval at the 2024 first class meeting of the H Shareholders. For details please refer to the announcement dated 27 February 2024 of the Company.

On 26 April 2024, the Board approved the proposals in relation to the amendment of the Articles, for details please refer to the announcement dated 26 April 2024 of the Company. At the 2023 AGM, the Shareholders approved the amendments to the Articles, for details please refer to the announcement dated 25 June 2024 of the Company.

Other Information

INVESTOR RELATIONS

The Company is committed to protecting the interests of its investors. The Company adheres to disclosure principles strictly and strives to ensure that the information disclosed in its announcements, circulars and periodic reports is true, accurate and complete, and disclosures are made in a timely manner. In addition, the Company encourages regular communication and interaction with its investors and potential investors in order to allow them to better understand the wind power industry, the status of the Company's operation, and its long-term development strategies. The Company had established the Investor Relations division within its Office of Secretary of the Board which is responsible for organizing investor visits and conferences, responding to queries from the Investor Relations Hotline, attending to the Investor Relations email inbox and SZSE's investor interactive platform, analyzing information contained in the Company's disclosure documents and assisting investors with related queries, and updating the "Investor Relations" section on the Company's website in a timely manner.

During the Reporting Period, the Company strictly complied with its disclosure obligations, improved its communications with investors, and strived to provide investors with a fair and transparent investment environment. During the Reporting Period, the Company's Investor Relations division organized two results announcement telephone conferences, accommodating a total of 256 investors in such events, organized two online Q&A investor interactive session, and answered 87 questions from investors. In addition, the Company organized one performance roadshow, communicated with 49 institutional investors, and hosted 17 investor calls and 17 investor visits.



Report on Review of Condensed Consolidated Financial Statements

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To the shareholders of **GOLDWIND SCIENCE&TECHNOLOGY CO., LTD.**
(Established in the People's Republic of China with limited liability)

INTRODUCTION

We have reviewed the condensed consolidated financial statement of GOLDWIND SCIENCE&TECHNOLOGY CO., LTD. (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 34 to 96, which comprise the condensed consolidated statement of financial position as of 30 June 2024 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six months period then ended, and notes to the condensed consolidated financial statements. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 “Interim Financial Reporting” (“IAS 34”) issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with IAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the International Auditing and Assurance Standards Board. A review of these condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
23 August 2024

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2024

For the six months ended 30 June

		2024 (Unaudited)	2023 (Unaudited) (Restated)
	Notes	RMB'000	RMB'000
REVENUE	4	20,143,154	18,909,115
Cost of sales		(16,449,413)	(16,494,054)
Gross profit		3,693,741	2,415,061
Other income and gains, net	5	1,274,599	2,613,109
Selling and distribution expenses		(604,813)	(563,078)
Administrative expenses		(1,806,843)	(1,578,484)
Impairment losses on financial and contract assets, net		(125,849)	(176,991)
Other expenses		(108,219)	(271,664)
Finance costs	7	(617,718)	(625,327)
Share of profits of:			
Joint ventures		117,688	146,297
Associates		22,345	22,182
PROFIT BEFORE TAX	6	1,844,931	1,981,105
Income tax expense	8	(408,939)	(635,770)
PROFIT FOR THE PERIOD		1,435,992	1,345,335
Profit attributable to:			
Owners of the Company		1,386,844	1,251,328
Non-controlling interests		49,148	94,007
		1,435,992	1,345,335

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2024

	Note	For the six months ended 30 June	
		2024 (Unaudited) RMB'000	2023 (Unaudited) (Restated) RMB'000
<i>Other comprehensive (expense)/income that will not be reclassified to profit or loss in subsequent periods (net of tax):</i>			
Changes in fair value of equity investments designated at fair value through other comprehensive income		(24,190)	37,056
<i>Other comprehensive (expense)/income that may be reclassified to profit or loss in subsequent periods (net of tax):</i>			
Exchange differences on translation of foreign operations		(25,567)	175,506
Changes in fair value of debt instruments measured at fair value through other comprehensive income		9,626	(1,600)
Cash flow hedges		16,440	(195,783)
Hedges of net investment in foreign operations		37,085	(81,455)
Cost of fair value hedges		(3,020)	(8,662)
Share of other comprehensive expenses of associates		(304)	(174,501)
Net other comprehensive income/(expense) that may be reclassified to profit or loss in subsequent periods, net of tax		34,260	(286,495)
OTHER COMPREHENSIVE INCOME/(EXPENSE) FOR THE PERIOD, NET OF TAX		10,070	(249,439)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		1,446,062	1,095,896
Total comprehensive income attributable to:			
Owners of the Company		1,396,933	1,001,049
Non-controlling interests		49,129	94,847
		1,446,062	1,095,896
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY			
Basic and diluted (expressed in RMB per share)	10	0.32	0.28

Condensed Consolidated Statement of Financial Position

At 30 June 2024

	Notes	30 June 2024 (Unaudited) RMB'000	31 December 2023 (Audited) RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment	11	42,399,290	41,805,332
Investment properties		9,114	9,253
Right-of-use assets	12	2,729,528	3,192,509
Goodwill		107,396	107,369
Other intangible assets		6,588,641	6,696,154
Interests in joint ventures		3,438,444	3,321,916
Interests in associates		1,213,833	1,532,477
Equity investments designated at fair value through other comprehensive income	13	182,639	223,090
Financial assets at fair value through profit or loss	14	3,286,212	1,999,173
Other non-current financial assets	15	435,632	515,140
Deferred tax assets	16	4,725,069	4,424,065
Financial receivables	18	7,347,945	7,937,428
Prepayments, other receivables and other assets	19	3,458,698	3,237,160
Contract assets	23	4,241,299	4,664,057
Total non-current assets		80,163,740	79,665,123
CURRENT ASSETS			
Inventories	21	19,188,117	15,257,242
Trade and bills receivables	17	28,307,027	26,502,512
Contract assets	23	1,999,160	1,737,831
Prepayments, other receivables and other assets	19	5,620,987	4,956,773
Financial receivables	18	354,235	356,938
Derivative financial instruments	20	40,305	67,080
Financial assets at fair value through profit or loss	14	–	700,000
Other non-current financial assets	15	75,310	5,917
Pledged deposits	22	408,673	551,276
Cash and cash equivalents	22	8,054,356	13,693,908
Total current assets		64,048,170	63,829,477

Condensed Consolidated Statement of Financial Position

At 30 June 2024

	Notes	30 June 2024 (Unaudited) RMB'000	31 December 2023 (Audited) RMB'000
CURRENT LIABILITIES			
Trade and bills payables	24	35,640,060	41,644,723
Other payables and accruals	25	13,499,045	12,677,237
Derivative financial instruments	20	91,005	148,865
Interest-bearing bank and other borrowings	26	6,733,310	4,685,356
Tax payable		943,645	1,189,727
Provision		2,756,845	2,673,696
Total current liabilities		59,663,910	63,019,604
NET CURRENT ASSETS		4,384,260	809,873
TOTAL ASSETS LESS CURRENT LIABILITIES		84,548,000	80,474,996
NON-CURRENT LIABILITIES			
Trade payables	24	921,035	1,095,225
Other payables and accruals	25	255,112	236,913
Interest-bearing bank and other borrowings	26	37,879,277	34,157,743
Deferred tax liabilities	16	1,677,484	1,522,042
Provision		2,895,989	3,001,934
Government grants		225,601	231,702
Derivative financial instruments	20	2,239	524
Total non-current liabilities		43,856,737	40,246,083
Net assets		40,691,263	40,228,913
EQUITY			
Equity attributable to owners of the Company			
Share capital	27	4,225,068	4,225,068
Reserves		33,768,058	33,384,831
		37,993,126	37,609,899
Non-controlling interests		2,698,137	2,619,014
Total equity		40,691,263	40,228,913

Wu Gang
Director

Cao Zhigang
Director

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2024

	Attributable to owners of the Company											
	Share capital	Capital reserve	Special reserve	Statutory surplus reserve	Fair value reserve of financial assets at fair value through other comprehensive income	Exchange fluctuation reserve	Other equity instruments	Hedging reserve	Retained profits	Total	Non-controlling interests	Total equity
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at 1 January 2024	4,225,068	12,172,726	-	1,806,408	4,393	(47,565)	2,049,818	(141,574)	17,540,625	37,609,899	2,619,014	40,228,913
Profit for the period	-	-	-	-	-	-	-	-	1,386,844	1,386,844	49,148	1,435,992
Other comprehensive (expenses)/income for the period:												
Changes in fair value of equity investments designated at fair value through other comprehensive income, net of tax	-	-	-	-	(24,190)	-	-	-	-	(24,190)	-	(24,190)
Changes in fair value of debt instruments measured at fair value through other comprehensive income, net of tax	-	-	-	-	9,415	-	-	-	-	9,415	211	9,626
Cash flow hedges, net of tax	-	-	-	-	-	-	-	16,440	-	16,440	-	16,440
Hedges of net investment in foreign operations, net of tax	-	-	-	-	-	-	-	37,085	-	37,085	-	37,085
Cost of fair value hedges, net of tax	-	-	-	-	-	-	-	(3,020)	-	(3,020)	-	(3,020)
Share of other comprehensive expense of associates	-	(304)	-	-	-	-	-	-	-	(304)	-	(304)
Exchange differences on translation of foreign operations	-	-	-	-	-	(25,337)	-	-	-	(25,337)	(230)	(25,567)
Total comprehensive (expenses)/income for the period	-	(304)	-	-	(14,775)	(25,337)	-	50,505	1,386,844	1,396,933	49,129	1,446,062
Capital contributions from non-controlling interests	-	-	-	-	-	-	-	-	-	-	40,550	40,550
Final 2023 dividend declared	-	-	-	-	-	-	-	-	(422,507)	(422,507)	(10,556)	(433,063)
Transfer to special reserve	-	-	91,100	-	-	-	-	-	(91,100)	-	-	-
Utilisation of special reserve	-	-	(91,100)	-	-	-	-	-	91,100	-	-	-
Capital contributions from other equity instruments holders	-	-	-	-	-	-	1,000,000	-	-	1,000,000	-	1,000,000
Repayment of other equity instruments holders	-	-	-	-	-	-	(1,549,818)	-	-	(1,549,818)	-	(1,549,818)
Other changes of investments in associates	-	(882)	-	-	-	-	-	-	-	(882)	-	(882)
Distribution of other equity instruments	-	-	-	-	-	-	-	-	(40,499)	(40,499)	-	(40,499)
Disposal of equity investment designated at fair value through other comprehensive income	-	-	-	-	(9,109)	-	-	-	9,109	-	-	-
At 30 June 2024	4,225,068	* 12,171,540	* -	* 1,806,408	* (19,491)	* (72,902)	* 1,500,000	* (91,069)	* 18,473,572	37,993,126	2,698,137	40,691,263

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2024

Attributable to owners of the Company

	Share capital	Capital reserve	Special reserve	Statutory surplus reserve	Fair value reserve of financial assets at fair value through other comprehensive income	Exchange fluctuation reserve	Other equity instruments	Hedging reserve	Retained profits	Total	Non-controlling interests	Total equity
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at 1 January 2023	4,225,068	12,341,769	-	1,723,378	(32,526)	(108,306)	2,995,875	13,762	16,936,059	38,095,079	2,251,216	40,346,295
Profit for the period	-	-	-	-	-	-	-	-	1,251,328	1,251,328	94,007	1,345,335
Other comprehensive (expenses)/income for the period:												
Changes in fair value of equity investments designated at fair value through other comprehensive income, net of tax	-	-	-	-	37,056	-	-	-	-	37,056	-	37,056
Changes in fair value of debt instruments measured at fair value through other comprehensive income, net of tax	-	-	-	-	(1,590)	-	-	-	-	(1,590)	(10)	(1,600)
Cash flow hedges, net of tax	-	-	-	-	-	-	-	(195,783)	-	(195,783)	-	(195,783)
Hedges of net investment in foreign operations, net of tax	-	-	-	-	-	-	-	(81,455)	-	(81,455)	-	(81,455)
Cost of fair value hedges, net of tax	-	-	-	-	-	-	-	(8,662)	-	(8,662)	-	(8,662)
Share of other comprehensive expense of associates	-	(174,501)	-	-	-	-	-	-	-	(174,501)	-	(174,501)
Exchange differences on translation of foreign operations	-	-	-	-	-	174,656	-	-	-	174,656	850	175,506
Total comprehensive (expenses)/income for the period	-	(174,501)	-	-	35,466	174,656	-	(285,900)	1,251,328	1,001,049	94,847	1,095,896
Capital contributions from non-controlling interests	-	-	-	-	-	-	-	-	-	-	156,137	156,137
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	121,154	121,154
Disposal of subsidiaries	-	-	-	-	-	-	-	-	-	-	(5,307)	(5,307)
Acquisition of non-controlling interests	-	12,712	-	-	-	-	-	-	-	12,712	(18,712)	(6,000)
Final 2022 dividend declared	-	-	-	-	-	-	-	-	(507,008)	(507,008)	(56,244)	(563,252)
Transfer to special reserve	-	-	70,355	-	-	-	-	-	(70,355)	-	-	-
Utilisation of special reserve	-	-	(70,355)	-	-	-	-	-	70,355	-	-	-
Capital contributions from other equity instruments holders	-	-	-	-	-	-	300,000	-	-	300,000	-	300,000
Distribution of other equity instruments	-	-	-	-	-	-	-	-	(52,969)	(52,969)	-	(52,969)
Disposal of equity investment designated at fair value through other comprehensive income	-	-	-	-	(3,599)	-	-	-	3,599	-	-	-
At 30 June 2023	4,225,068	* 12,179,980	* -	* 1,723,378	* (659)	* 66,350	* 3,295,875	* (272,138)	* 17,631,009	38,848,863	2,543,091	41,391,954

* As at 30 June 2024, these reserve accounts comprised the consolidated reserves of RMB33,768,058,000 (30 June 2023: RMB34,623,795,000) (unaudited) in the condensed consolidated statement of financial position.

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2024



For the six months ended 30 June

2024
(Unaudited)
RMB'000

2023
(Unaudited)
RMB'000

Notes

CASH FLOWS FROM OPERATING ACTIVITIES

Profit before tax		1,844,931	1,981,105
Adjustments for:			
Finance costs	7	617,718	625,327
Bank interest income	5	(245,260)	(306,496)
Share of profits of joint ventures		(117,688)	(146,297)
Share of profits of associates		(22,345)	(22,182)
Depreciation of property, plant and equipment and investment properties	6	1,224,905	1,121,936
Depreciation of right-of-use assets	6	92,584	106,642
Amortisation of other intangible assets	6	249,241	229,034
Loss on disposal of items of property, plant and equipment and other intangible assets	5	5,211	15,023
Gain on disposal of subsidiaries	5	(137,094)	(924,109)
Loss on cancellation and liquidation of subsidiaries		13,398	–
Gain on hold of financial assets at fair value through profit or loss	5	(7,847)	(9,044)
Dividend income from equity investments designated at fair value through other comprehensive income	5	–	(10,000)
Dividend income from other non-current financial assets	5	(20,268)	(15,443)
Gains on loss of significant influence over associates or disposal of investments in associates and joint ventures	5	(824,311)	(867,943)
Loss on disposal of financial assets at fair value through profit or loss	5	1,317	–
Fair value losses/(gains), net:			
Derivative financial instruments	5	73,894	(32,209)
Unlisted equity investments	5	(3,196)	(32,410)
Listed equity investments	5	115,100	(160,075)
Impairment of trade and other receivables	6	126,306	176,106
Reversal of impairment of contract assets	6	(93)	(1,329)
Impairment of other non-current financial assets	6	255	–
(Reversal)/impairment of financial receivables	6	(619)	2,213
(Reversal)/impairment of write-down of inventories to net realisable value	6	(18,858)	15,906
		2,967,281	1,745,755

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2024

	Notes	For the six months ended 30 June	
		2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
Increase in inventories		(3,911,544)	(4,946,367)
Decrease/(increase) in contract assets		646,160	(436,101)
Increase in trade and bills receivables		(1,618,024)	(1,075,335)
Increase in prepayments, other receivables and other assets		(735,206)	(575,370)
Decrease in financial receivables		592,186	1,230,716
Decrease in trade and bills payables		(6,317,242)	(6,030,043)
Increase in other payables and accruals		904,575	2,386,954
(Decrease)/Increase in provision		(22,796)	188,439
(Decrease)/increase in government grants		(6,101)	8,759
Cash used in operations		(7,500,711)	(7,502,593)
Interest received		142,121	209,020
Income tax paid		(792,190)	(777,672)
Net cash flows used in operating activities		(8,150,780)	(8,071,245)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of items of property, plant and equipment		(2,267,717)	(2,417,330)
Purchases of other intangible assets		(26,160)	(335,312)
Purchases of right-of-use assets		(87,608)	(62,283)
Acquisition of subsidiaries, net of cash acquired	28	(8,249)	(22,436)
Payment of purchase consideration payable for acquisition of subsidiaries in previous periods	28	(44,437)	–
Purchases of interests in joint ventures		–	(55,293)
Purchases of interests in associates		(62,770)	(66,750)
Purchases of financial assets at fair value through profit or loss		(1,462,499)	(37,750)
Purchases of other non-current financial assets		(47,650)	(115,875)
Proceeds from disposal of items of property, plant and equipment and other intangible assets		32,901	8,592
Disposal of subsidiaries, net of cash disposed of	29	338,939	1,508,999
Cash received on sales consideration receivable from disposal of subsidiaries in previous periods		–	80,900
Cash advance received on sales consideration receivable from disposal of subsidiaries	29	112,360	–
Increase in non-pledged time deposits with original maturity of three months or more when acquired		–	(649,923)
Dividends received from joint ventures and associates		34,355	269,866
Dividend received from equity investments at fair value through other comprehensive income	5	–	10,000
Dividend received from financial assets at fair value through profit or loss	5	7,847	9,044
Dividend received from other non-current financial assets	5	20,268	15,443
Interest received from non-pledged time deposits with original maturity of three months or more when acquired		20,668	–
Dividend received from disposed subsidiaries		–	87,342
Proceeds from disposal of shareholding in joint ventures and associates		50,053	2,466,576
Disposal of equity investment designated at fair value through other comprehensive income		9,759	5,226

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2024



	Note	For the six months ended 30 June	
		2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
Decrease in non-pledged time deposits with original maturity of three months or more when acquired		705,945	–
Disposal of financial assets at fair value through profit or loss		1,937,300	500,000
Proceeds from disposal of other non-current financial assets		57,900	62,000
Prepayment for acquisitions of equity investments		(103,942)	–
Loan payment to the related parties		(92,305)	–
Loan repayment from the related parties		35,721	492,979
Cash from/(payments) for other investments		2,696	(2,300)
Net cash flows (used in)/generated from investing activities		(836,625)	1,751,715
CASH FLOWS FROM FINANCING ACTIVITIES			
New bank loans and other borrowings		10,053,226	6,295,429
Repayment of bank loans and other borrowings		(3,833,953)	(4,893,215)
Interest paid		(624,130)	(729,934)
Capital contributions from non-controlling shareholders		40,550	156,137
Capital contributions from other equity instruments holders		1,000,000	300,000
Principal portion of lease liabilities payments		(569,197)	(123,559)
Payments for sale and leaseback		(364,157)	–
Fees for financing consulting		–	(2,700)
Dividends paid		(65,610)	(48,427)
Repayment of other equity instruments		(1,549,818)	–
Cash repayment on sale of bills as collateral on securities lending		(1,093)	–
Net cash flows generated from financing activities		4,085,818	953,731
NET DECREASE IN CASH AND CASH EQUIVALENTS		(4,901,587)	(5,365,799)
Cash and cash equivalents at beginning of the period		12,634,213	14,842,821
Effect of foreign exchange rate changes, net		(20,918)	(32,497)
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	22	7,711,708	9,444,525





Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

1. CORPORATE AND GROUP INFORMATION

GOLDWIND SCIENCE&TECHNOLOGY CO., LTD. (the “Company”) is a joint stock company with limited liability registered in Xinjiang in the People’s Republic of China (the “PRC”), which was established on 26 March 2001. The Company’s shares have been listed on the Shenzhen Stock Exchange from 26 December 2007 and the Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”) from 8 October 2010. The registered office of the Company is located at 107 Shanghai Road, Economic & Technology Development District, Urumqi, Xinjiang, the PRC.

During the current interim period, the Group was involved in the following principal activities:

- Research and development, manufacture and sale of wind turbine generators and spare parts;
- Wind farm construction, post-warranty service and asset management services;
- Development and operation of wind farms, consisting of wind power generation service provided by the Group’s wind farms as well as the sale of wind farms; and
- Development and operation of water treatment plants, finance and investment.

In the opinion of the directors of the Company (the “Directors”), the Company has no controlling shareholders.

2. BASIS OF PREPARATION AND CHANGES IN THE ACCOUNTING POLICIES

2.1 Basis of preparation

The condensed consolidated financial statements for the six months ended 30 June 2024 have been prepared in accordance with International Accounting Standard 34 (“IAS 34”) “Interim Financial Reporting” issued by the International Accounting Standards Board (“IASB”) as well as the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the “Listing Rules”).

The condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual financial statements for the year ended 31 December 2023.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

2. BASIS OF PREPARATION AND CHANGES IN THE ACCOUNTING POLICIES (continued)

2.2 Changes in accounting policies and disclosures

The accounting policies adopted in the preparation of the condensed consolidated financial statements are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2023, except for the adoption of the amendments effective as of 1 January 2024 set out below. The Group has not early applied the new and amendments to International Financial Reporting Standards ("IFRSs") that have been issued but are not yet effective.

Amendments to IFRS 16	Lease Liability in a Sale and Leaseback
Amendments to IAS 1	Classification of Liabilities as Current or Non-current
Amendments to IAS 1	Non-current Liabilities with Covenants
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements

The application of the amendments to IFRSs in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

3. OPERATING SEGMENT INFORMATION

The following tables present revenue and profit information about the Group's operating segments for the six months ended 30 June 2024 and 2023:

For the six months ended 30 June 2024

	Wind turbine generator manufacturing and sale (Unaudited) RMB'000	Wind farm development (Unaudited) RMB'000	Wind power services (Unaudited) RMB'000	Others (Unaudited) RMB'000	Eliminations (Unaudited) RMB'000	Total (Unaudited) RMB'000
Segment revenue:						
Revenue from external customers	12,767,677	4,401,088	2,374,091	600,298	–	20,143,154
Intersegment sales	1,840,379	8,230	1,052,561	112,952	(3,014,122)	–
Total revenue	14,608,056	4,409,318	3,426,652	713,250	(3,014,122)	20,143,154
Segment results:						
Interest income	317,438	33,777	13,499	172,281	(291,735)	245,260
Finance costs	(210,573)	(589,862)	(14,072)	(108,133)	304,922	(617,718)
(Loss)/profit before tax	(477,719)	1,872,334	343,010	915,484	(808,178)	1,844,931
Other segment information:						
Share of profits and losses of:						
Associates	6,267	6,811	441	8,826	–	22,345
Joint ventures	(6,802)	124,358	–	132	–	117,688
Depreciation and amortisation ⁽¹⁾	385,064	1,089,928	74,249	124,737	(90,856)	1,583,122
Impairment of inventories, net	(22,457)	–	3,599	–	–	(18,858)
Impairment of trade and other receivables, net	103,519	11,349	8,411	7,613	(4,586)	126,306
Impairment of contract assets, net	(352)	–	259	–	–	(93)
Impairment of financial receivables, net	–	–	–	(619)	–	(619)
Impairment of other non-current financial assets, net	–	–	–	255	–	255
Product warranty provision	503,052	–	–	–	–	503,052
Capital expenditure ⁽²⁾	531,273	1,975,444	62,607	90,909	(215,809)	2,444,424

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

3. OPERATING SEGMENT INFORMATION (continued)

For the six months ended 30 June 2023

	Wind turbine generator manufacturing and sale (Unaudited) RMB'000	Wind farm development (Unaudited) RMB'000	Wind power services (Unaudited) RMB'000	Others (Unaudited) RMB'000	Eliminations (Unaudited) RMB'000	Total (Unaudited) RMB'000
Segment revenue:						
Revenue from external customers	12,740,915	3,347,156	2,314,110	506,934	–	18,909,115
Intersegment sales	1,230,035	13,891	961,028	128,795	(2,333,749)	–
Total revenue	13,970,950	3,361,047	3,275,138	635,729	(2,333,749)	18,909,115
Segment results:						
Interest income	(1,552,381)	3,655,008	34,067	501,060	(337,818)	2,299,936
Finance costs	342,140	105,857	16,632	165,056	(323,189)	306,496
	(250,740)	(601,095)	(13,318)	(99,442)	339,268	(625,327)
(Loss)/profit before tax	(1,460,981)	3,159,770	37,381	566,674	(321,739)	1,981,105
Other segment information:						
Share of profits and losses of:						
Associates	6,673	17,846	775	(3,112)	–	22,182
Joint ventures	(472)	146,283	–	486	–	146,297
Depreciation and amortisation ⁽¹⁾	347,429	1,074,523	50,225	86,163	(77,230)	1,481,110
Impairment of inventories, net	14,151	–	1,755	–	–	15,906
Impairment of trade and other receivables, net	139,484	623	58,487	(7,657)	(14,831)	176,106
Impairment of contract assets, net	427	–	(1,756)	–	–	(1,329)
Impairment of financial receivables, net	–	–	–	2,213	–	2,213
Product warranty provision	787,704	–	–	–	–	787,704
Capital expenditure ⁽²⁾	583,533	3,635,197	52,655	134,392	(192,644)	4,213,133

⁽¹⁾ Depreciation and amortisation mainly consists of depreciation and amortisation of property, plant and equipment, other intangible assets, investment properties, leasehold improvement and right-of-use assets.

⁽²⁾ Capital expenditure mainly consists of additions to property, plant and equipment, other intangible assets and right-of-use assets.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

3. OPERATING SEGMENT INFORMATION (continued)

The following table presents segment assets and liabilities of the Group's operating segments as at 30 June 2024 and 31 December 2023:

	Wind turbine generator manufacturing and sale RMB'000	Wind farm development RMB'000	Wind power services RMB'000	Others RMB'000	Unallocations and eliminations RMB'000	Total RMB'000
Segment assets						
30 June 2024 (Unaudited)	97,840,183	79,697,436	19,716,153	24,518,542	(77,560,404)	144,211,910
31 December 2023 (Audited)	94,511,816	76,547,784	19,011,732	25,943,255	(72,519,987)	143,494,600
Segment liabilities						
30 June 2024 (Unaudited)	67,659,551	58,999,585	14,991,265	14,209,208	(52,338,962)	103,520,647
31 December 2023 (Audited)	62,755,682	57,173,885	14,725,565	16,387,655	(47,777,100)	103,265,687
Investments in joint ventures						
30 June 2024 (Unaudited)	293,791	3,061,850	-	82,803	-	3,438,444
31 December 2023 (Audited)	301,754	2,937,492	-	82,670	-	3,321,916
Investments in associates						
30 June 2024 (Unaudited)	79,917	725,397	13,581	394,938	-	1,213,833
31 December 2023 (Audited)	333,431	664,429	13,141	521,476	-	1,532,477

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

3. OPERATING SEGMENT INFORMATION (continued)

Geographical information

(a) Revenue from external customers

	For the six months ended 30 June	
	2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
China	15,367,226	16,310,361
Other countries	4,775,928	2,598,754
	20,143,154	18,909,115

The revenue information above is based on the locations of the customers.

(b) Non-current assets

	As at 30 June 2024 (Unaudited) RMB'000	As at 31 December 2023 (Audited) RMB'000
	China	58,571,746
United States of America	92,968	96,676
Australia	966,734	958,869
Argentina	3,474,387	3,527,316
Brazil	78,150	5,406
Germany	193,167	214,079
Other countries	23,299	26,476
	63,400,451	63,765,594

The non-current asset information above is based on the locations of the assets and excludes financial instruments and deferred tax assets.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

3. OPERATING SEGMENT INFORMATION (continued)

Information about major customers

For the six months ended 30 June 2024, revenues of approximately RMB2,744,601,000 were derived from sales by the wind farm development to a single customer, including sales to a group of entities which are known to be under common control with that customer, which individually accounted for over 10% of the Group's total revenue.

For the six months ended 30 June 2023, revenues of approximately RMB3,044,015,000 were derived from sales by the wind turbine generator manufacturing and sale to a single customer, including sales to a group of entities which are known to be under common control with that customer, which individually accounted for over 10% of the Group's total revenue.

4. REVENUE

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
Revenue from contracts with customers		
Sale of wind turbine generators and wind power components	12,767,677	12,740,915
Wind farm development	4,401,088	3,347,156
Wind power services	2,254,764	2,166,152
Others	600,298	506,934
	20,023,827	18,761,157
Revenue from other sources		
Gross rental income	119,327	147,958
	20,143,154	18,909,115

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

4. REVENUE (continued)

Revenue from contracts with customers

(i) Disaggregated revenue information

For the six months ended 30 June 2024 (Unaudited)

Segments	Sale of wind turbine generators and wind power components RMB'000	Wind farm development RMB'000	Wind power services RMB'000	Others RMB'000	Total RMB'000
Type of goods or services					
Sale of wind turbine generators and wind power components	12,767,677	–	–	–	12,767,677
Wind farm investment and development	–	4,401,088	–	–	4,401,088
Wind power services	–	–	2,254,764	–	2,254,764
Others	–	–	–	600,298	600,298
Total revenue from contracts with customers	12,767,677	4,401,088	2,254,764	600,298	20,023,827
Geographical markets					
China	8,712,112	3,933,063	2,002,426	600,298	15,247,899
Other countries	4,055,565	468,025	252,338	–	4,775,928
Total revenue from contracts with customers	12,767,677	4,401,088	2,254,764	600,298	20,023,827
Timing of revenue recognition					
Goods transferred at a point in time	12,767,677	4,401,088	–	231,759	17,400,524
Services transferred over time	–	–	2,254,764	368,539	2,623,303
Total revenue from contracts with customers	12,767,677	4,401,088	2,254,764	600,298	20,023,827

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

4. REVENUE (continued)

Revenue from contracts with customers (continued)

(i) Disaggregated revenue information (continued)

For the six months ended 30 June 2023 (Unaudited)

Segments	Sale of wind turbine generators and wind power components RMB'000	Wind farm development RMB'000	Wind power services RMB'000	Others RMB'000	Total RMB'000
Type of goods or services					
Sale of wind turbine generators and wind power components	12,740,915	–	–	–	12,740,915
Wind farm investment and development	–	3,347,156	–	–	3,347,156
Wind power services	–	–	2,166,152	–	2,166,152
Others	–	–	–	506,934	506,934
Total revenue from contracts with customers	12,740,915	3,347,156	2,166,152	506,934	18,761,157
Geographical markets					
China	10,835,856	2,896,227	1,965,658	464,662	16,162,403
Other countries	1,905,059	450,929	200,494	42,272	2,598,754
Total revenue from contracts with customers	12,740,915	3,347,156	2,166,152	506,934	18,761,157
Timing of revenue recognition					
Goods transferred at a point in time	12,740,915	3,347,156	–	195,310	16,283,381
Services transferred over time	–	–	2,166,152	311,624	2,477,776
Total revenue from contracts with customers	12,740,915	3,347,156	2,166,152	506,934	18,761,157

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

4. REVENUE (continued)

Revenue from contracts with customers (continued)

(i) Disaggregated revenue information (continued)

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period:

	For the six months ended 30 June	
	2024	2023
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:		
Wind turbine generator manufacturing and sale	3,369,131	2,560,793
Construction services	308,889	169,611
Others	34,049	62,654
	3,712,069	2,793,058

(ii) Performance obligation

Information about the Group's performance obligations is summarised below:

Sale of wind turbine generators and spare parts and sales of power station project products

The contracts with customers for the sales of wind turbine or the sales of power station project products are standalone performance obligation, which is satisfied upon delivery of the control rights of goods.

Sale of electricity

The performance obligations are satisfied upon power transmission, and measured based on the volume of wind power transmitted and the applicable fixed tariff rates.

Wind power services

Wind power services include service-type warranties and construction services. Performance obligation of service-type warranties will be satisfied over the period during which the services are provided. The construction contracts between the Group and its customers usually include performance obligations for wind farm construction. The performance obligations are satisfied over time in accordance with the progress of construction.

Others

For revenue generated from the operation of water treatment plants under the service concession arrangements, the performance obligations of which are satisfied over time in accordance with progress of service provided.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

5. OTHER INCOME AND GAINS, NET

An analysis of the Group's other income and gains is as follows:

	For the six months ended 30 June	
	2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
Bank interest income	245,260	306,496
Dividend income from equity investments designated at fair value through other comprehensive income	–	10,000
Dividend income from other non-current financial assets	20,268	15,443
Gross rental income from investment properties and equipment	11,747	5,450
Government grants and deferred revenue	78,448	57,936
Value-added tax (“VAT”) refund	82,337	110,572
Provision of technical service	30,255	11,148
Gains on loss of significant influence over associates or disposal of investments in associates and joint ventures (Note (i))	824,311	867,943
Gain on disposal of interests in subsidiaries (Note 29)	137,094	924,109
Loss on disposal of financial assets at fair value through profit or loss	(1,317)	–
Dividend received from financial assets at fair value through profit or loss	7,847	9,044
Loss on disposal of items of property, plant and equipment and other intangible assets	(5,211)	(15,023)
Fair value (losses)/gains, net:		
Derivative financial instruments	(73,894)	32,209
Unlisted equity investments	3,196	32,410
Listed equity investments	(115,100)	160,075
Others	29,358	85,297
	1,274,599	2,613,109

Note (i):

As at 30 June 2024, the Group held 4.98% of equity interests in JL Mag Rare-earth Co., Ltd. (“JL Mag”). According to the results of director election of JL Mag's annual general meeting held on 5 June 2024, the candidate nominated by the Group to the board of directors of JL Mag failed to be elected. The term of the current board of directors is 3 years. In the absence of any other directors resigning or being removed by general meeting, the Group is unable to nominate director candidate to JL Mag during the term of this board of directors. In addition, after considering other facts and circumstances to determine whether the Group has ability to participate in the formulation of JL Mag's financial and operating policies, including whether the Group conducting major transactions with JL Mag, dispatching management personnel to JL Mag and providing key technological information to JL Mag, etc. The Directors are of the view that the Group no longer maintains significant influence over JL Mag and therefore, the investment in JL Mag has been accounted for as financial assets at fair value through profit or loss.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	Notes	For the six months ended 30 June	
		2024 (Unaudited) RMB'000	2023 (Unaudited) (Restated) RMB'000
Cost of inventories sold		12,269,398	13,080,924
Cost of wind power generation		1,916,923	1,026,488
Cost of wind power services		1,785,942	1,963,559
Cost of others		477,150	423,083
		16,449,413	16,494,054
Depreciation provided for:			
Property, plant and equipment	11	1,224,767	1,121,798
Right-of-use assets	12	92,584	106,642
Investment properties		138	138
		1,317,489	1,228,578
Amortisation of other intangible assets		249,241	229,034
Impairment of trade receivables	17	205,692	253,641
Reversal of impairment of trade receivables	17	(95,022)	(121,559)
		110,670	132,082
Impairment of other receivables	19	19,401	53,573
Reversal of impairment of other receivables	19	(3,765)	(9,549)
		15,636	44,024
Impairment of financial receivables	18	218	4,211
Reversal of impairment of financial receivables	18	(837)	(1,998)
		(619)	2,213
Impairment of contract assets	23	3,523	2,539
Reversal of impairment of contract assets	23	(3,616)	(3,868)
		(93)	(1,329)

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

6. PROFIT BEFORE TAX (continued)

The Group's profit before tax is arrived at after charging/(crediting): (continued)

	Note	For the six months ended 30 June	
		2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
Impairment of other non-current financial assets	15	255	–
Impairment of inventories		28,730	15,906
Reversal of impairment of inventories		(47,588)	–
		(18,858)	15,906
Auditor's remuneration		2,100	2,100
Employee benefit expenses (including directors', supervisors' and the chief executive's remuneration):			
Wages and salaries		1,658,975	1,468,280
Pension scheme contributions (defined contribution scheme)		206,923	194,471
Welfare and other expenses		195,209	172,770
		2,061,107	1,835,521
Research and development costs:			
Staff costs		376,290	319,100
Amortisation and depreciation		154,808	133,390
Materials expenditure and others		356,855	185,186
		887,953	637,676
Product warranty provision:			
Additional provision		634,430	903,134
Reversals of unutilised provision		(131,378)	(115,430)
		503,052	787,704

7. FINANCE COSTS

	For the six months ended 30 June	
	2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
Interest on bank loans and other borrowings	700,745	650,245
Interest on lease liabilities	71,782	66,351
Less: Interest capitalised	(154,809)	(91,269)
	617,718	625,327

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

8. INCOME TAX EXPENSE

The Company and nine subsidiaries of the Company (31 December 2023: the Company and nine subsidiaries of the Company) have been identified as “high and new technology enterprises” and were entitled to preferential income tax at a rate of 15% for the six months ended 30 June 2024 in accordance with the PRC Corporate Income Tax Law.

Certain subsidiaries of the Company in China, which were established after 1 January 2008 and are engaged in public infrastructure projects including wind farm and urban water treatment projects, are each entitled to a tax holiday of a three-year full exemption followed by a three-year 50% exemption commencing from the respective years when operating income is generated for the first time.

Certain subsidiaries of the Company in China were taxed at a preferential rate of 15% primarily due to their status as entities engaging in development projects supported by the government in the western region of the PRC.

Certain subsidiaries of the Company in China which are small and micro-sized enterprises, the following tax policy applies: For annual income amount of RMB1 million or below, the taxable income amount should be computed at 25% of the annual income and subject to a tax rate of 20%. The preferential period is from 1 January 2023 to 31 December 2024. For annual income amount of over RMB1 million but does not exceed RMB3 million, the taxable income amount should be computed at 25% of the annual income and subject to a tax rate of 20%. The preferential period is from 1 January 2022 to 31 December 2024.

Except for certain preferential treatment available to certain subsidiaries of the Company and the Company as mentioned above, the entities within the Group in China were subject to corporate income tax at a rate of 25%.

Certain subsidiaries of the Company in overseas countries are subject to corporate income tax at a rate varying from 10 % to 35 % (for the six months ended 30 June 2023: 10% to 35%).

Hong Kong profits tax has been provided at the rate of 16.5% (for the six months ended 30 June 2023: 16.5%) on the estimated assessable profits arising in Hong Kong, China during the period.

Taxes on profits assessable elsewhere have been calculated at the rate of tax prevailing in the jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

		For the six months ended 30 June	
		2024	2023
		(Unaudited)	(Unaudited)
	Note	RMB'000	RMB'000
Current		546,108	863,354
Deferred	16	(137,169)	(227,584)
Tax charge for the period		408,939	635,770

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

9. DIVIDENDS

The proposed final cash dividends of RMB1.0 (tax included) per each 10 shares, which amounted to RMB422,507,000 of cash dividends for the year ended 31 December 2023, were approved by the Company's shareholders on 25 June 2024.

The board of Directors does not recommend the payment of any interim dividend for the six months ended 30 June 2024 (six months ended 30 June 2023: Nil).

10. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

For those financial instruments classified as equity, if the distributions are cumulative, the undeclared amounts of the cumulative distributions were deducted in arriving at earnings for the purposes of the basic earnings per share calculation. On the other hand, if the distributions are non-cumulative, only the amount of dividends declared in respect of the year should be deducted in arriving at the profit attributable to ordinary equity holders.

The Group had no potentially dilutive ordinary shares in issue during the six months ended 30 June 2024 and 2023.

The calculation of basic and diluted earnings per share is based on:

	For the six months ended 30 June	
	2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
Profit attributable to ordinary equity holders of the Company	1,386,844	1,251,328
Less: distribution relating to the perpetual medium-term note (i)	(40,499)	(52,969)
Profit used to determine basic earnings per share	1,346,345	1,198,359
Weighted average number of ordinary shares in issue ('000)	4,225,068	4,225,068
Basic and diluted earnings per shares (expressed in RMB per share)	0.32	0.28

- (i) The long-term option-embedded medium-term notes (the "Perpetual Medium-term Notes") issued by the Company in November 2021, September 2022, June 2023, December 2023 and March 2024 were classified as other equity instruments with deferrable cumulative interest distribution and payment. The interest from Perpetual Medium-term Notes which has been generated but not yet declared, from 1 January 2024 to 30 June 2024 and from 1 January 2023 to 30 June 2023, was deducted from earnings when calculating the earnings per share for the six months ended 30 June 2024 and 2023.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

11. PROPERTY, PLANT AND EQUIPMENT

	Notes	For the six months ended 30 June 2024 (Unaudited) RMB'000	Year ended 31 December 2023 (Audited) RMB'000
At beginning of the period/year		41,805,332	37,461,032
Additions		2,326,688	8,304,252
Disposals		(84,225)	(139,102)
Depreciation provided for the period/year	6	(1,224,767)	(2,112,277)
Acquisition of subsidiaries		1,318	418,140
Disposal of subsidiaries	29	(427,381)	(2,089,175)
Impairment		–	(119,182)
Exchange realignment		2,325	81,644
At end of the period/year		42,399,290	41,805,332

12. LEASES

(a) Right-of-use assets

The carrying amounts of the Group's right-of-use assets and the movements during the period are as follows:

	Notes	For the six months ended 30 June 2024 (Unaudited) RMB'000	Year ended 31 December 2023 (Audited) RMB'000
At beginning of the period/year		3,192,509	2,925,924
New leases		87,608	626,962
Depreciation provided during the period/year	6	(92,584)	(203,966)
Acquisition of a subsidiary		–	1,374
Disposals of subsidiaries	29	(6,726)	(75,073)
Others		(449,153)	(90,153)
Exchange realignment		(2,126)	7,441
At end of the period/year		2,729,528	3,192,509

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

12. LEASES (continued)

(b) Lease liabilities

The carrying amount of lease liabilities (included under interest-bearing bank and other borrowings) and the movements during the period are as follows:

	For the six months ended 30 June 2024 (Unaudited) RMB'000	Year ended 31 December 2023 (Audited) RMB'000
At beginning of the period/year	5,231,674	2,764,077
New leases	1,200,291	4,234,093
Accretion of interest recognised during the period/year	71,782	126,909
Sales of power station project products	(310,613)	(1,620,318)
Payments	(569,197)	(275,136)
Exchange realignment	(4,048)	2,049
At end of the period/year	5,619,889	5,231,674
Analysed into:		
Current portion	381,631	264,898
Non-current portion	5,238,258	4,966,776

13. EQUITY INVESTMENTS DESIGNATED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	As at 30 June 2024 (Unaudited) RMB'000	As at 31 December 2023 (Audited) RMB'000
Unlisted equity investments	182,639	223,090

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

14. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 30 June 2024 (Unaudited) RMB'000	As at 31 December 2023 (Audited) RMB'000
Listed equity investments, at fair value	1,493,831	559,989
Unlisted equity investments, at fair value	1,645,631	1,289,936
Investment in limited partnership	120,000	120,000
Wealth management products, at fair value	–	700,000
Others	26,750	29,248
	3,286,212	2,699,173
Portion classified as non-current portion	(3,286,212)	(1,999,173)
Current portion	–	700,000

The above equity investments were classified as financial assets at fair value through profit or loss as they were held for trading.

The above wealth management products issued by banks in Mainland China. They were mandatorily classified as financial assets at fair value through profit or loss as their contractual cash flows are not solely payments of principal and interest (“SPPI”) on the principal amount outstanding.

15. OTHER NON-CURRENT FINANCIAL ASSETS

	As at 30 June 2024 (Unaudited) RMB'000	As at 31 December 2023 (Audited) RMB'000
Debt investments	511,546	521,406
Provision for other non-current financial assets	(604)	(349)
	510,942	521,057
Portion classified as non-current assets	(435,632)	(515,140)
Current portion	75,310	5,917

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

15. OTHER NON-CURRENT FINANCIAL ASSETS (continued)

The movements in the provision for other non-current financial assets are as follows:

	Note	For the six months ended 30 June 2024 (Unaudited) RMB'000	Year ended 31 December 2023 (Audited) RMB'000
At beginning of the period/year		349	48
Impairment losses recognised	6	255	301
At end of the period/year		604	349

16. DEFERRED TAX

The movements in deferred tax assets and liabilities during the period are as follows:

For the six months ended 30 June 2024

Deferred tax assets

	Provision for impairment of assets (Unaudited) RMB'000	Tax losses (Unaudited) RMB'000	Provisions and accruals (Unaudited) RMB'000	Government grants received not yet recognised as income (Unaudited) RMB'000	Unrealised gains arising from intra-group sales (Unaudited) RMB'000	Fair value adjustments of equity investments at fair value through other comprehensive income/profit or loss (Unaudited) RMB'000	Others (Unaudited) RMB'000	Total (Unaudited) RMB'000
At 1 January 2024	544,074	1,549,042	1,510,300	32,844	613,884	65,987	248,759	4,564,890
Deferred tax credited/(charged) to profit or loss during the period (Note 8)	15,868	237,810	(27,181)	(5,102)	129,272	(40,376)	(30,603)	279,688
Deferred tax credited to other comprehensive income during the period	-	-	-	-	-	531	-	531
Disposal of subsidiaries (Note 29)	(22)	-	-	-	-	-	-	(22)
Exchange realignment	-	-	-	-	-	-	15	15
At 30 June 2024	559,920	1,786,852	1,483,119	27,742	743,156	26,142	218,171	4,845,102

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

16. DEFERRED TAX (continued)

The movements in deferred tax assets and liabilities during the period are as follows: (continued)

For the six months ended 30 June 2024 (continued)

Deferred tax liabilities

	Excess of fair values of identifiable assets over carrying values arising from acquisition of subsidiaries (Unaudited) RMB'000	Depreciation of assets (Unaudited) RMB'000	Fair value adjustments of equity investments at fair value through other comprehensive income/profit or loss (Unaudited) RMB'000	Service concession arrangements (Unaudited) RMB'000	Discount of long-term payables (Unaudited) RMB'000	Others (Unaudited) RMB'000	Total (Unaudited) RMB'000
At 1 January 2024	875,421	483	317,874	288,543	26,091	154,455	1,662,867
Deferred tax (credited)/charged to profit or loss during the period (Note 8)	(264)	327	142,304	(4,822)	(3,923)	8,897	142,519
Deferred tax charged to other comprehensive income during the period	-	-	530	-	-	-	530
Disposal of subsidiaries (Note 29)	(2,276)	-	-	-	-	-	(2,276)
Exchange realignment	-	-	-	-	-	(6,123)	(6,123)
At 30 June 2024	872,881	810	460,708	283,721	22,168	157,229	1,797,517

As at 30 June 2024 and 31 December 2023, the deferred tax assets and deferred tax liabilities of the Group after offset amount was as follows:

	As at 30 June 2024 (Unaudited) RMB'000	As at 31 December 2023 (Audited) RMB'000
Deferred tax assets	4,725,069	4,424,065
Deferred tax liabilities	(1,677,484)	(1,522,042)

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

16. DEFERRED TAX (continued)

The movements in deferred tax assets and liabilities during the period are as follows: (continued)

For the year ended 31 December 2023

Deferred tax assets

	Provision for impairment of assets (Audited) RMB'000	Tax losses (Audited) RMB'000	Provisions and accruals (Audited) RMB'000	Government grants received not yet recognised as income (Audited) RMB'000	Unrealised gains arising from intra-group sales (Audited) RMB'000	Fair value adjustments of equity investments at fair value through other comprehensive income/profit or loss (Audited) RMB'000	Others (Audited) RMB'000	Total (Audited) RMB'000
At 1 January 2023	523,500	747,815	1,371,154	29,968	566,647	41,525	537,773	3,818,382
Deferred tax credited/(charged) to profit or loss during the year	21,069	801,227	139,146	2,876	47,237	49,426	(278,899)	782,082
Deferred tax credited to other comprehensive income during the year	-	-	-	-	-	(24,964)	-	(24,964)
Disposal of subsidiaries	(495)	-	-	-	-	-	-	(495)
Exchange realignment	-	-	-	-	-	-	(10,115)	(10,115)
At 31 December 2023	544,074	1,549,042	1,510,300	32,844	613,884	65,987	248,759	4,564,890

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

16. DEFERRED TAX (continued)

The movements in deferred tax assets and liabilities during the period are as follows: (continued)

For the year ended 31 December 2023 (continued)

Deferred tax liabilities

	Excess of fair values of identifiable assets over carrying values arising from acquisition of subsidiaries (Audited) RMB'000	Depreciation of assets (Audited) RMB'000	Fair value adjustments of equity investments at fair value through other comprehensive income/profit (Audited) RMB'000	Service concession arrangements (Audited) RMB'000	Discount of long-term payables (Audited) RMB'000	Others (Audited) RMB'000	Total (Audited) RMB'000
At 1 January 2023	794,520	455	206,852	309,643	25,252	211,046	1,547,768
Deferred tax credited/(charged) to profit or loss during the year	2,144	28	105,702	(21,100)	839	(31,996)	55,617
Deferred tax credited to other comprehensive income during the year	-	-	5,320	-	-	-	5,320
Deferred tax liability arised from acquisition of subsidiaries	136,975	-	-	-	-	-	136,975
Deferred tax decreased upon sales of power plant products	(44,385)	-	-	-	-	-	(44,385)
Exchange realignment	(13,833)	-	-	-	-	(24,595)	(38,428)
At 31 December 2023	875,421	483	317,874	288,543	26,091	154,455	1,662,867

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

17. TRADE AND BILLS RECEIVABLES

	As at 30 June 2024 (Unaudited) RMB'000	As at 31 December 2023 (Audited) RMB'000
Trade receivables	29,580,013	27,225,218
Bills receivable	519,515	954,510
	30,099,528	28,179,728
Provision for impairment	(1,792,501)	(1,677,216)
	28,307,027	26,502,512

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally one month, extending up to three months for major customers. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

As part of its normal business, the Group endorsed or discounted bills receivable accepted by banks, bills receivable are held within a business model whose objective is achieved by both collecting contractual cash flows and selling bills receivable. Therefore, the Group has classified bills receivable presented in trade and bills receivable as at 30 June 2024 amounting to RMB519,515,000 (31 December 2023: RMB954,510,000) as debt investments measured at fair value through other comprehensive income, but still listed as trade and bills receivables.

An ageing analysis of trade and bills receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	As at 30 June 2024 (Unaudited) RMB'000	As at 31 December 2023 (Audited) RMB'000
Within 3 months	8,178,854	9,612,319
3 to 6 months	2,130,588	3,160,064
6 months to 1 year	7,106,410	3,853,821
1 to 2 years	5,601,800	5,564,301
2 to 3 years	2,556,502	2,585,202
Over 3 years	2,732,873	1,726,805
	28,307,027	26,502,512

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

17. TRADE AND BILLS RECEIVABLES (continued)

The movements in the loss allowance for impairment of trade and bills receivables are as follows:

	Note	For the six months ended 30 June 2024 (Unaudited) RMB'000	Year ended 31 December 2023 (Audited) RMB'000
At beginning of the period/year		1,677,216	1,459,855
Impairment losses recognised	6	205,692	537,430
Impairment losses reversed	6	(95,022)	(334,179)
Amounts written off as uncollectible		(353)	(3,146)
Exchange realignment		4,968	17,256
At end of the period/year		1,792,501	1,677,216

The amount due from beneficial shareholder, Xinjiang Wind Power Company Limited (“Xinjiang Wind Power”) (新疆風能有限責任公司) and the amounts due from the Group’s joint ventures and associates included in the Group’s trade and bills receivables are as follows:

	As at 30 June 2024 (Unaudited) RMB'000	As at 31 December 2023 (Audited) RMB'000
Beneficial shareholder of the Company	16,924	16,503
Joint ventures	62,251	274,626
Associates	124,901	108,358
	204,076	399,487

The above balances are unsecured, non-interest-bearing and repayable on credit terms similar to those offered to the independent customers of the Group.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

18. FINANCIAL RECEIVABLES

	As at 30 June 2024 (Unaudited) RMB'000	As at 31 December 2023 (Audited) RMB'000
Receivables for service concession agreements	4,179,611	4,366,729
Receivables for finance lease services	3,421,760	3,773,175
Accrued VAT on finance lease receivables	219,981	270,046
Loans to joint ventures	48,236	52,360
Provision for impairment	(167,408)	(167,944)
	7,702,180	8,294,366
Portion classified as non-current assets	(7,347,945)	(7,937,428)
	354,235	356,938

Receivables for service concession agreements arose from service concession contracts to build and operate water treatment plants and were recognised to the extent that the Group has an unconditional right to receive cash from grantor.

Receivables for finance lease services arose from finance lease contracts to lease equipment to customers.

The movements in the loss allowance for impairment of financial receivables based on 12-month ECL are as follows:

	Note	For the six months ended 30 June 2024 (Unaudited) RMB'000	Year ended 31 December 2023 (Audited) RMB'000
At beginning of the period/year		167,944	109,479
Impairment losses recognised	6	218	58,812
Impairment losses reversed	6	(837)	(347)
Others		83	–
At end of the period/year		167,408	167,944

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

19. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

	Note	As at 30 June 2024 (Unaudited) RMB'000	As at 31 December 2023 (Audited) RMB'000
Advances to suppliers		2,063,167	1,482,516
Prepayments		797,039	713,309
Deductible VAT		4,108,193	3,861,089
Deposits and other receivables		2,412,673	2,424,016
		9,381,072	8,480,930
Impairment allowance		(301,387)	(286,997)
		9,079,685	8,193,933
Portion classified as non-current assets	(i)	(3,458,698)	(3,237,160)
Current portion		5,620,987	4,956,773

(i) The non-current portion of deposits and other receivables mainly represented advances to suppliers and non-current deductible input VAT at 30 June 2024 and 31 December 2023.

Movements in the provision for impairment of other receivables are as follows:

	Note	For the six months ended 30 June 2024 (Unaudited) RMB'000	Year ended 31 December 2023 (Audited) RMB'000
At beginning of the period/year		286,997	231,153
Impairment losses recognised	6	19,401	91,071
Impairment losses reversed	6	(3,765)	(42,131)
Amounts written off as uncollectible		(564)	–
Exchange realignment		(682)	6,904
At end of the period/year		301,387	286,997

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

19. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS (continued)

The amounts due from the Group's beneficial shareholders, joint ventures and associates included in prepayments, other receivables and other assets are as follows:

	As at 30 June 2024 (Unaudited) RMB'000	As at 31 December 2023 (Audited) RMB'000
Beneficial shareholders of the Company	–	1,955
Joint ventures	414,952	418,220
Associates	161,416	109,522
	576,368	529,697

The above amounts are unsecured, non-interest-bearing and repayable on credit terms similar to those offered to the independent third parties.

20. DERIVATIVE FINANCIAL INSTRUMENTS

	As at 30 June 2024 Assets (Unaudited) RMB'000	As at 31 December 2023 Assets (Audited) RMB'000
Forward currency contracts – designated for hedge purposes	31,093	57,868
Call option	9,212	9,212
	40,305	67,080
Portion classified as non-current assets	–	–
Current portion	40,305	67,080

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For the six months ended 30 June 2024

20. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

	As at 30 June 2024 Liabilities (Unaudited) RMB'000	As at 31 December 2023 Liabilities (Audited) RMB'000
Forward currency contracts – designated for hedge purposes	93,244	149,389
	93,244	149,389
Portion classified as non-current: Forward currency contracts – designated for hedge purposes	(2,239)	(524)
Portion classified as non-current liabilities	(2,239)	(524)
Current portion	91,005	148,865

21. INVENTORIES

	As at 30 June 2024 (Unaudited) RMB'000	As at 31 December 2023 (Audited) RMB'000
Raw materials	6,759,112	4,300,834
Work in progress, finished and semi-finished goods	4,805,935	4,086,957
Low-value consumables and others	40,373	27,763
Development cost of power station	7,582,697	6,841,688
	19,188,117	15,257,242

The capitalisation amount of interest included in the development cost of power station was RMB57,346,000 (as at 31 December 2023: RMB50,449,000). The capitalization rate of interest was 2.50% to 3.50% (2023: 2.55% to 3.80%).

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

22. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS

	As at 30 June 2024 (Unaudited) RMB'000	As at 31 December 2023 (Audited) RMB'000
Cash and bank balances	8,117,340	13,172,799
Time deposits	345,689	1,072,385
	8,463,029	14,245,184
Less: Pledged for:		
– Bank loans, letters of credit, bills issued and others	(59,975)	(6,851)
– Provision for risk and mandatory reserve deposits	(348,698)	(544,425)
	(408,673)	(551,276)
Cash and cash equivalents in the condensed consolidated statement of financial position	8,054,356	13,693,908
Less: Non-pledged time deposits with original maturity of more than three months when acquired	(342,648)	(1,059,695)
Cash and cash equivalents in the condensed consolidated statement of cash flows	7,711,708	12,634,213
Pledged deposits	408,673	551,276
Cash and cash equivalents and pledged deposits denominated in:		
– RMB	6,661,727	12,381,589
– Australian dollar	140,025	205,886
– United States dollar	1,064,835	1,080,463
– Euro	191,139	369,968
– Hong Kong dollar	136,084	17,229
– Argentine peso	124,563	39,239
– Other currencies	144,656	150,810
	8,463,029	14,245,184

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

23. CONTRACT ASSETS

	Notes	As at 30 June 2024 (Unaudited) RMB'000	As at 31 December 2023 (Audited) RMB'000
Contract assets arising from:			
Retention receivables on the sale of wind turbines	(i)	5,089,227	5,102,215
Construction services	(ii)	1,038,808	1,208,424
Services concession arrangement		123,292	102,211
		6,251,327	6,412,850
Impairment		(10,868)	(10,962)
		6,240,459	6,401,888
Portion classified as non-current assets		(4,241,299)	(4,664,057)
		1,999,160	1,737,831

- (i) For retention money receivables, the due dates usually range from two to five years after the completion of commissioning for wind turbines.
- (ii) Contract assets are initially recognised for revenue earned from the provision of construction services. Upon billing of construction and acceptance by the customer, the amounts recognised as contract assets are reclassified to trade receivables.

The movements in the loss allowance for impairment of contract assets are as follows:

	Note	For the six months ended 30 June 2024 (Unaudited) RMB'000	Year ended 31 December 2023 (Audited) RMB'000
At beginning of period/year		10,962	15,362
Impairment losses recognised	6	3,523	2,952
Impairment losses reversed	6	(3,616)	(7,352)
Others		(1)	–
		10,868	10,962

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

24. TRADE AND BILLS PAYABLES

	As at 30 June 2024 (Unaudited) RMB'000	As at 31 December 2023 (Audited) RMB'000
Trade payables	26,916,004	28,596,375
Bills payable	9,645,091	14,143,573
	36,561,095	42,739,948
Portion classified as non-current liabilities	(921,035)	(1,095,225)
Current portion	35,640,060	41,644,723

Trade and bills payables are non-interest-bearing and are normally settled in 180 days. For the retention payables in respect of warranties granted by the suppliers, the due dates usually range from three to five years after the completion of the preliminary acceptance of goods.

An ageing analysis of trade and bills payables as at the end of the reporting period, based on the invoice date, is as follows:

	As at 30 June 2024 (Unaudited) RMB'000	As at 31 December 2023 (Audited) RMB'000
Within 3 months	15,462,333	23,498,181
3 to 6 months	8,300,451	10,210,369
6 months to 1 year	5,955,687	2,671,989
1 to 2 years	3,549,327	3,212,129
2 to 3 years	1,296,843	1,886,185
Over 3 years	1,996,454	1,261,095
	36,561,095	42,739,948

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

24. TRADE AND BILLS PAYABLES (continued)

The amounts due to the Group's beneficial shareholder of the Company, joint ventures and associates included in the trade and bills payables are as follows:

	As at 30 June 2024 (Unaudited) RMB'000	As at 31 December 2023 (Audited) RMB'000
Beneficial shareholder of the Company	3,281	–
Joint ventures	14,125	–
Associates	437,065	128,965
	454,471	128,965

The above amounts are unsecured, non-interest-bearing and have no fixed terms of settlement.

25. OTHER PAYABLES AND ACCRUALS

	As at 30 June 2024 (Unaudited) RMB'000	As at 31 December 2023 (Audited) RMB'000
Receipt in advance	8,558	19,354
Contract liabilities	10,748,873	10,179,148
Accrued salaries, wages and benefits	841,472	998,814
Other taxes payable	266,062	310,769
Interest payable	174	182
Dividends payable	489,393	81,440
Others	1,399,625	1,324,443
	13,754,157	12,914,150
Portion classified as non-current liabilities	(255,112)	(236,913)
	13,499,045	12,677,237

(i) The non-current portion of other payables mainly represented output VAT to be recognized and guaranteed deposit as at 30 June 2024 (31 December 2023: output VAT to be recognized and guaranteed deposit).

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

25. OTHER PAYABLES AND ACCRUALS (continued)

The amounts due to the Group's beneficial shareholder of the Company, joint ventures and associates included in other payables and accruals are as follows:

	As at 30 June 2024 (Unaudited) RMB'000	As at 31 December 2023 (Audited) RMB'000
Beneficial shareholder of the Company	62	87
Joint ventures	6,361	10,837
Associates	9,497	7,672
	15,920	18,596

The above balances are unsecured, non-interest-bearing and have no fixed terms of settlement.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

26. INTEREST-BEARING BANK AND OTHER BORROWINGS

	As at 30 June 2024 (Unaudited) RMB'000	As at 31 December 2023 (Audited) RMB'000
Current		
Short-term bank loans:		
– Unsecured	1,405,668	385,502
– Secured	600	600
Current portion of long-term bank loans:		
– Unsecured	1,415,254	1,259,991
– Secured	2,922,630	2,635,287
Lease liabilities:		
– Secured	381,631	264,898
Corporate bonds	500,214	–
Sale and leaseback payables	107,313	139,078
	6,733,310	4,685,356
Non-current		
Long-term bank loans:		
– Unsecured	10,540,706	8,815,373
– Secured	20,900,556	19,335,242
Sale and leaseback payables	1,199,757	1,040,352
Lease liabilities:		
– Secured	5,238,258	4,966,776
	37,879,277	34,157,743
	44,612,587	38,843,099
Interest-bearing bank and other borrowings are denominated in:		
– RMB	43,644,437	37,284,496
– United States dollar	928,096	1,515,390
– Euro	40,054	43,213
	44,612,587	38,843,099

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

27. SHARE CAPITAL

	As at 30 June 2024 (Unaudited)		As at 31 December 2023 (Audited)	
	Number of shares '000	Value RMB'000	Number of shares '000	Value RMB'000
Shares				
Issued and fully paid:				
A shares of RMB1.00 each	3,451,496	3,451,496	3,451,496	3,451,496
H shares of RMB1.00 each	773,572	773,572	773,572	773,572
	4,225,068	4,225,068	4,225,068	4,225,068

28. ACQUISITION OF A SUBSIDIARY

During the period from 1 January 2024 to 30 June 2024, the following entity was acquired from independent third parties:

Company name	Acquisition date	Percentage of equity interests acquired	Cash consideration (Unaudited) RMB'000	Revenue from the purchase date to the end of the period (Unaudited) RMB'000	Net loss from the purchase date to the end of the period (Unaudited) RMB'000
Taizhou Runjing New Energy Technology Co., LTD (Taizhou Runjing)	May 2024	100%	14,448	–	–
			14,448	–	–

For the above acquisition of Taizhou Runjing, the Group elected to apply the optional concentration test in accordance with IFRS 3 Business Combinations and concluded that, the Group determined that substantially all of the fair value of the gross assets (excluding cash and cash equivalents, deferred tax assets and goodwill resulting from the effects of deferred tax liabilities) acquired is concentrated in a single identifiable asset and concluded that the acquired set of activities and assets is not a business.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

28. ACQUISITION OF A SUBSIDIARY (continued)

The fair values of the identifiable assets and liabilities of the above company as at the date of acquisition were as follows:

	Fair value recognized on acquisition date (Unaudited) RMB'000
Non-current assets	15,849
Current assets	468
Current liabilities	(1,869)
Total identifiable net assets at fair value	14,448
Total consideration	14,448

An analysis of the cash flows in respect of the acquisitions of a subsidiary is as follows:

	RMB'000
Cash consideration	14,448
Cash and cash equivalents paid during the current period	8,669
Cash and cash equivalents acquired	(420)
	8,249
Cash and cash equivalents paid during the period for prior year transactions	44,437
Net outflow of cash and cash equivalents included in the condensed consolidated statement of cash flows for the six months ended 30 June 2024	52,686

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

29. DISPOSAL OF SUBSIDIARIES

In the current period, the following entities were disposed from the Group. Details are as follows:

Company name	Disposal date	Equity interests disposed	Cash consideration (Unaudited) RMB'000	Equity interests retained
Shandong Yixin Zhihui Energy Co., Ltd.	March 2024	100%	2,400	–
Quzhou Zefeng New Energy Technology Co., Ltd.	March 2024	100%	500	–
Quannanxian Tianrun New Energy Wind Power Co., Ltd.	March 2024	100%	6,994	–
Wuxi Tiancheng Zhihui Energy Co., Ltd.	March 2024	100%	500	–
Wuxi Zetong Zhihui Energy Co., Ltd.	March 2024	100%	3,220	–
Wengniu Teqi Tianhui Wind Power Co., Ltd	March 2024	100%	316,270	–
Heze Lanqing Environmental Technology Co., Ltd	May 2024	100%	96,000	–
Weifang Puyan Photovoltaic New Energy Co., Ltd	May 2024	100%	103	–
			425,987	

The net assets/liabilities of the subsidiaries disposed of during the period ended 30 June 2024 were as follows:

	Notes	(Unaudited) RMB'000
Net assets disposed of:		
Property, plant and equipment	11	427,381
Right-of-use assets	12(a)	6,726
Other intangible assets		120
Inventories		510
Trade and bills receivables		163,806
Cash and cash equivalents		12,386
Deferred tax assets	16	22
Prepayments, other receivables and other assets		112,371
Trade and bills payables		(16,138)
Other payables and accruals		(13,244)
Interest-bearing bank and other borrowings		(402,771)
Deferred tax liabilities	16	(2,276)
		288,893

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

29. DISPOSAL OF SUBSIDIARIES (continued)

The net assets/liabilities of the subsidiaries disposed of during the period ended 30 June 2024 were as follows:
(continued)

	Note	(Unaudited) RMB'000
Net assets disposed of		288,893
Gain on disposal of subsidiaries	5	137,094
Total consideration		425,987
Satisfied by:		
Cash		351,325
Other receivables		74,662
		425,987
Net cash inflow arising on disposal:		
Total cash consideration received		351,325
Bank balances and cash disposed of		(12,386)
		338,939
Advanced received, which has been accounted for as other payables and accruals, as at 30 June 2024		112,360

30. CONTINGENT LIABILITIES

As at 30 June 2024 and 31 December 2023, contingent liabilities were as follows:

	As at 30 June 2024 (Unaudited) RMB'000	As at 31 December 2023 (Audited) RMB'000
Letters of guarantee issued	21,037,739	20,634,989
Guarantees given to banks in connection with bank loans granted to:		
Associates	178,688	284,610
A third party	11,493	157,184
	21,227,920	21,076,783

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

30. CONTINGENT LIABILITIES (continued)

In 2015, Beijing Tianrun New Energy Investment Co., Ltd (“Beijing Tianrun”) entered into an agreement with the creditor bank, Chifeng Jinneng New Energy Investment Co., Ltd. (“Chifeng Jinneng”) and Chifeng Xinneng New Energy Investment Co., Ltd. (“Chifeng Xinneng”). According to the agreement, in the case where Chifeng Xinneng fails to repay the bank loans on schedule, Beijing Tianrun shall repurchase the entire share interest in Chifeng Xinneng, and the consideration equals a certain percentage of the net assets of Chifeng Xinneng at that time. As at 30 June 2024, Chifeng Xinneng made profit and the Directors are of the view that it could pay the principal and interest of relevant loans on schedule. Therefore, the risk exposure from above repurchase clause is insignificant.

The Group was involved in a number of legal proceedings and claims against it in the ordinary course of business. Provision has been made for the probable losses to the Group on those legal proceedings and claims when management can reasonably estimate the outcome of the legal proceedings and claims taking into account the legal advice. No provision has been made for pending legal proceedings and claims when the outcome of the legal proceedings and claims cannot be reasonably estimated or management believes that the probability of loss is remote.

As at 30 June 2024, the amount of the subject matter of the pending litigation formed by the Group as the defendant was RMB2,564,507,000 (as at 31 December 2023: RMB2,885,374,000).

31. COMMITMENTS

The Group had the following capital commitments as at the end of the reporting period:

	As at 30 June 2024 (Unaudited) RMB'000	As at 31 December 2023 (Audited) RMB'000
Contracted, but not provided for property, plant and equipment and land use rights	3,360,227	4,920,124
	3,360,227	4,920,124

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

32. RELATED PARTY TRANSACTIONS

(a) The Group had the following significant transactions with related parties during the period:

	For the six months ended 30 June	
	2024	2023
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Beneficial connected shareholders of the Company:		
Sales of wind turbine generators and spare parts	–	97,636
Purchases of spare parts	3,319	–
Provision of technical services	1,812	30
Other sales	30	–
	5,161	97,666
Associates:		
Sales of wind turbine generators and spare parts	1,212	1,799
Provision of construction services	130	36,175
Provision of technical services	68,397	1,427
Purchases of spare parts	357,459	130,006
Purchases of processing services	51,110	49,998
Other sales	1,644	686
Other expenses	2,507	2,627
	482,459	222,718

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

32. RELATED PARTY TRANSACTIONS (continued)

(a) The Group had the following significant transactions with related parties during the period: (continued)

	For the six months ended 30 June	
	2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
Joint ventures:		
Sales of wind turbine generators and spare parts	505	1,165
Provision of construction services	1,177	–
Provision of technical services	50,762	84,839
Purchases of spare parts	6,479	8,455
Purchases of processing services	–	2,137
Other sales	1,441	15
Other expenses	5,062	–
	65,426	96,611

In the opinion of the Directors, the transactions between the Group and the related parties were based on prices mutually agreed between the parties.

In the opinion of the Directors, the above related party transactions were conducted in the ordinary course of business.

(b) Commitments with related parties

The amount of total transactions with related parties for the period is included in Note 32(a) to the condensed consolidated financial statements. The Group expects the total transactions with related parties as follows:

	The second half of 2024 (Unaudited) RMB'000
Joint ventures:	
Provision of technical services	10,232
	10,232

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

32. RELATED PARTY TRANSACTIONS(continued)

(c) Outstanding balances with related parties

Details of the outstanding balances with related parties are set out in Notes 17, 19, 24 and 25 to these condensed consolidated financial statements.

(d) Compensation of key management personnel of the Group

	For the six months ended 30 June	
	2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
Short term employee benefits	11,099	13,204
Pension scheme contributions	383	383
Total compensation paid to key management personnel	11,482	13,587

(e) Guarantee for related parties

Guarantee	As at 30 June 2024 (Unaudited) RMB'000	Guarantee period
An associate	178,688	From 28 May 2018 to 20 December 2027
	178,688	

Guarantee	As at 31 December 2023 (Audited) RMB'000	Guarantee period
An associate	187,876	From 28 May 2018 to 20 December 2027
An associate	96,734	From 28 March 2019 to 28 March 2024
	284,610	

The related party transactions with beneficial shareholders of the Company above also constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules.



Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

33. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

(a) Financial risk factors

The main risks arising from the Group's financial instruments are fair value and cash flow interest rate risks, foreign currency risk, credit risk and liquidity risk.

As at 30 June 2024, the Group's net current assets amounted to approximately RMB4,384 million, its net cash outflows used in operating activities was approximately RMB8,151 million, and its net cash outflows used in investing activities and net cash inflows from financing activities amounted to approximately RMB837 million and RMB4,086 million for the current period. The Group recorded a decrease in cash and cash equivalents (not including effect of foreign exchange rate changes) of approximately RMB4,902 million for the period.

The Group is dependent on its ability to maintain adequate cash inflow from operations, its ability to maintain existing external financing, and its ability to obtain new external financing to meet its debt obligations as they fall due and to meet its committed future capital expenditures. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term. As at 30 June 2024, the Group had banking facilities with several banks and financial institutions for providing sufficient financing.

The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial instruments and financial assets (e.g., trade receivables) and projected cash flows from operations. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of interest bearing bank and other borrowings. The Group's policy is that not more than 70% of borrowings should mature in any 12-month period.

Under these circumstances, the Directors are of the opinion that the Group will be able to meet its liabilities as and when they fall due within the next 12-month and therefore have prepared these condensed consolidated financial statements on a going concern basis.

These condensed consolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's 2023 annual financial statements. There has not been any change in the risk management department or risk management policies since the year end of 2023.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

33. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

(b) Financial instruments by category

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

Financial assets

	As at 30 June 2024			Total (Unaudited) RMB'000
	Financial assets at fair value through profit or loss (Unaudited) RMB'000	Financial assets at fair value through other comprehensive income (Unaudited) RMB'000	Financial assets at amortised cost (Unaudited) RMB'000	
Equity investments designated at fair value through other comprehensive income	–	182,639	–	182,639
Financial assets at fair value through profit or loss	3,286,212	–	–	3,286,212
Other non-current financial assets	–	–	510,942	510,942
Trade and bills receivables	–	519,515	27,787,512	28,307,027
Financial receivables	–	–	4,083,500	4,083,500
Financial assets included in prepayments, other receivables and other assets	–	–	2,147,224	2,147,224
Derivative financial instruments	11,072	29,233	–	40,305
Contract assets	–	–	5,083,680	5,083,680
Pledged deposits	–	–	408,673	408,673
Cash and cash equivalents	–	–	8,054,305	8,054,305
	3,297,284	731,387	48,075,836	52,104,507

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

33. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

(b) Financial instruments by category (continued)

Financial assets (continued)

	As at 31 December 2023			Total (Audited) RMB'000
	Financial assets at fair value through profit or loss (Audited) RMB'000	Financial assets at fair value through other comprehensive income (Audited) RMB'000	Financial assets at amortised cost (Audited) RMB'000	
Equity investments designated at fair value through other comprehensive income	–	223,090	–	223,090
Financial assets at fair value through profit or loss	2,699,173	–	–	2,699,173
Other non-current financial assets	–	–	521,057	521,057
Trade and bills receivables	–	954,510	25,548,002	26,502,512
Financial receivables	–	–	4,274,628	4,274,628
Financial assets included in prepayments, other receivables and other assets	–	–	2,170,494	2,170,494
Derivative financial instruments	43,462	23,618	–	67,080
Contract assets	–	–	5,096,316	5,096,316
Pledged deposits	–	–	551,276	551,276
Cash and cash equivalents	–	–	13,693,744	13,693,744
	2,742,635	1,201,218	51,855,517	55,799,370

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

33. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

(b) Financial instruments by category (continued)

Financial liabilities

	As at 30 June 2024			
	Financial liabilities at fair value through profit or loss (Unaudited) RMB'000	Financial liabilities at fair value through other comprehensive income (Unaudited) RMB'000	Financial liabilities at amortised cost (Unaudited) RMB'000	Total (Unaudited) RMB'000
Trade and bills payables	–	–	36,561,095	36,561,095
Financial liabilities included in other payables and accruals	–	–	1,641,811	1,641,811
Derivative financial instruments	64,101	29,143	–	93,244
Interest-bearing bank and other borrowings	–	–	38,992,698	38,992,698
	64,101	29,143	77,195,604	77,288,848

	As at 31 December 2023			
	Financial liabilities at fair value through profit or loss (Audited) RMB'000	Financial liabilities at fair value through other comprehensive income (Audited) RMB'000	Financial liabilities at amortised cost (Audited) RMB'000	Total (Audited) RMB'000
Trade and bills payables	–	–	42,739,948	42,739,948
Financial liabilities included in other payables and accruals	–	–	1,162,502	1,162,502
Derivative financial instruments	92,849	56,540	–	149,389
Interest-bearing bank and other borrowings	–	–	33,611,425	33,611,425
	92,849	56,540	77,513,875	77,663,264

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

33. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

(c) Fair value of financial instruments

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

	As at 30 June 2024		As at 31 December 2023	
	Carrying amounts (Unaudited) RMB'000	Fair values (Unaudited) RMB'000	Carrying amounts (Audited) RMB'000	Fair values (Audited) RMB'000
Financial liabilities				
Interest-bearing bank and other borrowings, non-current portion	31,441,262	31,423,208	28,150,615	28,133,212

Management has assessed that the fair values of cash and cash equivalents, pledged deposits, contract assets, trade and bills receivables, financial receivables, financial assets included in prepayments, other receivables and other assets, other non-current financial assets, trade and bills payables, financial liabilities included in other payables and accruals, the current portion of interest-bearing bank and other borrowings approximate to their carrying amounts.

The Group's corporate finance team headed by the finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The corporate finance team reports directly to the chief financial officer and the audit committee. At each reporting date, the corporate finance team analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer. The valuation process and results are discussed with the audit committee twice a year for interim and annual financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of pledged deposits, trade and bills receivables, financial receivables, trade and bills payables, financial assets included in prepayments, other receivables and other assets, and interest-bearing bank and other borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The Group's own non-performance risk for the non-current portion of interest-bearing bank and other borrowings as at 30 June 2024 was assessed to be insignificant.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

33. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

(c) Fair value of financial instruments (continued)

The fair values of listed equity investments are based on quoted market prices. The Group has estimated the fair value of the restricted listed equity investment by using an Asian Option valuation model based on the quoted market prices and liquidity discount. The fair value of unlisted equity investments designated at fair value through other comprehensive income have been estimated using a market-based valuation technique based on assumptions that are not supported by observable market prices or rates. The valuation requires the Directors to determine comparable public companies (peers) based on industry, size, leverage and strategy, and calculates an appropriate price multiple, such as enterprise value to earnings before interest, taxes, depreciation and amortisation (“EV/EBITDA”) multiple and price to earnings (“P/E”) multiple, for each comparable company identified. The multiple is calculated by dividing the enterprise value of the comparable company by an earnings measure. The trading multiple is then discounted for considerations such as illiquidity and size differences between the comparable companies based on company-specific facts and circumstances. The discounted multiple is applied to the corresponding earnings measure of the unlisted equity investments to measure the fair value. The Directors believe that the estimated fair values resulting from the valuation technique, which are recorded in the consolidated statement of financial position, and the related changes in fair values, which are recorded in other comprehensive income, are reasonable, and that they were the most appropriate values at the end of the reporting period.

The Group invests in unlisted investments, which represent wealth management products issued by banks in China. The Group has estimated the fair value of these unlisted investments by using a discounted cash flow valuation model based on the market interest rates of instruments with similar terms and risks.

The Group enters into derivative financial instruments with the financial institutions with AAA credit ratings. Derivative financial instruments, including forward currency contracts, interest rate swaps and power price swaps contracts, are measured using valuation techniques similar to forward currency and swap models, using present value calculations. The models incorporate various market observable inputs including the credit quality of counterparties, foreign exchange spot and forward rate, interest rate curves and power price trend. The carrying amounts of the derivative financial instruments are the same as their fair values.

As at 30 June 2024, the mark-to-market value of the derivative asset position is net of a credit valuation adjustment attributable to derivative counterparty default risk. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationship and other financial instruments recognised at fair value.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

33. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

(d) Fair value hierarchy of financial instruments

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

	As at 30 June 2024			Total (Unaudited) RMB'000
	Quoted prices in active markets (Level 1) (Unaudited) RMB'000	Fair value measurement using Significant observable inputs (Level 2) (Unaudited) RMB'000	Significant unobservable inputs (Level 3) (Unaudited) RMB'000	
Equity investments designated at fair value through other comprehensive income:				
Unlisted equity investments	–	–	182,639	182,639
Trade and bills receivables	–	519,515	–	519,515
	–	519,515	182,639	702,154
Financial assets at fair value through profit or loss:				
Limited partnership investments	–	–	120,000	120,000
Listed equity investments	1,420,645	73,186	–	1,493,831
Unlisted equity investments	–	–	1,645,631	1,645,631
Others	–	–	26,750	26,750
	1,420,645	73,186	1,792,381	3,286,212
Derivative financial instruments:				
Forward currency contracts	–	31,093	–	31,093
Call option	–	–	9,212	9,212
	–	31,093	9,212	40,305
	1,420,645	623,794	1,984,232	4,028,671

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

33. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

(d) Fair value hierarchy of financial instruments (continued)

Assets measured at fair value: (continued)

	As at 31 December 2023			Total (Audited) RMB'000
	Quoted prices in active markets (Level 1) (Audited) RMB'000	Fair value measurement using Significant observable inputs (Level 2) (Audited) RMB'000	Significant unobservable inputs (Level 3) (Audited) RMB'000	
Equity investments designated at fair value through other comprehensive income:				
Unlisted equity investments	–	–	223,090	223,090
Trade and bills receivables	–	954,510	–	954,510
	–	954,510	223,090	1,177,600
Financial assets at fair value through profit or loss:				
Listed equity investments	125,550	434,439	–	559,989
Unlisted equity investments	–	–	1,289,936	1,289,936
Limited partnership investments	–	–	120,000	120,000
Wealth management products	–	700,000	–	700,000
Others	–	–	29,248	29,248
	125,550	1,134,439	1,439,184	2,699,173
Derivative financial instruments:				
Foreign exchange forward contracts	–	57,868	–	57,868
Call option	–	–	9,212	9,212
	–	57,868	9,212	67,080
	125,550	2,146,817	1,671,486	3,943,853

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

33. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

(d) Fair value hierarchy of financial instruments (continued)

Liabilities measured at fair value:

	As at 30 June 2024			Total (Unaudited) RMB'000
	Quoted prices in active markets (Level 1) (Unaudited) RMB'000	Fair value measurement using Significant observable inputs (Level 2) (Unaudited) RMB'000	Significant unobservable inputs (Level 3) (Unaudited) RMB'000	
Derivative financial instruments:				
Forward currency contracts	–	93,244	–	93,244
	–	93,244	–	93,244

	As at 31 December 2023			Total (Audited) RMB'000
	Quoted prices in active markets (Level 1) (Audited) RMB'000	Fair value measurement using Significant observable inputs (Level 2) (Audited) RMB'000	Significant unobservable inputs (Level 3) (Audited) RMB'000	
Derivative financial instruments:				
Foreign exchange forward contracts	–	149,389	–	149,389
	–	149,389	–	149,389

During the six months ended 30 June 2024, an restricted listed equity investment was released as the restriction period has expired, therefore the fair value measurement of the equity investment transfers to Level 1 from Level 2. There were no transfers of fair value measurement between Level 2 and Level 3.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

33. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

(d) Fair value hierarchy of financial instruments (continued)

Liabilities for which fair values are disclosed:

	As at 30 June 2024			Total (Unaudited) RMB'000
	Quoted prices in active markets (Level 1) (Unaudited) RMB'000	Fair value measurement using Significant observable inputs (Level 2) (Unaudited) RMB'000	Significant unobservable inputs (Level 3) (Unaudited) RMB'000	
Interest-bearing bank and other borrowings, non-current portion	–	31,441,262	–	31,441,262

	As at 31 December 2023			Total (Audited) RMB'000
	Quoted prices in active markets (Level 1) (Audited) RMB'000	Fair value measurement using Significant observable inputs (Level 2) (Audited) RMB'000	Significant unobservable inputs (Level 3) (Audited) RMB'000	
Interest-bearing bank and other borrowings, non-current portion	–	28,150,615	–	28,150,615

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

33. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

(d) Fair value hierarchy of financial instruments (continued)

Reconciliation of level 3 fair value measurements

	Financial assets at fair value through profit or loss RMB'000	Equity investments designated at fair value through other comprehensive income RMB'000	Derivative financial instruments RMB'000
At 1 January 2024 (Audited)	1,439,184	223,090	9,212
Total gains:	3,196	(34,236)	–
– in profit or loss	3,196	–	–
– in other comprehensive expenses	–	(34,236)	–
Purchased	362,499	5,481	–
Disposals	(12,498)	(9,761)	–
Exchange realignment	–	(1,935)	–
At 30 June 2024 (Unaudited)	1,792,381	182,639	9,212

	Financial assets at fair value through profit or loss RMB'000	Equity investments designated at fair value through other comprehensive income RMB'000	Derivative financial instruments RMB'000
At 1 January 2023 (Audited)	1,449,795	157,316	–
Transfers of fair value measurement	(238,686)	–	–
Total gains:	187,827	34,592	9,212
– in profit or loss	187,827	–	9,212
– in other comprehensive income	–	34,592	–
Purchased	40,248	35,477	–
Disposals	–	(5,294)	–
Exchange realignment	–	999	–
At 31 December 2023 (Audited)	1,439,184	223,090	9,212

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

34. EVENTS AFTER THE END OF THE REPORTING PERIOD

On 23 July 2024, the Company issued the Second Tranche of Green Ultra-Short-Term Financing Bonds in 2024 of GOLDWIND SCIENCE&TECHNOLOGY CO., LTD.(Kechuang Note) (further details of which are set out in the Company's announcement made on 24 July 2024), with the issue amount of RMB750,000,000, the interest rate of 2.03% and the maturity date of 30 December 2024.

On 20 August 2024, the Company issued the Third Tranche of Green Ultra-Short-Term Financing Bonds in 2024 of GOLDWIND SCIENCE&TECHNOLOGY CO., LTD.(Kechuang Note) (further details of which are set out in the Company's announcement made on 21 August 2024), with the issue amount of RMB750,000,000, the interest rate of 2.00% and the maturity date of 31 December 2024.

35. APPROVAL OF THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The condensed consolidated financial statements were approved and authorised for issue by the board of directors on 23 August 2024.