華能國際電力股份有限公司
HUANENG POWER INTERNATIONAL, INC.

(a Sino-foreign joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 902)

2024 Interim Results Announcement

Consolidated operating revenue:	**RMB118.806 billion**
Net profit attributable to equity holders of the Company:	**RMB7.775 billion**
Earnings per share:	**RMB**0.40

INTERIM RESULTS

The board (the "**Board**") of directors (the "**Director(s)**) of Huaneng Power International, Inc. (the "Company") announces the unaudited operating results for the six months ended 30 June 2024 and a comparison with the operating results for the same period of last year. For the six months ended 30 June 2024, the Company and its subsidiaries recorded consolidated operating revenue of RMB118.806 billion, representing a decrease of 5.73% compared to the same period of last year. The net profit attributable to equity holders of the Company was RMB7.775 billion, representing an increase of 19.80% compared to the same period of last year. The earnings per share was RMB0.40. The net asset (excluding non-controlling interests and other equity instruments) per share was RMB3.97.

Please refer to the unaudited financial information below for details of the operating results.

BUSINESS REVIEW FOR THE FIRST HALF OF THE YEAR

In the first half of the year, the Company closely focused on the annual objectives and tasks, seized the market opportunity, scientifically promoted production and operation, reform and development, and achieved a year-on-year improvement in operating performance, actively fulfilling the responsibility of providing sufficient, reliable and environmentally friendly electricity to the society.

1. Power Generation

In the first half of the year, the Company's total on-grid power generation of the power plants within China on consolidated basis amounted to 210.678 billion kWh, representing a decrease of 0.22% over the same period last year. The average utilization hours of the Company's power plants within China were 1,680 hours, representing a decrease of 120 hours over the same period last year. The Company's market-based power transaction ratio was 86.91%, representing a decrease of 0.77 percentage point over the same period last year.

The reasons for the decrease in the electricity sold by the Company in the first half of 2024 were as follows:

To ensure sufficient power supply in the summer months when demand peaks, the Company optimized the operation of power units in advance and timely arranged for regular maintenance of thermal power units which led to a year-on-year drop in the thermal power generation. Additionally, the Company has been vigorously promoting green and low-carbon development, which prompted the continued growth in wind power and photovoltaics ("PV") installed capacity and year-on-year rapid increase in new energy power generation, and reduced the decline of the cumulative power generation volume in the first half of this year.

2. Cost Control

In the first half of the year, the Company maximized favorable opportunities in the market, scientifically optimized the procurement strategy, actively strengthened the supply and price control of long-term coal resources, sized opportunities created by favorable policies to continue to import quality coals and improved the portfolio of coal stockpile by making the most of the loose market when there were an oversupply of coal and effectively controlled the fuel costs with remarkable results. In the first half of 2024, the Company purchased a total of 97.5833 million tons of coal, representing a year-on-year drop of 6.82% and the cumulative furnace price of standard coal excluding tax was RMB1,010.32 yuan/ton, representing a year-on-year drop of 11.20%.

3. Energy Conservation and Environmental Protection

In the first half of the year, the Company's average equivalent availability rate of thermal power units in Mainland China was 91.61%, the coal consumption of production power supply was 291.09g/kWh, and the rate of production auxiliary power consumption was 4.39%, and the energy consumption indexes continued to maintain a good level. In terms of air pollution emission, all power generation enterprises of the Company have implemented ultra-low emission renovation, and the pollutant emission indexes were in line with or better than the national standards. In terms of wastewater discharge and dust management of coal and ash yards, the Company has implemented the corresponding technical reform projects in the power plants in the key areas, and these projects have been promoted in an orderly manner in accordance with predetermined schedules, which guaranteed that the pollutant emission level of the relevant power plants meets the requirements of emission permits and the ecological and environmental protection policies.

4. Project Development and Construction

During the first half of the year, the construction of the Company's power generation projects progressed smoothly. The Company had additional grid-connected controllable power generation capacity of 3,102.19 megawatts ("MW"), including 58 MW of thermal power controllable power generation capacity, 1,054.45 MW of wind power controllable power generation capacity and 1,989.74 MW of solar power controllable power generation capacity. As of June 30, 2024, the Company's controllable installed power generation capacity was 138,570 MW, with the installed capacity of low-carbon and clean energy sources (such as wind power, solar power, hydropower, gas turbines and biomass power generation) accounting for 32.78%.

5. Overseas Business

In the first half of the year, Tuas Power Limited (the "Tuas Power") in Singapore, a wholly-owned subsidiary of the Company, contributed to 20.4% of the power generation in Singapore market cumulatively, representing a decrease of 1.2 percentage points over the same period last year. The pre-tax profit of Company's business in Singapore was RMB1.724 billion, representing a decrease in pretax profit of RMB1.166 billion over the same period last year, which was attributable to the implementation of the new policy of maximum price limit in Singapore from July 2023 and more abundant supply in the power generation market since the beginning of this year, which resulted in the gradual return of electricity prices in Singapore to reasonable levels. The Company carefully examined the changes in Singapore's electricity and fuel markets, accurately leveraged on market, responded to market dynamics with agility, and endeavored to ensure that the gross profit of electricity in the wholesale market maintain at a reasonable level.

In the first half of the year, the pre-tax profit of the operations in Pakistan was RMB429 million, representing an increase of RMB117 million compared to the same period last year.

PROSPECT FOR THE SECOND HALF OF THE YEAR

In the second half of 2024, the Company will fully implement the spirit of the Third Plenary Session of the 20th Central Committee of the Communist Party of China and the national policy of constructing a new type of electric power system, continue to focus on the Company's development strategy and the "14th Five-Year Plan", intensify the development of new energy resources, continue to optimize the structure of assets, and deepen the reform of the operation, so as to further push the operational performance to a new level and reach our target for the year.

In terms of the power market, in the second half of the year, the balance of coal supply and demand will improve, the pressure to reduce prices will continue to affect the electricity price, and the difficulty of stabilizing prices in the wholesale and retail power markets will increase. As the new energy accelerates the pace of entering the market and the demand for green power grows, the change in power purchase structure will increasingly affect the retail market price, and at the same time, the construction of the electricity spot market will accelerate, and the competition will become more complicated. The Company will strengthen the research on climate changes and power supply and demand in each region, make the most of the summer and winter seasons when the demand is high and sufficient power supply is crucial and optimize the timing and structure of power generation and endeavors to make the best of the high-priced hours to generate more power and hence improve efficiency.

With respect to the coal market, in the second half of the year, the domestic policy of ensuring supply will continue to be in place and the policy of importing coals will continue to be accommodative. The coal supply will still be at a relatively high level, and the supply and demand fundamentals will be likely to remain loose. The curve of supply and demand for coal will further improve, achieving overall balance while remaining tight in some regions.

The Company will closely track changes in the coal market, strive to improve the performance rate of long-term contracts, give full play to the role of a stabilizer of those long-term contracts. The Company will capture international coal market momentums to import coal, continue to optimize the supply structure, enhance the ability of power generation units to ensure power supply in peak seasons, strengthen inventory management, and make the best use of the strategy of stocking up in off seasons and or when the price is low and generating power at full capacity in peak seasons or when the price is high. The Company will control the cost of coal purchases through those various measures.

With respect to the capital market, in order to implement the spirit of the important speeches at the Third Plenary Session of the 20th Central Committee of the Communist Party of China and the spirit of the Plenary Session, the Central Bank gave a forward guidance that it will maintain a prudent monetary policy, enrich the monetary policy toolbox, improve the monetary policy transmission mechanism, improve the efficiency of the use of funds, and create a favorable monetary and financial environment for the sustained rebound of the economy and the good and high-quality development. The Company will pay close attention to changes in the domestic and overseas capital markets, make good use of green financial policies, further expand financing channels, and safeguard the safe supply of energy and the funding needs for green and low-carbon transformation. The Company will optimize the debt maturity structure, make efforts to control financing costs, guard against capital risks, and achieve cost reduction and efficiency.

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Prepared under International Financial Reporting Standards ("IFRSs"))

General

The principal activities of the Company are construction, operation and management of power plants within China. The Company is among the largest listed power companies in China. As of 30 June 2024, the Company had a controlled installed capacity of 138,570 MW, approximately 32.78% of which was from low-carbon and clean energy sources (wind, solar power, hydro, natural gas and biomass power generation). The Company's power plants are located in 26 provinces, autonomous regions and municipalities within Mainland China. The Company is also the sole owner of a power enterprise in Singapore and has invested in a power company located in Pakistan.

For the six months ended 30 June 2024, the operating revenue of the Company amounted to RMB118.806 billion, representing a decrease of 5.73% over the same period of last year. The net profit attributable to equity holders of the Company was RMB7.775 billion, representing an increase of 19.80% as compared with the same period of last year. The earnings per share was RMB0.40.

A. *Operating Results*

1. *Operating results for the first half of 2024*

According to the preliminary statistics of the Company, for the second quarter of 2024, the Company's total on-grid electricity sold by power plants within the PRC on a consolidated basis amounted to 97.643 billion KWh, representing a decrease of 6.24% over the same period last year. For the first half of 2024, the Company's total on-grid electricity sold by power plants within the PRC on a consolidated basis amounted to 210.678 billion KWh, representing a decrease of 0.22% over the same period last year. For the first half of 2024, the Company's average settlement price of on-grid electricity sold by its power plants within the PRC amounted to RMB498.70 per MWh, representing a decrease of 3.21% over the same period last year. For the first half of 2024, the Company's proportion of market-based trading of electricity was 86.91%, representing a decrease of 0.77 percentage points over the same period last year.

The reasons for the decrease in the electricity sold by the Company in the first half of 2024 were as follows:

To ensure sufficient power supply in the summer months when demand peaks, the Company optimized the operation of power units in advance and timely arranged for regular maintenance of thermal power units which led to a year-on-year drop in the thermal power generation. Additionally, the Company has been vigorously promoting green and low-carbon development, which prompted the continued growth in wind power and photovoltaics installed capacity and year-on-year rapid increase in new energy power generation, and reduced the decline of the cumulative power generation volume in the first half of this year.

The Company's domestic on-grid electricity (in 100 millions of kWh) sold in the first half of 2024, by regions, is presented in the table below:

Types of generation/Region	Electricity Sold		Electricity Sold	
	April to June of 2024	Year-on-Year Change	January to June of 2024	Year-on-Year Change
Coal-fired	781.33	-9.65%	1,704.00	-3.19%
Combined cycle	51.80	-7.28%	123.34	-4.14%
Wind-power	88.51	1.80%	188.80	12.53%
PV	49.77	74.57%	81.98	74.24%
Hydro-power	3.17	20.23%	5.00	52.67%
Biomass power	1.85	-29.29%	3.66	-19.44%
Heilongjiang Province	27.60	-2.81%	59.28	0.06%
Coal-fired	19.13	-3.30%	42.79	-4.03%
Wind-power	7.45	4.15%	14.16	15.41%
PV	0.80	-7.52%	1.56	0.06%
Biomass power	0.23	-62.41%	0.76	-7.09%
Jilin Province	26.70	-14.17%	55.62	-9.93%
Coal-fired	14.52	-19.16%	32.65	-11.80%
Wind-power	10.84	-4.65%	20.51	-4.43%
Hydro-power	0.26	11.29%	0.31	29.24%
PV	0.59	-9.30%	1.23	-3.88%
Biomass power	0.49	-45.10%	0.92	-47.68%
Liaoning Province	32.01	-4.88%	75.34	0.29%
Coal-fired	26.23	-5.90%	61.65	-3.38%
Wind-power	5.04	-0.77%	12.40	22.12%
Hydro-power	0.04	-15.90%	0.05	-15.01%
PV	0.70	7.41%	1.23	12.19%
Inner Mongolia	1.99	-10.54%	4.06	-7.88%
Wind-power	1.99	-10.64%	4.06	-7.93%
PV	0.002	——	0.002	——
Hebei Province	29.34	3.06%	63.88	13.16%
Coal-fired	21.42	-7.70%	50.38	6.19%

Types of generation/Region	Electricity Sold April to June of 2024	Year-on-Year Change	Electricity Sold January to June of 2024	Year-on-Year Change
Wind-power	1.26	-25.44%	2.67	-24.99%
PV	6.67	86.17%	10.83	98.88%
Gansu Province	24.46	-15.12%	58.11	-11.83%
Coal-fired	17.90	-16.72%	47.10	-11.78%
Wind-power	6.56	-10.44%	11.01	-12.02%
Ningxia	0.07	15.95%	0.11	5.26%
PV	0.07	15.95%	0.11	5.26%
Beijing	15.96	-0.31%	38.30	-6.08%
Coal-fired	——	——	1.13	-72.23%
Combined cycle	15.96	-0.31%	37.17	1.23%
Tianjin	12.10	-8.06%	27.63	-2.12%
Coal-fired	9.84	-20.42%	21.82	-7.34%
Combined cycle	2.14	196.10%	5.63	22.80%
PV	0.12	73.96%	0.18	87.62%
Shanxi Province	22.88	65.72%	52.03	22.06%
Coal-fired	16.17	76.25%	29.41	32.34%
Combined cycle	0.16	-37.36%	11.00	-6.79%
Wind-power	1.46	-18.22%	3.34	-12.88%
PV	5.08	96.93%	8.29	73.47%
Shandong Province	175.03	-1.32%	373.93	-1.36%
Coal-fired	159.21	-3.83%	343.16	-3.89%
Wind-power	7.81	18.19%	17.94	35.13%
PV	6.88	67.97%	10.85	60.00%
Biomass power	1.13	1.52%	1.98	0.62%
Henan Province	54.62	7.17%	115.64	6.91%
Coal-fired	42.32	10.63%	92.47	10.19%
Combined cycle	0.26	-24.39%	0.46	-16.43%
Wind-power	9.83	-8.19%	19.34	-5.64%
PV	2.21	33.09%	3.37	5.26%

Types of generation/Region	Electricity Sold		Electricity Sold	
	April to June of 2024	Year-on-Year Change	January to June of 2024	Year-on-Year Change
Jiangsu Province	96.90	-12.33%	210.99	3.67%
Coal-fired	71.47	-16.04%	153.36	2.18%
Combined cycle	10.24	-1.80%	23.33	-3.30%
Wind-power	10.11	-21.19%	25.83	0.28%
PV	5.08	136.77%	8.46	139.65%
Shanghai	38.09	-22.23%	94.60	-1.02%
Coal-fired	36.28	-21.70%	91.01	-0.15%
Combined cycle	1.63	-35.97%	3.32	-21.02%
PV	0.19	81.62%	0.27	20.62%
Chongqing	28.90	-13.20%	68.82	-10.12%
Coal-fired	24.14	-8.11%	56.95	-7.55%
Combined cycle	3.43	-37.35%	9.38	-24.93%
Wind-power	1.29	-17.02%	2.42	-2.10%
PV	0.05	1,263.40%	0.07	2,011.61%
Zhejiang Province	78.31	3.05%	156.16	3.02%
Coal-fired	67.57	-2.91%	135.93	-0.97%
Combined cycle	1.95	13.63%	3.51	-2.06%
Wind-power	7.70	93.37%	14.83	55.86%
PV	1.08	55.76%	1.89	54.22%
Hubei Province	32.33	1.77%	74.13	-7.47%
Coal-fired	25.33	-4.26%	62.16	-13.08%
Wind-power	1.31	-37.78%	3.10	-21.69%
Hydro-power	0.91	1.91%	1.43	27.74%
PV	4.78	106.73%	7.45	111.05%
Hunan Province	13.41	-39.94%	36.95	-26.98%
Coal-fired	9.54	-47.11%	28.64	-34.10%
Wind-power	1.81	-27.69%	4.81	3.00%
Hydro-power	1.11	2.40%	2.06	46.33%
PV	0.94	35.78%	1.45	34.99%

Types of generation/Region	Electricity Sold		Electricity Sold	
	April to June of 2024	Year-on-Year Change	January to June of 2024	Year-on-Year Change
Jiangxi Province	57.45	-13.86%	132.82	-2.84%
Coal-fired	50.65	-17.56%	120.53	-5.49%
Wind-power	2.75	-5.74%	5.36	2.32%
PV	4.05	72.86%	6.93	76.63%
Anhui Province	21.05	11.03%	41.58	9.97%
Coal-fired	14.10	2.91%	28.95	2.45%
Wind-power	2.40	-23.96%	5.23	-15.96%
Hydro-power	0.36	141.41%	0.54	231.53%
PV	4.19	115.07%	6.85	116.94%
Fujian Province	41.07	-1.31%	80.63	13.96%
Coal-fired	40.29	-1.94%	79.25	13.24%
PV	0.78	48.23%	1.38	79.99%
Guangdong Province	69.35	-12.56%	130.61	-7.88%
Coal-fired	56.27	-16.22%	105.36	-13.24%
Combined cycle	8.95	-23.95%	16.64	-16.01%
Wind-power	3.59	——	7.74	——
PV	0.54	42.82%	0.87	63.39%
Guangxi	2.62	-9.36%	5.54	5.75%
Combined cycle	0.78	-11.66%	1.42	-7.69%
Wind-power	1.58	-21.58%	3.72	0.57%
PV	0.27	21,896.97%	0.40	29,200.73%
Yunnan Province	35.91	-22.45%	79.50	8.34%
Coal-fired	32.24	-27.83%	69.77	-0.72%
Wind-power	3.15	168.01%	8.70	227.65%
Hydro-power	0.04	——	0.04	——
PV	0.47	4.52%	0.99	120.35%
Guizhou Province	3.35	25.15%	6.39	39.95%
Wind-power	0.45	-19.28%	1.24	10.88%
PV	2.89	36.94%	5.15	49.41%

Types of generation/Region	Electricity Sold		Electricity Sold	
	April to June of 2024	Year-on-Year Change	January to June of 2024	Year-on-Year Change
Hainan Province	34.91	-3.01%	64.13	4.40%
Coal-fired	26.73	-8.75%	49.53	-2.00%
Combined cycle	6.30	10.14%	11.48	23.97%
Wind-power	0.11	-39.78%	0.38	-22.25%
Hydro-power	0.44	99.46%	0.57	97.81%
PV	1.32	133.10%	2.17	156.46%
Total	**976.43**	**-6.24%**	**2,106.78**	**-0.22%**

For the second quarter of 2024, Tuas Power Limited in Singapore, a wholly-owned subsidiary of the Company, contributed to 19.2% of the power generation volume in Singapore market, representing a decrease of 3.3 percentage points compared to the same period of last year.

For the first half of 2024, Tuas Power Limited in Singapore contributed to 20.4% of the power generation volume in Singapore market cumulatively, representing a decrease of 1.2 percentage points compared to the same period of last year.

2. *Comparative analysis of operating results*

2.1 Operating revenue and tax and levies on operations

Operating revenue mainly consists of revenue from the sale of electricity. For the first half of 2024, the consolidated operating revenue of the Company and its subsidiaries amounted to RMB118.806 billion, representing a decrease of 5.73% over the same period last year. The operating revenue from domestic operations of the Company decreased by RMB2.551 billion over the same period of last year, mainly due to the decrease in average tariff in China. The operating revenue from the operations of the Company in Singapore decreased by RMB4.239 billion over the same period of last year, which was mainly attributable to the implementation of the new price ceiling policy in Singapore from July 2023 and the more abundant supply of power generation market since 2024, the electricity price in Singapore's market has gradually returned to a reasonable level. The operating revenue from the operations of the Company in Pakistan decreased by RMB0.437 billion over the same period of last year.

Tax and levies on operations of the Company and its subsidiaries mainly consist of City Construction Tax, Real Estate Tax, Land Use Tax, Education Surcharges, Environment Protection Tax, Resources Tax, Stamp Duties, and Vehicle and Vessel Tax, etc. For the first half of 2024, the tax and levies on operations of the Company and its subsidiaries were RMB0.900 billion, representing an increase of RMB0.165 billion over the same period of last year.

2.2 *Operating expenses*

For the first half of 2024, the consolidated operating expenses of the Company and its subsidiaries were RMB103.412 billion, representing a decrease of 8.69% from the same period last year. The operating expenses in domestic operations of the Company decreased by RMB6.295 billion, or 6.38%, from the same period last year due to the decrease in fuel costs. The operating expenses from the operations in Singapore decreased by RMB2.969 billion, or 22.70%, from the same period last year due to the decrease in electricity procurement costs.

2.2.1 Fuel costs

Fuel costs account for the majority of the operating expenses of the Company and its subsidiaries. For the first half of 2024, fuel costs of the Company and its subsidiaries decreased by 12.11% to RMB68.114 billion. The Company continued to strengthen cost control to achieve a year-on-year reduction in domestic unit fuel costs. Fuel costs from domestic operations decreased by RMB9.088 billion. Fuel costs in Singapore decreased by RMB0.299 billion from the same period last year.

2.2.2 Depreciation

For the first half of 2024, depreciation expenses of the Company and its subsidiaries amounted to RMB12.735 billion, representing an increase of RMB0.126 billion from the same period last year. The depreciation expenses of the Company's domestic operations increased by RMB0.116 billion from the same period last year. The depreciation expenses of the Company's operations in Singapore increased by RMB10 million from the same period last year.

2.2.3 Labor

Labor costs consist of salaries of employees and contributions payable for employees' housing funds, medical insurance, pension and unemployment insurance, as well as training costs. For the first half of 2024, labor costs of the Company and its subsidiaries amounted to RMB8.685 billion, representing an increase of RMB1.266 billion from the same period last year, mainly due to the increase in performance bonuses as the Company's performance improved, and the increase in social security expenses caused by higher base compared to the same period last year.

2.2.4 Maintenance

The maintenance costs of the Company and its subsidiaries for the first half of 2024 amounted to RMB1.861 billion, representing an increase of RMB0.153 billion from the same period last year.

2.2.5 Other operating expenses (including electricity power purchase costs)

For the first half of 2024, other operating expenses (including electricity power purchase costs) of the Company and its subsidiaries were RMB12.018 billion, representing a decrease of RMB1.994 billion from the same period of last year. Other operating expenses from the Company's domestic operations increased by RMB1.241 billion, from the same period of last year, mainly due to year-on-year increases in main-business-related expenditures like research and development costs, as well as year-on-year increases in various operating expenses due to the increase in installed capacity. Other operating expenses of the operations in Singapore decreased by RMB2.668 billion, from the same period of last year, mainly due to the decrease in operating cost of purchasing electricity.

2.3 *Financial expenses*

Financial expenses of the Company and its subsidiaries were RMB4.276 billion for the first half of 2024, representing a decrease of RMB332 million from the same period last year. Financial expenses for the Company's domestic operation decreased by RMB345 million, mainly due to the decrease in funding costs. Financial expenses for the Company's operations in Singapore decreased by RMB92 million.

2.4 *Share of profits and losses of associates and joint ventures*

For the first half of 2024, the share of profits and losses of associates and joint ventures of the Company and its subsidiaries was RMB0.858 billion, representing an increase of RMB78 million from the same period last year, mainly due to the increase in net profits of the Company's associates and joint ventures.

2.5 *Income tax expenses*

For the first half of 2024, the Company and its subsidiaries recognized consolidated income tax expense of RMB1.946 billion, representing an increase of RMB0.320 billion from the same period last year. The income tax expenses for the Company's domestic operation increased of RMB0.493 billion from the same period last year, mainly due to the year-on-year increase in profits from domestic operations in the current period.

2.6 *Net profit attributable to equity holders of the Company*

For the first half of 2024, the net profit attributable to equity holders of the Company was RMB7.775 billion, representing an increase of 19.80% from the same period last year. The profit attributable to equity holders of the Company from its domestic operations was RMB6.194 billion, representing an increase of 55.51%, For the influencing factors, (1) the Company continued strengthening cost control and fully leveraged the stabilizing and anchoring role of coal-fired units in maintaining power supply to achieve year-on-year reduction in unit fuel costs and year-on-year growth in coal-fired generation profits; (2) The scale of new energy was expanded and the profit contribution increased year on year. The net profit attributable to equity holders of the Company's Singapore operations was RMB1.429 billion, representing a decrease of RMB0.96 billion as compared to the same period last year, mainly due to the gradual return of electricity prices to a reasonable level in Singapore due to the new ceiling policy implemented in July 2023 and the more abundant supply in the electricity generation market since this year. The Company carefully analyzed the changes in Singapore's electricity and fuel markets, precisely grasped the market, responded agilely to market dynamics, and strived to ensure that the gross margin of electricity in the wholesale market remained at a reasonable level. The net profit attributable to equity holders of the Company from its operations in Pakistan was RMB152 million, representing an increase of RMB34 million from the same period last year.

2.7 *Comparison of financial positions*

As of 30 June 2024, total assets of the Company and its subsidiaries amounted to RMB561.273 billion, representing an increase of 1.99% from 31 December 2023. As of 30 June 2024, total liabilities of the Company and its subsidiaries were RMB377.057 billion, representing an increase of 1.64% from 31 December 2023. The asset-liability ratio as of 30 June 2024 was 67.18%.

2.8 Comparison of major financial ratios

Item	**The Company and its subsidiaries** **30 June 2024**	31 December 2023
Ratio of liability to equity holders' equity	**2.66**	2.67
Current ratio	**0.55**	0.55
Quick ratio	**0.48**	0.48

Item	**For the six months ended 30 June 2024**	For the six months ended 30 June 2023
Multiples of interest earned	**3.43**	2.66

Formula of the financial ratios:

Ratio of liabilities to equity holders' equity = balance of liabilities as of the period end/balance of shareholders' equity (excluding non-controlling interests) as of the period end

Current ratio = balance of current assets as of the period end/balance of current liabilities as of the period end

Quick ratio = (balance of current assets as of the period end – net inventories as of the period end)/balance of current liabilities as of the period end

Multiples of interest earned = (profit before tax + interest expense)/ interest expenditure (inclusive of capitalized interest)

The ratio of liabilities to equity holders' equity as of 30 June 2024 decreased as compared to 31 December 2023 due to the increase in first half profit compared to the same period last year. The current ratio and quick ratio remain unchanged compared to 31 December 2023. The multiples of interest earned increased due to increase in first half profit compared to the same period last year.

As of 30 June 2024, the net current liabilities of the Company and its subsidiaries were RMB76.817 billion. Based on the Company's successful financing history, banking facilities granted by banks that can be withdrawn at any time and good credit status, the Company has confidence to repay its debts, obtain long-term loans through financing activities and meet the funding needs for business development.

B. Liquidity and Cash Resources

1. Liquidity

	For the Six Months Ended 30 June		
	2024	2023	Change
	RMB billion	*RMB billion*	*%*
Net cash provided by operating activities	**23.603**	13.760	71.53
Net cash used in investing activities	**(21.554)**	(20.789)	3.68
Net cash provided by financing activities	**1.981**	7.075	(72.00)
Currency exchange impact	**0.146**	(0.278)	(152.52)
Net increase/(decrease) in cash and cash equivalents	**4.176**	(0.232)	(1,900.00)
Cash and cash equivalents as at the beginning of the period	**16.151**	16.517	(2.22)
Cash and cash equivalents as at the end of the period	**20.327**	16.285	24.82

In the first half of 2024, the Company's net cash inflow from operations was RMB23.603 billion, representing an increase of 71.53% over the same period last year, mainly due to the increase in profit in the first half of the year and the decrease in net funds occupied by operating receivables and payables compared with the same period last year. Net cash outflow from investment activities was RMB21.554 billion, basically unchanged from the same period last year. The Company's financing activities in the first half of the year were mainly debt financing. In the first half of 2024, the Company borrowed RMB62.827 billion new loans and repaid RMB58.505 billion of its borrowings; It issued RMB15.800 billion ultra-short-term financing bonds and repaid RMB11.900 billion of maturing ultra-short-term financing bonds; It issued RMB6.500 billion long-term bonds and repaid RMB4.800 billion of maturing long-term bonds.

As of 30 June 2024, the cash and cash equivalents of the Company and its subsidiaries included RMB in the amount of RMB16.001 billion, SGD equivalent to RMB2.033 billion, US Dollars equivalent to RMB0.084 billion, Pakistan Rupees equivalent to RMB2.209 billion and Japanese Yen equivalent to RMB0.2859 million.

Foreign exchange risk of the entities operating within the Chinese Mainland primarily arises from loans denominated in foreign currencies of the Company. SinoSing Power and its subsidiaries are exposed to foreign exchange risk on bank balances, accounts receivable, other receivables and assets, accounts payable, long-term bonds and other liabilities that are denominated primarily in US$, a currency other than the Singapore dollar ("S$"), their functional currency. Ruyi Pakistan Energy is exposed to foreign exchange risk on bank balances, financial lease receivables, accounts payable and other liabilities and long-term loans that are denominated primarily in US$, a currency other than Pakistan rupee ("PKR"), their functional currency. The Company manages exchange risk through closely monitoring the interest and exchange market.

2. *Capital expenditure and cash resources*

2.1 Capital expenditure on infrastructure construction and renovation projects

In the first half of 2024, the actual capital expenditure on infrastructure and renovation of the Company and its subsidiaries was RMB18.961 billion, of which RMB16.961 billion was capital expenditure, mainly wind power of RMB7.681 billion, photovoltaic of RMB6.778 billion, thermal power of RMB2.112 billion and others of RMB390 million; Expenditure on renovation and transformation was RMB2.000 billion.

2.2 Cash resources and anticipated financing costs

Good operating results and sound credit status provide the Company with strong financing capabilities. As of 30 June 2024, the unutilized banking facilities available to the Company and its subsidiaries amounted over RMB350.0 billion, which are granted by commercial banks such as Bank of China, China Construction Bank, Agricultural Bank of China, Industrial and Commercial Bank of China and other commercial banks.

As of 30 June 2024, the Company and its subsidiaries' long-term loans (including long-term loans due within one year) totaled RMB186.988 billion (end of 2023: RMB183.424 billion), including RMB loans of RMB177.185 billion (end of 2023: RMB172.014 billion), USD loans of RMB8.953 billion equivalent (end of 2023:RMB9.785 billion equivalent), EUR loans of RMB1 million equivalent (end of 2023: RMB2 million equivalent), SGD loans of RMB0.765 billion equivalent (end of 2023: RMB1.554 billion equivalent) and JPY loans of RMB0.084 billion equivalent (end of 2023: RMB0.097 billion equivalent). Among them, SGD loans are floating rate loans, EUR loans and JPY loans are fixed rate loans. For the six months ended 30 June 2024, the annual interest rate for long-term loans was 0.75% to 7.61% (2023: 0.75% to 7.59%).

2.3 Other financing requirements

The Company's goal is to create long-term, stable and growing returns for its shareholders, with a focus on this goal, the Company implements an active, balanced and stable dividend policy. On 25 June 2024, upon the approval from shareholders at the 2023 annual general meeting, the Company declared a cash dividend of RMB0.20 (inclusive of tax) for each ordinary share amounting to RMB3.140 billion.

C. Performance of Significant Investments and Their Prospects

The Company acquired 25% equity interest in Shenzhen City Energy Group Co., Ltd. ("Shenzhen Energy Group") for RMB2.39 billion on 22 April 2003. In 2011, Shenzhen Energy Group divided into a remainder company of the same name and a new company Shenzhen Energy Management Company ("SE Management") , and the Company holds 25% equity interests in each of the two successors. The Company acquired 200 million shares from Shenzhen Energy Corporation ("Shenzhen Energy"), a subsidiary of Shenzhen Energy Group in

December 2007. Shenzhen Energy allotted shares with its capital surplus in 2011. In February 2013, Shenzhen Energy merged with SE Management through the combination of directional seasoned offering and cash payment to shareholders of SE management. After the merger, the Company held 991,741,659 shares of Shenzhen Energy, representing 25.02% of its equity interests. These investments are expected to provide stable returns to the Company.

D. *Employee Benefits*

As of 30 June 2024, the Company and its subsidiaries had 56,056 employees.

During the reporting period, there was no change to the Company's compensation plan and training program.

E. *Guarantee for Loans and Restricted Assets*

As at 30 June 2024, the Company provided guarantees for long-term loans of approximately RMB1,126 million (31 December 2023: RMB917 million) of the Company's domestic subsidiaries.

As at 30 June 2024, long-term loans of approximately RMB84 million (31 December 2023: RMB97 million) were guaranteed by Enshi Finance Bureau of Hubei Province.

As at 30 June 2024, long-term loans of approximately RMB85 million (31 December 2023: RMB92 million) were guaranteed by Tangyin County Modern Agricultural Investment Co., Ltd.

As at 30 June 2024, long-term loans of approximately RMB201 million (approximately US$28 million) (31 December 2023: RMB199 million (approximately US$28 million)) were guaranteed by Huaneng Shandong Power Generation Co., Ltd. ("Shandong Power").

As at 30 June 2024, long-term loans of approximately RMB835 million (31 December 2023: RMB1,135 million) were guaranteed by Shandong Power and Jining Chengtou Investment Holding Group Co., Ltd. ("Jining Chengtou") at the liability ratios of 50.0% and 50.0% respectively (31 December 2023: Shandong Power and Jining Chengtou at the liability ratios of 50.0% and 50.0% respectively).

As at 30 June 2024, long-term loans of approximately RMB5,730 million (31 December 2023: RMB6,277 million) were guaranteed by Shandong Power, China Export & Credit Insurance Corporation and Jining Chengtou at the liability ratio of 17.5%, 65.0% and 17.5% respectively (31 December 2023: Shandong Power, China Export & Credit Insurance Corporation and Jining Chengtou at the liability ratios of 17.5%, 65.0% and 17.5% respectively).

As at 30 June 2024, the details of secured loans of the Company and its subsidiaries were as follows:

As at 30 June 2024, short-term loans of RMB181 million (31 December 2023: RMB423 million) represented the notes receivable that were discounted with recourse. As these notes receivable had not yet matured, the proceeds received were recorded as short-term loans.

As at 30 June 2024, short-term loans of RMB23 million (31 December 2023: RMB223 million) were secured by certain equipment with a net book value amounting to approximately RMB22 million (31 December 2023: RMB474 million).

As at 30 June 2024, long-term loans of RMB2,892 million (31 December 2023: RMB4,675 million) were secured by certain property, plant and equipment with a net book value amounting to approximately RMB4,203 million (31 December 2023: RMB6,543 million).

As at 30 June 2024, long-term loans of approximately RMB4,217 million (31 December 2023: RMB4,196 million) were secured by future revenue from the electricity business. Long-term loans of approximately RMB11 million (31 December 2023: RMB22 million) were secured by franchise.

As at 30 June 2024, the restricted bank deposits of the Company and its subsidiaries were RMB365 million (31 December 2023: RMB699 million).

F. Risk Factors

1. Risks Relating to Power Sector and Market

(1) In 2024, the nationwide electricity consumption is expected to grow by approximately 6.5% over the same period last year and driven by the continuous and rapid development of new energy, the combined installed capacity of grid-connected wind and solar power is expected to reach about 300 million kilowatts. Since the "14th Five-Year Plan", the growth of the national effective power generation capacity has been lower than the growth of the consumption load. In particular, the installed capacity of distributed photovoltaic power units with no power regulations has increased rapidly which increased the pressure on power regulation in off seasons and increased the risk of new energy-based electricity curtailment all the while some regions experienced electric power supply shortage in certain time periods.

(2) The electricity market construction will be advanced systematically and the electric energy value, capacity value, regulating value, environmental value of electric power will constantly be clearer. In the spot market environment and two-part tariff system, the control of the marginal cost of coal power units will be even more important while that of some outdated and small power units remains comparatively high and are confronted with risks of lower price and generating capacity. In addition, heating units are also confronted with the risks of having difficulties to recover in full of the capacity charges.

(3) As the construction of new power systems accelerates and higher proportion of new energy will be fed to the grid, the pressure on the power grid to consume all those energies is increasing. However, the current generation-side regulation capacity is relatively insufficient, and user-side regulation resources are not fully utilized, making it unable to meet the increasing demand for flexible system regulation. With the further increase in the market share of new energy power generation, there is a risk that the utilization rate of new energy power generation projects will decline, and the price of electricity will go down.

The Company will actively follow the relevant policies of the governments and the industry, proactively adapt to the development needs of the power market under the "dual-carbon" objective, accelerate the technological upgrading and transformational development of coal-powered power units, strengthen the research and judgment of power supply and demand, adjust pricing strategies in a timely manner, and make every effort to guard against the risks of the power industry and the market. On the other hand, the continuous improvement of power auxiliary services, capacity compensation and price transmission mechanism will also create favorable conditions for the Company's sound operation and sustainable development.

2. *Risks Relating to the Fuel Procurement Market*

(1) As the domestic macro-economy recovers, social power consumption will continue to rise and in summer and winter seasons and extreme weather conditions when the demand peaks, temporary power supply tension may arise in certain regions. The thermal power will continue to be the safety energy source to guarantee sufficient supply and as such coal supply in certain regions will face greater pressure.

(2) There is not much to be improved in the growth potentials of domestic coal production. Affected by the imported coal tax policy, the role of international market resources on stabilizing the domestic coal prices will be weakened. Although the coal prices will see a slight decrease to certain extent, it will remain high and be prone to fluctuation. The Company's coal business is still under great operating pressure.

(3) The coastal regions procure proportionally more imported coal, the supply of which will be heavily influenced by the international market, making it difficult to ensure sufficient supply and price control.

The Company will closely track changes in the coal market, strive to implement the measures of national policies, give full play to the role of a stabilizer of those long-term contracts. The Company will capture international coal market momentums to import coal, continue to optimize the supply structure, enhance the ability of power generation units to ensure power supply in peak seasons, improve the adaptability to the new power market, strengthen inventory management, and make the best use of the strategy of stocking up in off seasons and or when the price is low and generating power at full capacity in peak seasons or when the price is high. The Company will control the cost of coal purchases through those various measures.

3. Risks Relating to the Carbon Market

With the steady progress of carbon market construction, the national carbon market has completed the second compliance cycle. During the second compliance period, all enterprises of the Company completed their compliance tasks on schedule. For the third compliance period (year 2023), the quota allocation plan has not yet been formally issued, and according to the exposure draft, the quota issuance continues to be tightened, which may push up the price of carbon trading, and there is a risk of increased carbon compliance costs for power generation enterprises.

The Company will pay close attention to the policy changes in the national carbon market, accelerate energy-saving and emission reduction upgrading and transformation, coordinate and optimize the carbon trading strategy, and strive to reduce the compliance cost.

4. Environmental Risks

Based on the status of and demand for ecological civilization construction, the government is continuously improving and refining its environmental protection policies in key regions including but not limited to Beijing-Tianjin-Hebei, the Yangtze River Economic Belt, the Pearl River Delta and other key regions, and is putting forward new and stricter requirements and intensifying on-site inspections in the areas of water protection and dust control, etc., and the environmental protection expenses of the relevant grass-roots enterprises are likely to increase.

The Company strictly implements the national environmental protection policy, and all of its coal-fired power plants have completed the ultra-low emission renovation and realized ultra-low emission operation and developed great adaptability to the fluctuation of internal and external factors, such as weather conditions, fuel quality, electric and thermal loads, etc., and all of them have passed the acceptance of local environmental protection departments. Meanwhile, the Company actively follows up on the concerns of environmental protection departments, scientifically selects advanced and applicable technical solutions in a prudent manner, actively improve water conservation and wastewater treatment systems, construct coal yard closure facilities, and perfect the comprehensive utilization of ash, etc., so as to ensure that all kinds of environmental protection risks are identified in a timely manner and effectively resolved.

5. *Power construction risks*

In terms of electric power construction, the Company may face risks such as extreme weather, rising labor costs, complicated formalities to obtain relevant permits and time-consuming process to obtain construction land, etc.

The Company will respond to the risk challenges in advance, take the initiative, increase organization and coordination, mobilize the enthusiasm of all parties involved in the project, overcome the difficulties, and ensure that relevant projects advance in an orderly manner according to plans.

SHARE CAPITAL STRUCTURE

As at 30 June 2024, total issued share capital of the Company amounted to 15,698,093,359 shares, of which 10,997,709,919 shares were domestic shares, representing 70.06% of the total issued share capital, and 4,700,383,440 shares were foreign shares, representing 29.94% of the total issued share capital. In respect of foreign shares, China Huaneng Group Co., Ltd. (the "Huaneng Group") through its wholly-owned subsidiaries China Hua Neng Group Hong Kong Limited and China Huaneng Group Treasury Management (Hong Kong) Limited, held 472,000,000 and 131,596,000 shares, representing 3.01% and 0.84% of the total issued share capital of the Company, respectively. In respect of domestic shares, Huaneng International Power Development Corporation (the "HIPDC") owned a total of 5,066,662,118 shares, representing 32.28% of the total issued share capital of the Company, while Huaneng Group held 1,555,124,549 shares, representing 9.91% of the total issued share capital of the Company. Through its controlling subsidiary China Huaneng Finance Corporation Limited, Huaneng Group held 9,994,199 shares, representing 0.06% of the total issued share capital of the Company. Other domestic shareholders held a total of 4,365,929,053 shares, representing 27.81% of the total issued share capital.

PURCHASE, SALE OR REDEMPTION OF SHARES

The Company and its subsidiaries did not sell any securities and did not purchase or redeem its own shares or other securities in the first half of 2024.

SHAREHOLDINGS OF MAJOR SHAREHOLDERS

The following table summarises the shareholdings of the top ten shareholders of the Company's shares as at 30 June 2024:

Name of Shareholders	Total shareholdings as at end of the reporting period	Percentage of shareholding in total issued shares (%)
Huaneng International Power Development Corporation	5,066,662,118	32.28%
HKSCC Nominees Limited*	4,203,130,330	26.77%
China Huaneng Group Co., Ltd.	1,555,124,549	9.91%
Hebei Construction & Investment Group Co., Ltd.	493,316,146	3.14%
China Hua Neng Group Hong Kong Limited	472,000,000	3.01%
China Securities Finance Corporation Limited	466,953,720	2.97%
Dalian State Owned Capital Management and Operation Co., Ltd. **	287,144,900	1.83%
Jiangsu Guoxin Investment Group Limited	258,452,600	1.65%
Liaoning Energy Investment (Group) Limited	244,205,000	1.56%
Hong Kong Securities Clearing Company Limited	190,342,608	1.21%

* HKSCC Nominees Limited acts as nominee of holders of H shares securities of the Company and its shareholdings in the Company represent the total number of H shares held by it as nominee of H shareholders.

** The Company's former local promoter shareholder, Dalian State-owned Capital Management and Operation Co., Ltd. currently (i) pledged 13,340,000 shares which were contracted to buy back and placed in the contractual repurchase designated account of Guotai Junan Securities; (ii) has 1,015,100 shares involved in securities lending and financing business and (iii) pledged another 100,000,000 shares.

MATERIAL INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 June 2024, the interests or short positions of persons who were entitled to exercise or control the exercise of 5% or more of the voting power at any of the Company's general meetings (excluding the Directors, Supervisors and chief executive) in the shares or underlying shares of equity derivatives of the Company as recorded in the register required to be kept under Section 336 of the Securities and Futures Ordinance (Cap. 571 of the laws of Hong Kong) ("SFO") were as follows:

Name of shareholder	Class of shares	Number of shares held (share)	Identity	Approximate percentage of shareholding in the Company's total issued share capital	Approximate percentage of shareholding in the Company's total issued domestic shares	Approximate percentage of shareholding in the Company's total issued H shares
Huaneng International Power Development Corporation *(Note 2)*	Domestic shares	5,066,662,118(L)	Beneficial owner	32.28%(L)	46.07%(L)	–
China Huaneng Group Co., Ltd. *(Note 3)*	Domestic shares	1,555,124,549(L)	Beneficial owner	9.91%(L)	14.14%(L)	–
China Huaneng Group Co., Ltd. *(Note 4)*	H Shares	603,596,000(L)	Beneficial owner	3.85%(L)	–	12.84%(L)
Shanghai Wisdomshire Asset Management Co., Ltd.	H Shares	473,176,500(L)	Investment manager	3.01%(L)	–	10.07%(L)

Notes:

(1) The letter "L" denotes a long position.

(2) As of 30 June 2024, China Huaneng Group Co., Ltd. held 75% direct interests and 25% indirect interests in Huaneng International Power Development Corporation.

(3) Besides of the 1,555,124,549 domestic shares, China Huaneng Group Co., Ltd. holds 9,994,199 domestic shares through its controlling subsidiary, China Huaneng Finance Corporation Limited.

(4) China Huaneng Group Co., Ltd. holds 472,000,000 H shares through its wholly-owned subsidiary, China Hua Neng Group Hong Kong Limited, and holds 131,596,000 H shares through its indirect wholly-owned subsidiary, China Huaneng Group Treasury Management (Hong Kong) Limited.

Save as stated above, as at 30 June 2024, in the register required to be kept under Section 336 of SFO, no other persons were recorded to hold any interests or short positions in the shares or underlying shares of the equity derivatives of the Company.

DIRECTORS' AND SUPERVISORS' RIGHT TO PURCHASE SHARES

The Company has adopted a code with the standard not lower than that of the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited ("**Listing Rules**"). The Company has made specific enquiries of all Directors and Supervisors, all Directors and Supervisors confirmed that they have complied with the code throughout the first half of 2024.

As at 30 June 2024, none of the Directors, chief executive officer or Supervisors of the Company had any interest or short position in the shares, underlying shares and/or debentures (as the case may be) of the Company or any of its associated corporations (within the definition of Part XV of the SFO which was required to be notified to the Company and the Stock Exchange of Hong Kong Limited ("**Hong Kong Stock Exchange**") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest and short position which any such Director, chief executive officer or Supervisor is taken or deemed to have under such provisions of the SFO) or which was required to be entered in the register required to be kept by the Company pursuant to Section 352 of the SFO or which was otherwise required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies as contained in Appendix C3 to the Listing Rules.

PUBLIC FLOAT

As at the date of this announcement, the Company has maintained the prescribed public float under the Listing Rules and as agreed with the Hong Kong Stock Exchange, based on the information that is publicly available to the Company and within the knowledge of the Directors of the Company.

DIVIDENDS

The Board of the Company has resolved not to distribute dividends for the first half of 2024.

DISCLOSURE OF MATERIAL EVENTS

On 9 July 2024, the Company convened the sixth meeting of the eleventh session of the Board and considered and passed a resolution regarding the restructuring of the senior management of the Company. Due to change of work commitments, Mr. Huang Lixin, an executive Director and a member of the Strategy Committee and the Nomination Committee of the Board as well as the president and the former chief accountant of the Company, tendered a written resignation to the Board of the Company to resign from the position of the chief accountant of the Company. Mr. Huang Lixin will continue to hold other positions in the Company (including its holding subsidiaries). The Board has resolved to appoint Mr. Zhu Daqing as the chief accountant of the Company.

CORPORATE GOVERNANCE

The Company always places emphasis on corporate governance. After years of experience and practice, the Company has gradually formed a standardised and enhanced governance structure, thereby establishing a sound and effective system that is appropriate to the Company's own development requirements.

During the reporting period, the Company had complied with all the code provisions of the Corporate Governance Code contained in Appendix C1 to the Listing Rules.

(a) Code of Corporate Governance

In recent years, the Company adopted the following measures in order to strengthen corporate governance and enhance the Company's operation quality:

(1) Enhancing and improving corporate governance

As a public company listed both domestically and internationally, the Company conscientiously implements the regulatory requirements of the place where its securities are listed and responds positively to the supervision of investors. The Company has continuously improved and enhanced its modernized governance system and governance level since established and built a sound corporate governance structure comprising the general meetings, the Board, the supervisory committee and the management. The operating mechanism of the system provides a clear division of powers and responsibilities of the owners, decisionmakers, executives and supervisors facilities proper performance of their respective duties and offers structural regulation and coordination of those powers, which guarantees the effective exercise of the decision-making rights of the general meetings, the Board, and the supervision rights of the supervisory committee, and ensures efficient and compliant operation and management of the management. After years of exploration and practice, the Company has gradually formed a standardized, sound and effective corporate governance system suitable for its own development.

The Board of the Company has always taken it as its responsibility to improve corporate governance and standardize the operation of the "three board committees" and has been continuously improving itself and operating in accordance with the law, which has laid down a solid foundation for the sustained, healthy and stable development of the Company. The Company has formulated more than 20 management related rules, including Terms of Reference of the General Meetings, Terms of Reference of the Board, Terms of Reference of the Supervisory Committee, Terms of Reference of the General Manager, Terms of Reference of the Board committees and Terms of Reference of the independent Directors, which have clearly stipulated the duties and authorities, the compositions, proceedings and modus operandi each of the shareholders' general meetings, the Board and the supervisory committee. In the first half of 2024, the Company accelerated the construction of a modern corporate governance system with Chinese characteristics, continued to improve the system using the Articles of Association as the foundation, the above terms of references as the key principles and other special rules as the supplementary support. The

Company formulated and implemented the rules on delegation of the Board and revised the Administrative Provisions Regarding Decision-making on the "Major Decisions, Major Personnel Appointments and Dismissals, Major Projects Arrangement and use of Large sum of Funds" and Terms of Reference of the Independent Directors as well as other basic management systems with a view to further improving the system and ensuring the Company's continuous compliance and standard operation. Based on the requirements of the latest regulatory laws and regulations in Hong Kong and the management characteristics of the Company, the Company has revised the relevant provisions of Articles of Association regarding notice of general meetings and ways of dissemination of notices of the general meetings and other written materials of the Company, which further improved the efficiency and quality of the operation of those meetings.

In the first half of 2024, the Board and all Directors of the Company led the management team and all employees and speared no effort in aspects of reform and development, transformation and upgrading, production and operation and scientific and technological innovation with a deep sense of responsibility and meticulous examination and precise judgement of situations, and with scientific research, careful plan and concerted efforts. Under the leadership of the Board, the Company's production has been safe and the supply of electricity and heat has maintained stable. The Company actively fulfilled its corporate responsibility to provide society with sufficient, reliable and environmentally friendly electricity. The Company always adhered to the rule of law and operation compliance. The Company closely followed changes in laws and regulatory requirements of the country and places where the Company's securities are listed and effectively implemented new regulatory policies and requirements. The Company continuously strengthened the construction of the Board and assisted the independent Directors in diligently performing their duties, endeavored to protect the legitimate rights and interests of minority investors, and promoted the continuous enhancement of corporate governance. The Company continued to strengthen risk prevention and control, solidly promoted internal control management, carry out information disclosure with high quality, proactively strengthened communication and interaction with investors and promoted the construction of ESG system, and built a win-win corporate culture in harmony with stakeholders.

All members of the Board jointly perform the duties of corporate governance. During the reporting period, the Board has included the following in its scope of duties and authority:

1. Establishing and reviewing the Company's corporate governance policies and codes, and making such amendments as it deems necessary to ensure the effectiveness of such policies and codes;

2. Reviewing and supervising the training and sustained professional development of the Company's Directors and senior management;

3. Reviewing and supervising the Company's policies and codes regarding the observance of laws and regulatory requirements;

4. Formulating, reviewing and supervising the codes of conduct and compliance handbook applicable to Directors and employees; and

5. Reviewing the Company's status on compliance with the Code on Corporate Governance Practices and the disclosures made in the Corporate Governance Report.

(2) Enhancing and improving the information disclosure system

The Company attaches great importance to public information disclosure. The Company has set up an information disclosure committee comprising the secretary to the Board, the chief accountant, the heads of various departments and offices and relevant staff of our information disclosure working group, which is responsible for reviewing the Company's regular reports. The Company has established a system where regular information disclosure meetings are held to report on and discuss the major matters related to the Company's operation to ensure due performance of obligations to disclose information and the meetings are chaired by secretary to the Board and attended by personnels of relevant business departments. The Company appreciates the importance of information disclosure and has formulated and implemented various rules in that regard. Rules which are for the time being in force includes Administrative Provisions on Information Disclosures, Administrative Provisions on Connected Transactions, Administrative Provisions on Holders of Inside Information, Administrative Provisions on Investor Relations, Terms of Reference of the Information Disclosure Committee and Administrative Provisions on the Accountabilities Arising From Significant Errors in the Disclosure of Annual Report, etc. The aforesaid rules and provisions guarantee the Company's standard operation and facilitate the truthfulness, accuracy, completeness and timeliness of information disclosure as well as the quality and transparency of the Company's information disclosure.

The Company strives to maintain investor relations, responds to investor concerns in a timely manner and actively maintains its market image. The relevant departments of the Company prepare and update at any time plans to answer questions concerning market topical issues, the Company's production and operation, business performance, etc., and those plans will be approved by the management of the Company and the authorized representatives of the information disclosure committee and used as basis for any speeches to the public to be made by the Company. In addition, the Company also conducts professional training from time to time to the internal personnels in charge of information disclosure to facilitate the improvement of skills.

(3) Regulating financial management system, strengthening internal control

The integrity of listed companies is largely relied on the quality of its financial statements and the standard operation of financial activities. In the first half of 2024, the Company continued to make a great deal of meticulous efforts in the preparation of financial reports and standard operation of financial activities in the principles of integrity and fairness to shareholders. Details are set out as follows:

1. In order to strictly follow the accounting regulations, accounting standards and rules, strengthen accounting and relevant supervision and truly and fairly reflect the financial position, operating results and cash flows of the Company, the Company has formulated a complete set of rules and regulations in connected with accounting and financial report preparation, which are regularly revised and refined to ensure timely and effective implementation of the most up-to-date and operative accounting standards and relevant regulatory requirements.

In the past two years, the Company revised the Accounting Methods, Financial Write-off of Asset Losses, Administrative Provisions on Asset Impairment Tests, Administrative Provisions on Joint Audit of Accounting of the Annual Statements and Provisions on Cost Management. The Board, the supervisory committee and the audit committee of the Company regularly review the financial reports of the Company, and have met the requirement that the chairman, the general manager and the treasurer shall be responsible for the truthfulness, accuracy and completeness of the financial reports.

2. In respect of fund management, the Company has formulated several administrative regimes such as the Financial Management Regimes, the Fund Management Regimes, the Cash Inflow and Outflow Management Provisions, the Company's Headquarters' Policies on Use of Large Sums of Fund, the Administrative Regimes on Bills of Exchange, the Administrative Regimes on Raised Funds, the Financial Derivative Businesses Management Regimes, the Administrative Regimes on Financing Guarantees and the Administrative Regimes on Funds Exchanges with Affiliated Parties, and so forth. The Articles of Association of the Company also set forth relevant provisions on loans, guarantees, investments and such. As required by China Securities Regulatory Commission ("CSRC") and the Shanghai Stock Exchange, the Company also discloses in the annual reports dedicated reports on whether there is any appropriation of funds by the controlling shareholders and other related parties issued by certified public accountants who have conducted audit on such issues and there has been no irregular appropriation of funds whatsoever. In addition, the Company conducts quarterly reconciliations and settlements with related parties in respect of operating fund transactions to ensure the safety of assets.

3. The overall objective of the Company's internal control is to facilitate the implementation of the Company's strategies, and the specific objective is to provide reasonable assurance regarding the Company's operation and management compliance, safety of assets, truthfulness and completeness of its financial reports and related information to promote the overall improvement of the Company's operation efficiency and performance.

The Company comprehensively sorted out internal and external risks and various business processes and completed the Internal Control Manual. The sixth version of the Internal Control Manual in use by the Company specifies in detail 25 business processes such as revenue, material procurement, fuel management, fund management and 19 soft elements such as organizational structure, human resource management, anti-fraud and risk management from aspects of control environment, risk assessment, control process, information and communication and monitoring. It comprehensively describes the Company's policies and guidelines, clarifies the work procedures and job responsibilities of each position, and standardizes the process of business transactions of the Company to achieve systematic flow. The Company has completed the Internal Control Assessment Manual, which specifies the three-tier internal control assessment management system and the internal control assessment mode of daily assessment and key supervision, and standardizes the internal control assessment procedures, assessment methods, defect definition procedures and criteria, so as to realize the standardization and normalization of internal control assessment. The Company evaluates the effectiveness of the above system every year and periodically revises and improves it to achieve dynamic maintenance of the internal control system.

In response to the identified risks, the Company has stipulated the corresponding control measures in the Internal Control Manual and defined the key control points. Through the implementation of the "Share of Responsibilities Policy", the Company assigns the internal control responsibility down to every position to allow the internal control to be part of the job descriptions and foster a work environment where all staff contribute to the improvement of internal control. The Company adopted an internal control approach of combining daily monitoring and key inspections by setting up internal control assessors in every department of the headquarters and branches under the company, carrying out internal control assessments on a monthly basis and establishing a three-level assessment quality supervision mechanism to follow up on the implementation of internal control system by the Company, regional companies and grass-roots units in real time. Every year, the company selects some units to carry out key internal control inspections, identifies problems and rectifies those problems right away, which further strengthens the implementation of internal control. The Company insists that internal control evaluators should be licensed in the sense that those evaluators shall complete relevant trainings and pass the examinations before qualifying as internal control evaluators, which has strongly promoted the improvement of the professional skills of the internal control personnels. In the first half of 2024, the Company successfully completed six months of daily internal control evaluation and key internal control inspections of certain units, which effectively protected and promoted the sustained and healthy development of the Company's businesses and realized smooth operation of the internal control system. The Company carried out comprehensive and multi-level internal control trainings every year based on latest requirements of and changes in, best practices learnt from and common problems facing the business and daily management. In the first half of 2024, the Company held a high-quality internal control and compliance management enhancement conference, which effectively promoted the overall enhancement of internal control and compliance awareness and optimized the internal control environment.

The internal control management department, internal audit department and external auditors report to the Audit Committee of the Board on a regular basis regarding the Company's internal control, which ensures the continuous and effective operation of the internal control system. The Company continuously improves the internal control assessment system, formulates the Measures for Internal Control Target Assessment, carries out internal control target assessment every year, and delivers the assessment results in a timely manner, which strongly guides all units at all levels to pay attention to the quality of the internal control work, and practically realizes the high-level objective of improving management through internal control.

After a full and thorough assessment, the Board of the Company is of the view that as of 30 June 2024, the Company has maintained, in all material respects, effective internal control over financial reporting as required by the "Basic Standard for Internal Control in Enterprises" and the accompanying Guidelines and other internal control regulatory requirements, and the Company has not identified any material weaknesses in its internal control over non-financial reporting aspects.

(b) Securities transactions by Directors

As a public company, the Company has strictly complied with the relevant restrictive provisions on securities transactions by directors imposed by the regulatory authorities of places of listing and we insist on complying with the strictest provision, that is, abiding by the strictest provision among listing places. We have adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules as the model code for securities dealings by Directors of the Company. In the first half of 2024, in accordance with Management Rules in respect of the Shares of the Company held by the Directors, Supervisors and Senior Management of Huaneng Power International, Inc, the Company prohibited those who are in possession of securities transaction related inside information using inside information in securities trading; and sets out detailed rules for those who are in possession of inside information, which was used as the standard code for the trading of securities by directors of the Company. Having made specific enquiry of all the Directors, Supervisors and senior management of the Company, as of the date of this announcement, none of the Director, Supervisors and senior management holds any shares of the Company and there is no material contract in which the Directors, Supervisors and senior management directly or indirectly have material interests.

(c) Board

According to the Articles of Association, the Board of the Company consists of 15 directors. In the eleventh session of the Board, Mr. Wang Kui serves as the chairman and Mr. Wang Zhijie serves as the vice chairman. The executive Directors of the Company are Mr. Wang Kui, Mr. Wang Zhijie and Mr. Huang Lixin. The non-executive Directors of the Company are Mr. Du Daming, Mr. Zhou Yi, Mr. Li Lailong, Mr. Cao Xin, Mr. Li Haifeng, Mr. Ding Xuchun, Mr. Wang Jianfeng. The independent non-executive Directors of the Company are Mr. Xia Qing, Mr. He Qiang, Ms. Zhang Liying, Mr. Zhang Shouwen and Ms. Dang Ying.

During the reporting period, the Board of the Company held a total of 4 meetings, including regular and irregular meetings.

Details of the attendance of directors at the Board meetings are as follows:

Name	Number of meetings required to be attended	Number of meetings attended in person	Number of meetings attended by proxy	Rate of attendance in person *(%)*
Executive Directors				
Wang Kui	4	4	0	100%
Wang Zhijie	4	4	0	100%
Huang Lixin	4	4	0	100%
Non-executive Directors				
Du Daming	4	4	0	100%
Zhou Yi	4	4	0	100%
Li Lailong	4	4	0	100%
Cao Xin	4	3	1	75%
Li Haifeng	4	3	1	75%
Ding Xuchun	4	4	0	100%
Wang Jianfeng	4	4	0	100%

Name	Number of meetings required to be attended	Number of meetings attended in person	Number of meetings attended by proxy	Rate of attendance in person (%)
Independent non-executive Directors				
Xia Qing	4	4	0	100%
He Qiang	4	4	0	100%
Zhang Liying	4	4	0	100%
Zhang Shouwen	4	4	0	100%
Dang Ying	4	4	0	100%

As stated in the previous corporate governance reports, the Company's Articles of Association set out in detail the duties and operational procedures of the Board (please refer to the Company's Articles of Association for details). The Board of the Company holds regular meetings to hear the reports on the Company's operating results and makes timely decisions. Material decisions on operation shall be discussed and approved by the Board. Ad hoc meetings may be held if necessary. Board meetings include regular meetings and ad hoc meetings. Regular meetings of the Board include annual meeting, first quarterly meeting, half-yearly meeting and third quarterly meeting.

All arrangements for regular meetings have been notified to all Directors at least 14 days prior to the meeting and the Company has ensured that each Director thoroughly understood the agenda of the meeting and fully expressed his/her opinions, while all independent non-executive Directors actively followed the latest regulatory requirements and considered relevant proposals at meetings held just for independent non-executive Directors according to the Measures for the management of independent board of directors of listed companies. Minutes have been taken for all the meetings and filed at the Board office.

Moreover, the independent non-executive Directors of the Company have submitted their independent non-executive director confirmation letters of 2023 according to the requirements of the Listing Rules. The Company still considers all the independent non-executive Directors to be independent.

The Directors believe that they have complied with the laws and regulations, and provisions of the Articles of Association, and have actively performed the duties faithfully and diligently. Apart from regular and ad hoc meetings, the Directors of the Company obtain timely and adequate information by participating in the chairman's special meetings to monitor the management's objectives and strategies, understand the company's financial position and operating results, and the entering into of and implementation of important agreements. The Directors reviewed the reports, data etc. of the Company regularly to understand the situation on production operation of the Company. Through onsite investigation, the independent Directors provided practical resolutions to the Company. All committees under the Board actively carried out works and provided recommendations and policies which formed the basis of scientific policies for the Board.

During the period when the Board was not in session, the chairman discharged part of the duties of the Board, including but not limited to (1) to examine and approve the proposals in respect of establishing or cancelling development and construction projects; (2) to examine and approve proposals of the in relation to the appointment, removal and transfer of managers of various departments of the Company and managers of external branches; (3) to examine and approve plans on the use of significant funds; (4) to examine and approve proposals on the establishment or cancellation of branch companies or branch organs; and (5) to examine and approve other major issues.

The Board has summarised the work during the reporting period taking into consideration of opinions of the supervisory committee and the senior management of the Company. The Board is of the opinion that it has effectively fulfilled its duties to safeguard the interests of the Company and its shareholders.

Mr. Wang Kui (chairman of the Board), Mr. Wang Zhijie (vice chairman of the Board), Mr. Huang Lixin (Director), Mr. Li Haifeng (Director), Mr. Xia Qing (independent non-executive Director); Mr. He Qiang (independent non-executive Director) and Mr. Zhang Liying (independent non-executive Director) attended the 2023 annual general meeting of the Company.

(d) Chairman and President

The Company shall have a Chairman and a President who shall perform their duties respectively and separately according to the Articles of Association.

The division of duties of the Board and the senior management remained the same as disclosed in the previous Corporate Governance Reports.

(e) Non-executive Directors

According to the Articles of Association, the term of office of each member of the Board of the Company shall not exceed three years (inclusive) and the members may be eligible for re-election. However, the term of office of independent non-executive Directors shall not exceed six years (inclusive) according to the relevant regulations of the China Securities Regulatory Commission.

The respective terms of office of the non-executive Directors are as follows:

Names of the non-executive Directors	Terms of office
Du Daming	2023.12.5-2026
Zhou Yi	2023.12.5-2026
Li Lailong	2023.12.5-2026
Cao Xin	2023.12.5-2026
Li Haifeng	2023.12.5-2026
Ding Xuchun	2023.12.5-2026
Wang Jianfeng	2023.12.5-2026

(f) Directors' Remuneration

According to the relevant PRC laws and the Articles of Association, the Board has established the Remuneration and Appraisal Committee which operates in accordance with the Terms of Reference of the Remuneration and Appraisal Committee and is mainly responsible for studying the appraisal standards of the Directors and senior management personnel of the Company, conducting appraisals and making proposals; responsible for studying and examining the remuneration policies and proposals of the Directors and senior management personnel of the Company. The Remuneration and Appraisal Committee will review and submit annual total wages to the Board annually. Each of the executive Directors has signed a director's service contract.

The eleventh Remuneration and Appraisal Committee of the Board comprises of seven Directors, namely Mr. Zhang Shouwen, Mr. Wang Zhijie, Mr. Li Haifeng, Mr. Ding Xuchun, Mr. He Qiang, Ms. Zhang Liying, Ms. Dang Ying; among whom Mr. Zhang Shouwen, Mr. He Qiang, Ms. Zhang Liying, Ms. Dang Ying are independent non-executive Directors and Mr. Zhang Shouwen is the chairman of the committee.

The Remuneration and Appraisal Committee under the Board operates in accordance with the Terms of Reference of the Remuneration and Appraisal Committee. The Remuneration and Appraisal Committee convened the first meeting in 2024 on 18 March 2024, at which the Company's arrangement for the total wage budget in 2024 was reviewed and approved. In the second half of 2024, the Remuneration and Appraisal Committee will carry out the work according to the actual situation and the above the Company's arrangement for the total wage budget in 2024 at appropriate time.

During the reporting period, the attendance of meetings of the Remuneration and Appraisal Committee of the Company's Board was as follows:

Name of meeting	Date	Members who attended in person	Members who attended by proxy
The 2024 First meeting of the Remuneration and Appraisal Committee of the Eleventh Session of the Board	18 March 2024	Mr. Zhang Shouwen, Mr. Wang Zhijie, Mr. Li Haifeng, Mr. Ding Xuchun, Mr. He Qiang, Ms. Zhang Liying, Ms. Dang Ying	–

(g) Nomination of Directors

According to the relevant laws of the PRC and the relevant provisions of the Articles of Association, the Board of the Company has established the Nomination Committee. The Nomination Committee operates under the Terms of Reference of the Nomination Committee and is mainly responsible for studying the selection standards and procedures for candidates for Directors and senior management personnel of the Company according to the directors' qualifications under the Companies Law and Securities Law and the needs of the operational management of the Company, and making proposals thereon to the Board; searching for qualified candidates for directors and suitable persons for senior management personnel on a wide basis; and examining the candidates for directors and suitable persons for senior management personnel and making proposals thereon. In order to achieve sustainable and balanced development, the Company has formulated the Board Member Diversity Policy. According to the relevant regulations, when determining the composition of the Board, the Company will consider the diversity of Board members from multiple perspectives, including but not limited to gender, age, culture and educational background, professional experience, skills, knowledge and service tenure. The nomination of Directors by the Board shall be based on meritocracy only, taking into account the diversity requirements of Board members. Currently, the composition of the Board members of the Company has taken into account the operation and management of the Company and relevant regulatory requirements. The nomination of the candidates of the Directors is mainly made by the shareholders. The nominations, after examination of the relevant qualification by the Nomination Committee, will be submitted to the Board. The President of the Company is appointed by the Board and the candidates for the Vice President and other management are nominated by the President. Such nominations, after examination of the relevant qualification by the Nomination Committee, will be submitted to the Board for approval.

The eleventh session of the Nomination Committee of the Board comprises of seven Directors, namely Mr. Xia Qing, Mr. Huang Lixin, Mr. Cao Xin, Mr. Wang Jianfeng, Mr. He Qiang, Mr. Zhang Shouwen and Ms. Dang Ying, among whom Mr. Xia Qing, Mr. He Qiang, Mr. Zhang Shouwen and Ms. Dangying are independent non-executive Directors and Mr. Xia Qing is the chairman of the committee.

During the reporting period, the attendance of meeting of the Nomination Committee of the Company's Board was as follows:

Name of the meeting	Date of meeting	Members who attended the meeting in person	Members who attended the meeting by proxy
The 2024 First Meeting of the Nomination Committee of the eleventh Session of the Board	8 July 2024	Mr. Xia Qing, Mr. Huang Lixin, Mr. Cao Xin, Mr. Wang Jianfeng, Mr. He Qiang, Mr. Zhang Shouwen and Ms. Dang Ying	–

(h) Appointment of Auditors

Ernst & Young and Ernst & Young Hua Ming LLP were appointed as the overseas and domestic auditors of the Company for 2024, respectively.

(i) Audit Committee

According to the requirements of the regulatory authorities of the jurisdictions where the securities of the Company are listed and the relevant provisions of the Articles of Association, the Board has established the Audit Committee. Governed by the Detailed Rules on the work of the Audit Committee, the Audit Committee is mainly responsible for assisting the Board in the supervision of:

(1) the accuracy of the Company's financial statements;

(2) the Company's compliance with laws and regulations;

(3) the qualification and independence of the Company's independent auditors;

(4) the performance of the Company's independent auditors and internal auditing departments of the Company; and

(5) the control and management of the related party transactions of the Company.

The Company convenes four regular meetings of the Audit Committee of the Board each year, at least two of which will be conducted with the Company's external auditors separately to listen to reports on audit planning, work arrangement and audit works generally. The Board has formulated the Management Rules on Whistle-Blowing through Hotlines and Mailboxes, and, pursuant to which the Audit Committee will be responsible for the management of the whistle-blowing hotlines and mailboxes.

The Audit Committee of the Board comprises of five independent non-executive Directors, namely Ms. Dang Ying, Mr. Xia Qing, Mr. He Qiang, Ms. Zhang Liying and Mr. Zhang Shouwen, among whom Ms. Dang Ying is the chairman of the committee.

During the reporting period, the Audit Committee held three meetings. As per Audit Committee's duties, the Audit Committee has communicated separately with the Company's counsels, external auditors, management and the relevant functional departments of the Company. With the understandings on the applicable laws and regulations of those jurisdictions in which the shares of the Company are listed, the anti-fraud position in the Company, the recruitment of staff, the implementation and execution of internal control mechanisms, the audit work carried out by external auditors and the responsible officers of the audit department, the Audit Committee has rendered their views and suggestions.

During the reporting period, the attendance of meetings of members of the Audit Committee was as follows:

Name of meeting	Date of meeting	Members who attended the meeting in person	Members who attended the meeting by proxy
The 2024 First meeting of the Audit Committee of the Eleventh Session of the Board	27 February 2024	Ms. Dang Ying, Mr. Xia Qing, Mr. He Qiang, Ms. Zhang Liying, Mr. Zhang Shouwen	–
The 2024 Second meeting of the Audit Committee of the Eleventh Session of the Board	18 March 2024	Ms. Dang Ying, Mr. Xia Qing, Mr. He Qiang, Ms. Zhang Liying, Mr. Zhang Shouwen	–
The 2024 Third meeting of the Audit Committee of the Eleventh Session of the Board	22 April 2024	Ms. Dang Ying, Mr. Xia Qing, Mr. He Qiang, Ms. Zhang Liying, Mr. Zhang Shouwen	–

(j) Responsibility assumed by the Directors in relation to the financial statements

The Directors of the Company confirm that they shall assume the relevant responsibility in relation to the preparation of the financial statements of the Company, ensure that the preparation of the financial statements of the Company complies with the relevant laws and regulations and the applicable accounting standards and also warrant that the financial statements of the Company will be published in a timely manner.

(k) Senior management's interests in shares

None of the members of the senior management of the Company holds any shares of the Company.

(I) Strategy Committee

For compliance with the relevant requirements of the regulations in the jurisdictions where the shares of the Company are listed as well as the Articles of Association of the Company, the Board has established a Strategy Committee. Governed by the Detailed Rules on the Work of the Strategy Committee, the Strategy Committee is primarily responsible for:

(1) reviewing and advising on the Company's long-term strategic development plan;

(2) reviewing and advising on the major fund raising proposals that need to be approved by the Board;

(3) reviewing and advising on the major production and operating projects that need to be approved by the Board;

(4) studying and advising on the matters that would significantly affect the development of the Company;

(5) examining the implementation of the abovementioned matters;

(6) comprehensive risk management of the Company to improve the Company's overall risk resistance; and

(7) other matters as requested by the Board

The eleventh session of the Strategy Committee of the Board comprises of seven Directors, namely, Mr. Wang Kui, Mr. Wang Zhijie, Mr. Huang Lixin, Mr. Du Daming, Mr. Li Lailong, Mr. Xia Qing and Ms. Zhang Liying, of whom Mr. Xia Qing and Ms. Zhang Liying are independent non-executive Directors. Mr. Wang Kui is the chairman of the Strategy Committee.

During the reporting period, members of the Strategy Committee held one meeting and reviewed and approved the Report on Overall Risk Management of 2024. All members of the committee conducted prudent studies verification thereon and actively expressed their opinions and suggestions for the improvement of the report, which played an important role in enhancing the quality and efficiency of its decision-making process.

During the reporting period, the attendance of meetings of members of the Strategy Committee was as follows:

Name of the meeting	Date of meeting	Members who attended the meeting in person	Members who attended the meeting by proxy
The 2024 First meeting of the Strategy Committee of the Eleventh Session of the Board	14 June 2024	Mr. Wang Kwai, Mr. Wang Zhijie, Mr. Huang Lixin, Mr. Du Daming, Mr. Li Lailong, Mr. Xia Qing, Ms. Zhang Liying	–

(m) Directors’ and senior management’s training

The Company organises its Directors and Supervisors to attend the trainings provided by regulatory authorities every year. During the reporting period, the Directors and Supervisors of the Company attended training according to regulatory requirements. A total of 20 participants including Directors, Supervisors and senior management attended various professional trainings during the first half of 2024.

The Company organizes a briefing by the Company's legal adviser every six months to all independent Directors of the Audit Committee of the Company on the updated regulatory laws, the application of relevant systems to the Company and the Company’s performance of the rules and regulations in places where the Company’s shares are listed.

The Company attaches importance to the training and continuing development of senior management. The Company organises members of senior management to participate the training courses provided by relevant State authorities, industrial managing authorities and industrial associations.

REVIEW OF INTERIM FINANCIAL INFORMATION

The interim results of 2024 have been reviewed by the Audit Committee of the Company. In addition, the Company's auditor, Ernst & Young, has reviewed the unaudited interim condensed consolidated financial information of the Group for the six months ended 30 June 2024 ("interim financial information") 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.

LEGAL PROCEEDINGS

As at 30 June 2024, the Company and its subsidiaries were not involved in any material litigation or arbitration and no material litigation or claim of material importance was pending or threatened against or by the Company as far as the Company is aware.

DOCUMENTS FOR INSPECTION

Copies of the interim results report for 2024 will be available at the following addresses and websites:

PRC:

Huaneng Power International, Inc.
Huaneng Building
6 Fuxingmennei Street, Xicheng District, Beijing
The People's Republic of China

Telephone Number: (8610) 6322 6999
Fax Number: (8610) 6322 6888

Hong Kong:

Wonderful Sky Financial Group Limited
9th Floor, Central Plaza,
99 Queen's Road Central, Hong Kong

Tel: (852) 2851 1038
Fax: (852) 3102 0210

Websites of the Company: http://www.hpi.com.cn

By Order of the Board
Huaneng Power International, Inc.
Wang Kui
Chairman

As at the date of this announcement, the Directors of the Company are:

Wang Kui *(Executive Director)*
Wang Zhijie *(Executive Director)*
Huang Lixin *(Executive Director)*
Du Daming *(Non-executive Director)*
Zhou Yi *(Non-executive Director)*
Li Lailong *(Non-executive Director)*
Cao Xin *(Non-executive Director)*
Li Haifeng *(Non-executive Director)*
Ding Xuchun *(Non-executive Director)*
Wang Jianfeng *(Non-executive Director)*
Xia Qing *(Independent non-executive Director)*
He Qiang *(Independent non-executive Director)*
Zhang Liying *(Independent non-executive Director)*
Zhang Shouwen *(Independent non-executive Director)*
Dang Ying *(Independent non-executive Director)*

Beijing, the PRC
31 July 2024

A. FINANCIAL INFORMATION EXTRACTED FROM INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS PREPARED UNDER IFRSs

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

AS AT 30 JUNE 2024

(Amounts expressed in thousands of RMB)

	Notes	**As at 30 June 2024**	As at 31 December 2023
ASSETS			
Non-current assets			
Property, plant and equipment		**374,581,267**	368,675,819
Right-of-use assets		**21,883,936**	21,024,661
Investments in associates and joint ventures		**23,608,239**	22,712,467
Investment properties		**620,927**	626,239
Other equity instrument investments		**642,923**	642,923
Power generation licences		**4,233,758**	4,312,514
Mining rights		**1,609,115**	1,609,115
Deferred income tax assets		**3,723,175**	4,150,104
Derivative financial assets		**52,744**	616
Goodwill		**14,297,336**	14,509,739
Other non-current assets		**20,376,540**	21,307,658
Total non-current assets		**465,629,960**	459,571,855
Current assets			
Inventories		**12,831,848**	11,899,339
Other receivables and assets	*4*	**15,902,316**	14,750,293
Accounts and notes receivable	*5*	**45,857,287**	47,140,674
Contract assets		**42,071**	44,583
Derivative financial assets		**317,974**	59,411
Bank balances and cash		**20,691,486**	16,849,858
Total current assets		**95,642,982**	90,744,158
Total assets		**561,272,942**	550,316,013

	Notes	As at 30 June 2024	As at 31 December 2023
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the Company			
Share capital		**15,698,093**	15,698,093
Other equity instruments		**79,570,037**	79,626,169
Capital surplus		**23,858,063**	23,571,376
Surplus reserves		**8,140,030**	8,140,030
Reserve funds		**877,078**	479,264
Currency translation differences		**(580,921)**	(366,687)
Retained earnings		**14,394,567**	11,614,870
		141,956,947	138,763,115
Non-controlling interests		**42,258,805**	40,591,363
Total equity		**184,215,752**	179,354,478
Non-current liabilities			
Long-term loans		**159,984,610**	162,347,839
Long-term bonds	*7*	**28,923,898**	28,038,374
Lease liabilities		**6,576,568**	6,714,600
Deferred income tax liabilities		**2,813,775**	2,593,143
Derivative financial liabilities		**182,516**	454,637
Other non-current liabilities		**6,116,065**	6,813,588
Total non-current liabilities		**204,597,432**	206,962,181

	Notes	**As at 30 June 2024**	As at 31 December 2023
EQUITY AND LIABILITIES (CONTINUED)			
Current liabilities			
Accounts payable and other liabilities	*8*	**56,624,204**	59,851,144
Contract liabilities		**647,515**	3,380,245
Taxes payable		**1,964,679**	2,363,028
Dividends payable		**3,642,271**	554,684
Derivative financial liabilities		**87,429**	240,177
Short-term bonds	*9*	**10,019,484**	6,110,228
Short-term loans		**58,078,649**	57,232,729
Current portion of long-term loans		**27,003,171**	21,076,582
Current portion of long-term bonds	*7*	**12,526,239**	11,829,844
Current portion of lease liabilities		**1,390,565**	1,279,447
Current portion of other non-current liabilities		**475,552**	81,246
Total current liabilities		**172,459,758**	163,999,354
Total liabilities		**377,057,190**	370,961,535
Total equity and liabilities		**561,272,942**	550,316,013

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE SIX MONTHS ENDED 30 JUNE 2024

(Amounts expressed in thousands of RMB, except per share data)

	Notes	For the six months ended 30 June **2024**	2023
Operating revenue	*3*	**118,805,858**	126,032,267
Tax and levies on operations		**(899,578)**	(734,310)
		117,906,280	125,297,957
Operating expenses			
Fuel		**(68,114,025)**	(77,500,816)
Maintenance		**(1,860,524)**	(1,707,585)
Depreciation	*11*	**(12,735,237)**	(12,609,061)
Labour		**(8,684,645)**	(7,418,569)
Purchase of electricity		**(5,235,914)**	(7,782,736)
Reversal/(provision) of impairment losses on financial and contract assets		**19,489**	(62,108)
Research and developments cost		**(607,837)**	(512,847)
Others	*11*	**(6,193,339)**	(5,653,872)
Total operating expenses		**(103,412,032)**	(113,247,594)
Profit from operations		**14,494,248**	12,050,363
Interest income		**298,564**	210,301
Financial expenses, net			
Interest expense	*11*	**(4,041,700)**	(4,549,521)
Exchange loss and bank charges, net		**(234,721)**	(58,142)
Total financial expenses, net		**(4,276,421)**	(4,607,663)
Share of profits and losses of associates and joint ventures		**858,119**	780,552
Other investment income		**1,634**	1,659

	Notes	For the six months ended 30 June 2024	2023
Profit before income tax expense	*11*	**11,376,144**	8,435,212
Income tax expense	*12*	**(1,945,680)**	(1,626,072)
Net profit		**9,430,464**	6,809,140
Other comprehensive income, net of tax			
Items that will not be reclassified to profit or loss:			
Fair value changes of other equity instrument investments		**–**	5,750
Share of other comprehensive loss of joint ventures and associates		**(184,033)**	(13,437)
Income tax effect		**–**	(1,438)
Items that may be reclassified subsequently to profit or loss:			
Share of other comprehensive income of joint ventures and associates		**13,721**	14,289
Cash flow hedges:			
Effective portion of changes in fair value of hedging instruments		**640,649**	4,943
Reclassification adjustments for (losses)/gains included in profit or loss		**(88,403)**	267,235
Exchange differences on translation of foreign operations		**(120,157)**	(276,519)
Income tax effect		**(93,882)**	(46,270)
Other comprehensive income, net of tax		**167,895**	(45,447)
Total comprehensive income		**9,598,359**	6,763,693

	Notes	For the six months ended 30 June 2024	2023
Net profit attributable to:			
– Equity holders of the Company		**7,774,991**	6,489,663
– Non-controlling interests		**1,655,473**	319,477
Total comprehensive income attributable to:			
– Equity holders of the Company		**7,840,389**	6,863,532
– Non-controlling interests		**1,757,970**	(99,839)
Earnings per share attributable to the ordinary shareholders of the Company (expressed in RMB per share)			
– Basic and diluted	*13*	**0.40**	0.32

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX MONTHS ENDED 30 JUNE 2024

(Amounts expressed in thousands of RMB unless otherwise stated)

1. BASIS OF PREPARATION

This unaudited interim condensed consolidated financial information ("interim financial information") for the six months ended 30 June 2024 has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, and International Accounting Standard ("IAS") 34 *Interim Financial Reporting*. This interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2023, which have been prepared in accordance with International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board (the "IASB"). This interim financial information was approved for issuance on 30 July 2024.

The accounting policies adopted in the preparation of the interim financial information 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 revised IFRSs effective as of 1 January 2024. Details of any changes in accounting policies are set out in Note 2.

The preparation of interim financial information in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial information contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2023 annual financial statements. The interim condensed consolidated financial statements and notes thereto do not include all the information required for a full set of financial statements prepared in accordance with IFRSs.

The financial information relating to the financial year ended 31 December 2023 that is included in the interim financial information as comparative information does not constitute the Company's annual consolidated financial statements for that financial year but is derived from those financial statements. The annual consolidated financial statements for the year ended 31 December 2023 are available from the Company's registered office. The auditors have expressed an unqualified opinion on those financial statements in their report dated 19 March 2024.

As at and for the six months ended 30 June 2024, a portion of the Group's funding requirements for capital expenditures was partially satisfied by short-term financing. Consequently, as at 30 June 2024, the Group had net current liabilities of approximately Renminbi Yuan ("RMB") 76.817 billion. Taking into consideration of the Group's undrawn available banking facilities exceeded RMB350.0 billion as at 30 June 2024, the Group expects to refinance certain of its short-term loans and bonds and also considers alternative sources of financing, where applicable and when needed. Therefore, the directors of the Company are of the opinion that the Group will be able to meet its liabilities as they fall due within the next twelve months and accordingly, the interim financial information is prepared on a going concern basis.

2. MATERIAL ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim 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 following revised IFRSs for the first time for the current period's financial information.

Amendments to IFRS 16	*Lease Liability in a Sale and Leaseback*
Amendments to IAS 1	*Classification of Liabilities as Current or Non-current (the "2020 Amendments")*
Amendments to IAS 1	*Non-current Liabilities with Covenants (the "2022 Amendments")*
Amendments to IAS 7 and IFRS 7	*Supplier Finance Arrangements*

The nature and impact of the revised IFRSs that are applicable to the Group are described below:

(a) Amendments to IFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. Since the Group has no sale and leaseback transactions with variable lease payments that do not depend on an index or a rate occurring from the date of initial application of IFRS 16, the amendments did not have any impact on the financial position or performance of the Group.

(b) The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The 2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period.

    The Group has reassessed the terms and conditions of its liabilities as at 1 January 2023 and 2024 and concluded that the classification of its liabilities as current or non-current remained unchanged upon initial application of the amendments. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.

3. REVENUE AND SEGMENT INFORMATION

(a) Disaggregation of revenue

In the following table, revenue is disaggregated by major products and/or service lines of revenue recognition. The table also includes a reconciliation of the disaggregated operating revenue to the Group's reportable segments (Note 3(b)).

	PRC power segment	Overseas power segment	All other segments	Inter-segment revenue	Total
		Note i			
For the six months ended 30 June 2024					
– Sales of power and heat	**103,098,377**	**11,790,598**	**–**	**–**	**114,888,975**
– Sales of coal and raw materials	**706,135**	**19,188**	**–**	**–**	**725,323**
– Port service	**–**	**–**	**325,128**	**(202,187)**	**122,941**
– Transportation service	**–**	**–**	**95,775**	**(65,445)**	**30,330**
– Lease income	**36,500**	**692,616**	**–**	**–**	**729,116**
– Others	**1,121,883**	**1,181,508**	**15,433**	**(9,651)**	**2,309,173**
Total	**104,962,895**	**13,683,910**	**436,336**	**(277,283)**	**118,805,858**

	PRC power segment	Overseas power segment	All other segments	Inter-segment revenue	Total
		Note i			
For the six months ended 30 June 2023					
– Sales of power and heat	105,669,024	16,053,896	–	–	121,722,920
– Sales of coal and raw materials	566,558	5,500	–	–	572,058
– Port service	–	–	339,940	(213,138)	126,802
– Transportation service	–	–	100,561	(60,304)	40,257
– Lease income	47,842	676,491	–	–	724,333
– Others	1,216,561	1,623,920	16,927	(11,511)	2,845,897
Total	107,499,985	18,359,807	457,428	(284,953)	126,032,267

Note i: Overseas power segment mainly consists of the operations in Singapore and Pakistan.

The revenue from the sale of power and heat and the sale of coal and raw materials is recognised at the point in time upon the transfer of products, whereas the revenue from port service, transportation service, maintenance service, and heating pipeline service is recognised over time during the provision of such services. Lease income is recognised over the lease term.

(b) Segment information

Directors and certain senior management of the Company perform the function as the chief operating decision maker (collectively referred to as the "senior management"). The senior management reviews the internal reporting of the Group in order to assess performance and allocate resources. The Company has determined the operating segments based on these reports. The reportable segments of the Group are the PRC power segment, overseas power segment and all other segments (mainly including port and transportation operations). No operating segments have been aggregated to form a reportable segment.

Senior management assesses the performance of the operating segments based on a measure of profit before income tax expense under China Accounting Standards for Business Enterprises ("PRC GAAP") excluding dividend income received from other equity instrument investments, share of profits of China Huaneng Finance Co., Ltd. ("Huaneng Finance") and operating results of the centrally managed and resource allocation functions of the headquarters ("segment results"). Other information provided, except as noted below, to the senior management of the Company is measured under PRC GAAP.

Segment assets exclude prepaid income tax, deferred income tax assets, other equity instrument investments, investment in Huaneng Finance and assets related to the centrally managed and resource allocation functions of the headquarters that are not attributable to any operating segment ("corporate assets"). Segment liabilities exclude current income tax liabilities, deferred income tax liabilities and liabilities related to the centrally managed and resource allocation functions of the headquarters that are not attributable to any operating segment ("corporate liabilities"). These are part of the reconciliation to total assets and liabilities of the statement of financial position.

All sales among the operating segments have been eliminated as internal transactions when preparing consolidated financial statements.

(Under PRC GAAP)

	PRC power segment	Overseas power segment	All other segments	Total
For the six months ended 30 June 2024				
Total revenue	**104,962,895**	**13,683,910**	**436,336**	**119,083,141**
Intersegment revenue	**–**	**–**	**(277,283)**	**(277,283)**
Revenue from external customers	**104,962,895**	**13,683,910**	**159,053**	**118,805,858**
Segment results	**8,916,541**	**2,182,176**	**163,436**	**11,262,153**
Interest income	**85,103**	**209,750**	**3,711**	**298,564**
Interest expense	**(3,507,363)**	**(484,666)**	**(49,671)**	**(4,041,700)**
Impairment loss	**(543)**	**(136)**	**–**	**(679)**
Reversal of credit loss	**1,372**	**18,117**	**–**	**19,489**
Depreciation and amortisation	**(12,149,763)**	**(362,770)**	**(148,137)**	**(12,660,670)**
Net loss on disposal of non-current assets	**(68,223)**	**(668)**	**–**	**(68,891)**
Share of profits and losses of associates and joint ventures	**596,422**	**–**	**162,759**	**759,181**
Income tax expense	**(1,683,481)**	**(342,462)**	**(6,859)**	**(2,032,802)**

(Under PRC GAAP)

	PRC power segment	Overseas power segment	All other segments	Total
For the six months ended 30 June 2023				
Total revenue	107,499,985	18,359,807	457,428	126,317,220
Intersegment revenue	–	–	(284,953)	(284,953)
Revenue from external customers	107,499,985	18,359,807	172,475	126,032,267
Segment results	5,080,978	3,219,503	118,356	8,418,837
Interest income	96,844	112,605	852	210,301
Interest expense	(3,873,134)	(613,195)	(58,656)	(4,544,985)
Reversal of impairment loss	(444)	461	–	17
Credit loss	1,303	(63,411)	–	(62,108)
Depreciation and amortisation	(11,856,057)	(353,399)	(128,706)	(12,338,162)
Net gain on disposal of non-current assets	101,443	35	(3)	101,475
Share of profits and losses of associates and joint ventures	574,012	–	84,641	658,653
Income tax expense	(1,197,632)	(513,074)	(16,606)	(1,727,312)

(Under PRC GAAP)

	PRC power segment	Overseas power segment	All other segments	Total
30 June 2024				
Segment assets	**492,240,232**	**42,628,303**	**10,624,841**	**545,493,376**
Including:				
Additions to non-current assets (excluding financial assets and deferred income tax assets)	**20,387,064**	**70,430**	**207,203**	**20,664,697**
Investments in associates	**13,426,462**	**–**	**5,694,387**	**19,120,849**
Investments in joint ventures	**1,640,856**	**–**	**948,258**	**2,589,114**
Segment liabilities	**(350,685,688)**	**(20,131,104)**	**(1,798,358)**	**(372,615,150)**

(Under PRC GAAP)

	PRC power segment	Overseas power segment	All other segments	Total
31 December 2023				
Segment assets	481,211,396	42,142,777	10,483,831	533,838,004
Including:				
Additions to non-current assets (excluding financial assets and deferred income tax assets)	68,329,270	235,865	101,597	68,666,732
Investments in associates	13,100,088	–	5,501,131	18,601,219
Investments in joint ventures	1,320,945	–	893,971	2,214,916
Segment liabilities	(343,289,950)	(21,690,531)	(1,876,151)	(366,856,632)

A reconciliation of segment results to profit before income tax expense is provided as follows:

	For the six months ended 30 June	
	2024	2023
Segment results (PRC GAAP)	**11,262,153**	8,418,837
Reconciling items (PRC GAAP):		
Loss related to the headquarters	**(143,054)**	(142,029)
Investment income from Huaneng Finance	**69,945**	68,394
Dividend income of other equity instrument investments	**–**	2
Subtotal	**11,189,044**	8,345,204
Impact of IFRSs adjustments*	**187,100**	90,008
Profit before income tax expense per unaudited interim condensed consolidated statement of comprehensive income	**11,376,144**	8,435,212

Reportable segments' assets are reconciled to total assets as follows:

	As at 30 June 2024	As at 31 December 2023
Total segment assets (PRC GAAP)	**545,493,376**	533,838,004
Reconciling items (PRC GAAP):		
Investment in Huaneng Finance	**1,871,294**	1,869,349
Deferred income tax assets	**3,831,958**	4,401,902
Prepaid income tax	**142,933**	148,074
Other equity instrument investments	**642,923**	642,923
Corporate assets	**263,796**	259,029
Subtotal	**552,246,280**	541,159,281
Impact of IFRSs adjustments*	**9,026,662**	9,156,732
Total assets per unaudited interim condensed consolidated statement of financial position	**561,272,942**	550,316,013

Reportable segments' liabilities are reconciled to total liabilities as follows:

	As at 30 June 2024	As at 31 December 2023
Total segment liabilities (PRC GAAP)	**(372,615,150)**	(366,856,632)
Reconciling items (PRC GAAP):		
Current income tax liabilities	**(938,329)**	(940,307)
Deferred income tax liabilities	**(1,454,495)**	(1,284,155)
Corporate liabilities	**(795,344)**	(715,626)
Subtotal	**(375,803,318)**	(369,796,720)
Impact of IFRSs adjustments*	**(1,253,872)**	(1,164,815)
Total liabilities per unaudited interim condensed consolidated statement of financial position	**(377,057,190)**	(370,961,535)

Other material items:

	Reportable segment total	Headquarters	Share of profits of Huaneng Finance	Impact of other IFRSs adjustments*	Total
For the six months ended 30 June 2024					
Total revenue	**118,805,858**	**–**	**–**	**–**	**118,805,858**
Interest income	**298,564**	**–**	**–**	**–**	**298,564**
Interest expense	**(4,041,700)**	**–**	**–**	**–**	**(4,041,700)**
Depreciation and amortisation	**(12,660,670)**	**(18,530)**	**–**	**(129,775)**	**(12,808,975)**
Impairment loss	**(679)**	**–**	**–**	**–**	**(679)**
Reversal of credit loss	**19,489**	**–**	**–**	**–**	**19,489**
Share of profits and losses of associates and joint ventures	**759,181**	**–**	**69,945**	**28,993**	**858,119**
Net loss on disposal of non-current assets	**(68,891)**	**–**	**–**	**(6,475)**	**(75,366)**
Income tax expense	**(2,032,802)**	**–**	**–**	**87,122**	**(1,945,680)**

	Reportable segment total	Headquarters	Share of profits of Huaneng Finance	Impact of other IFRSs adjustments*	Total
For the six months ended 30 June 2023					
Total revenue	126,032,267	–	–	–	126,032,267
Interest income	210,301	–	–	–	210,301
Interest expense	(4,544,985)	(4,536)	–	–	(4,549,521)
Depreciation and amortisation	(12,338,162)	(19,595)	–	(346,441)	(12,704,198)
Reversal of impairment loss	17	–	–	–	17
Credit loss	(62,108)	–	–	–	(62,108)
Share of profits and losses of associates and joint ventures	658,653	–	68,394	53,505	780,552
Net gain/(loss) on disposal of non-current assets	101,475	–	–	(868)	100,607
Income tax expense	(1,727,312)	–	–	101,240	(1,626,072)

* IFRSs adjustments above primarily represented the classification adjustments and adjustments related to business combinations under common control and borrowing costs. Other than the classification adjustments, the differences will be gradually eliminated following subsequent depreciation and amortisation of related assets or the extinguishment of liabilities.

Geographical information (Under IFRSs):

(i) External revenue generated from the following countries:

	For the six months ended 30 June	
	2024	2023
PRC	**105,121,948**	107,672,460
Overseas	**13,683,910**	18,359,807
Total	**118,805,858**	126,032,267

The geographical location of customers is based on the location at which the electricity was transferred, goods were delivered, and services were provided.

(ii) Non-current assets (excluding financial assets and deferred income tax assets) are located in the following countries:

	As at 30 June 2024	As at 31 December 2023
PRC	**430,244,738**	422,749,621
Overseas	**22,258,720**	22,934,605
Total	**452,503,458**	445,684,226

The non-current asset information above is based on the locations of the assets.

The information on sales to major customers of the Group which accounted for 10% or more of external revenue is as follows:

For the six months ended 30 June 2024, the revenue from grid companies under common control of State Grid Corporation of China within the PRC power segment in total accounted for 77% of external revenue (for the six months ended 30 June 2023: 76%). The sales to a subsidiary of State Grid Corporation of China which accounted for 10% or more of external revenue is as follows:

	For the six months ended 30 June			
	2024		2023	
	Amount	**Proportion**	Amount	Proportion
State Grid Shandong Electric Power Company	**16,127,084**	**14%**	17,459,000	14%

4. OTHER RECEIVABLES AND ASSETS

Other receivables and assets comprised the following:

	As at 30 June 2024	As at 31 December 2023
Prepayments for inventories	**5,835,505**	5,571,287
Prepaid income tax	**142,933**	148,074
Others	**362,493**	285,586
Subtotal of prepayments	**6,340,931**	6,004,947
Less: Loss allowance	**–**	2,638
Total prepayments, net	**6,340,931**	6,002,309
Dividends receivable	**340,928**	341,078
Receivables from sales of fuel	**133,340**	69,039
Others	**3,439,506**	2,941,228
Subtotal of other receivables	**3,913,774**	3,351,345
Less: Loss allowance	**308,187**	315,616
Total other receivables, net	**3,605,587**	3,035,729
VAT recoverable	**4,506,082**	4,161,655
Finance lease receivables	**1,042,451**	967,102
Designated loan to a joint venture	**68,120**	70,123
Others	**467,015**	641,245
Subtotal of other assets	**6,083,668**	5,840,125
Less: Loss allowance	**127,870**	127,870

	As at 30 June 2024	As at 31 December 2023
Total other assets, net	**5,955,798**	5,712,255
Gross total	**16,338,373**	15,196,417
Net total	**15,902,316**	14,750,293

5. ACCOUNTS AND NOTES RECEIVABLE

Accounts and notes receivable comprised the following:

	As at 30 June 2024	As at 31 December 2023
Accounts receivable	**45,306,770**	45,956,773
Notes receivable	**680,225**	1,314,425
	45,986,995	47,271,198
Less: Loss allowance	**129,708**	130,524
Total	**45,857,287**	47,140,674
Analysed into:		
Accounts receivable		
– At amortised cost	**45,306,770**	45,956,773
Notes receivable		
– At amortised cost	**680,225**	1,314,425

Ageing analysis of accounts receivable and notes receivable based on the invoice date was as follows:

	As at 30 June 2024	As at 31 December 2023
Within 1 year	**44,837,456**	46,235,487
Between 1 and 2 years	**383,475**	694,239
Between 2 and 3 years	**571,649**	152,760
Over 3 years	**194,415**	188,712
Total	**45,986,995**	47,271,198

As at 30 June 2024, the maturity period of the notes receivable ranged from 1 month to 12 months (31 December 2023: from 1 month to 12 months).

6. DIVIDENDS OF ORDINARY SHARES AND CUMULATIVE DISTRIBUTION OF OTHER EQUITY INSTRUMENTS

(a) Dividends of ordinary shares

On 25 June 2024, upon the approval from shareholders at the annual general meeting, the Company declared a cash dividend of RMB0.20 (inclusive of tax) for each ordinary share amounting to RMB3,140 million for the year of 2023 (2022: nil). As at 30 June 2024, the dividend has not yet been paid.

(b) Cumulative distribution of other equity instruments

Type of Instruments	Issuance Date	Category	Initial Distribution Rate	Issue Price	Number	Par Value	Initial Period	Conversion Condition	Conversion Result
Yingda Insurance Financing Plan (1st)	September 2018	Equity Instrument	5.79%	–	–	3,283,000	8 years	None	None
Yingda Insurance Financing Plan (2nd)	September 2018	Equity Instrument	5.79%	–	–	827,000	8 years	None	None
Yingda Insurance Financing Plan (3rd)	September 2018	Equity Instrument	5.79%	–	–	890,000	8 years	None	None
China Life Financing Plan (1st)	September 2019	Equity Instrument	5.05%	–	–	2,070,000	8 years	None	None
PICC Financing Plan (1st)	September 2019	Equity Instrument	5.10%	–	–	930,000	10 years	None	None
China Life Financing Plan (2nd)	October 2019	Equity Instrument	5.05%	–	–	2,260,000	8 years	None	None
PICC Financing Plan (2nd)	October 2019	Equity Instrument	5.10%	–	–	1,740,000	10 years	None	None
2019 medium-term notes (4th) (type II)	November 2019	Equity Instrument	4.53%	0.1	15,000,000	1,500,000	5 years	None	None
2020 perpetual corporate bond (1st) (type II)	March 2020	Equity Instrument	3.85%	0.1	10,000,000	1,000,000	5 years	None	None
China Life Financing Plan (3rd)	April 2020	Equity Instrument	4.75%	–	–	3,570,000	8 years	None	None
PICC Financing Plan (3rd)	April 2020	Equity Instrument	4.75%	–	–	930,000	10 years	None	None
PICC Financing Plan (4th)	August 2020	Equity Instrument	4.60%	–	–	3,000,000	10 years	None	None
2022 medium-term notes (5th)	July 2022	Equity Instrument	2.93%	0.1	20,000,000	2,000,000	3 years	None	None
2022 medium-term notes (8th)	September 2022	Equity Instrument	2.78%	0.1	5,000,000	500,000	3 years	None	None
2022 medium-term notes (9th)	October 2022	Equity Instrument	2.78%	0.1	20,000,000	2,000,000	3 years	None	None
2022 medium-term notes (10th)	October 2022	Equity Instrument	2.72%	0.1	20,000,000	2,000,000	3 years	None	None
2022 medium-term notes (11th)	November 2022	Equity Instrument	2.66%	0.1	25,000,000	2,500,000	3 years	None	None
Huaneng Trust (1st)	September 2022	Equity Instrument	2.91%	–	–	2,500,000	5 years	None	None
Huaneng Trust (2nd)	October 2022	Equity Instrument	3.06%	–	–	3,050,000	5 years	None	None

Type of Instruments	Issuance Date	Category	Initial Distribution Rate	Issue Price	Number	Par Value	Initial Period	Conversion Condition	Conversion Result
Huaneng Trust (3rd)	November 2022	Equity Instrument	3.11%	–	–	4,000,000	5 years	None	None
Huaneng Trust (4th)	November 2022	Equity Instrument	3.11%	–	–	4,000,000	5 years	None	None
2023 medium-term notes (1st Energy Supply Bond)	January 2023	Equity Instrument	3.93%	0.1	30,000,000	3,000,000	3 years	None	None
2023 medium-term notes (2nd Energy Supply Bond)	February 2023	Equity Instrument	3.74%	0.1	30,000,000	3,000,000	3 years	None	None
2023 medium-term notes (3rd Energy Supply Bond)	February 2023	Equity Instrument	3.55%	0.1	30,000,000	3,000,000	3 years	None	None
2023 medium-term notes (4th Energy Supply Bond)	February 2023	Equity Instrument	3.58%	0.1	25,000,000	2,500,000	3 years	None	None
2023 medium-term notes (5th Energy Supply Bond)	March 2023	Equity Instrument	3.61%	0.1	30,000,000	3,000,000	3 years	None	None
2023 medium-term notes (6th)	March 2023	Equity Instrument	3.38%	0.1	20,000,000	2,000,000	2 years	None	None
2023 medium-term notes (7th Energy Supply Bond)	March 2023	Equity Instrument	3.53%	0.1	25,000,000	2,500,000	3 years	None	None
2023 medium-term notes (8th)	April 2023	Equity Instrument	3.23%	0.1	20,000,000	2,000,000	2 years	None	None
2023 medium-term notes (9th)	April 2023	Equity Instrument	3.21%	0.1	20,000,000	2,000,000	2 years	None	None
2023 medium-term notes (10th)	April 2023	Equity Instrument	3.14%	0.1	15,000,000	1,500,000	2 years	None	None
2023 medium-term notes (11th)	June 2023	Equity Instrument	2.96%	0.1	20,000,000	2,000,000	2 years	None	None
2023medium-term notes (12th)	June 2023	Equity Instrument	2.92%	0.1	15,000,000	1,500,000	2 years	None	None
2023 medium-term notes (13th)	August 2023	Equity Instrument	2.75%	0.1	20,000,000	2,000,000	2 years	None	None
2023 medium-term notes (14th)	September 2023	Equity Instrument	3.05%	0.1	20,000,000	2,000,000	2 years	None	None
2023 medium-term notes (15th)	September 2023	Equity Instrument	3.08%	0.1	20,000,000	2,000,000	2 years	None	None
Total						78,550,000			

The perpetual corporate bonds, financing plans and medium-term notes were recorded as other equity instruments in the consolidated financial statements. The interest of the perpetual corporate bonds, financing plans and medium-term notes were recorded as distributions, which were paid annually in arrears in each year and may be deferred at the discretion of the Company unless compulsory distribution payment events (distributions to ordinary shareholders of the Company or reduction of the registered capital of the Company) occur. The Company has the right to defer current interest and all deferred interest. The perpetual corporate bonds, financing plans and medium-term notes have no fixed maturity date and are callable at the Company's discretion at specific time, and the payment of the principal may be deferred for each renewal period. The applicable distribution rate will be reset on the first call date and for each renewal period after the first call date, to the sum of the applicable benchmark interest rate, the initial spread, and 300 basis points per annum, and will remain it afterwards.

During the six months ended 30 June 2024, the profit attributable to holders of other equity instruments, based on the applicable distribution rate, was RMB1,458 million (for the six months ended 30 June 2023: RMB1,429 million). During the six months ended 30 June 2024, the Company distributed RMB1,514 million (for the six months ended 30 June 2023: RMB911 million) to holders of other equity instruments.

7. LONG-TERM BONDS

Long-term bonds comprised the following:

	As at 30 June 2024	As at 31 December 2023
2016 corporate bonds 1st batch (10 years)	**1,202,393**	1,226,393
2018 corporate bonds 2nd batch (10 years)	**5,203,652**	5,078,071
2019 corporate bonds 1st batch (10 years)	**2,320,484**	2,374,770
2019 medium-term notes 1st batch (5 years)	**1,554,831**	1,525,395
2020 corporate bonds (5 years) – SSPL	**2,165,361**	2,141,288
2020 corporate bonds (10 years) – SSPL	**2,157,749**	2,133,796

	As at 30 June 2024	As at 31 December 2023
2021 green medium-term notes 1st batch (3 years)	**–**	1,034,386
2021 green medium-term notes 2nd batch (3 years)	**–**	2,560,568
2021 corporate bonds 1st batch (3 years)	**–**	510,209
2021 corporate bonds 1st batch (10 years)	**1,506,213**	1,536,230
2021 corporate bonds 2nd batch (3 years)	**–**	509,509
2021 corporate bonds 2nd batch (10 years)	**3,509,167**	3,579,205
2021 corporate bonds 3rd batch (10 years)	**1,801,983**	1,838,184
2021 medium-term notes 1st batch (3 years)	**2,052,301**	2,022,076
2021 medium-term notes 2nd batch (3 years)	**2,036,865**	2,006,221
2021 medium-term notes 1st batch (3 years) – Jiangsu	**304,534**	300,121
2022 medium-term notes 1st batch (10 years)	**1,513,990**	1,548,889
2022 medium-term notes 2nd batch (3 years)	**3,026,817**	3,068,840
2022 medium-term notes 3rd batch (10 years)	**1,505,058**	1,539,649
2022 medium-term notes 1st batch (3 years) – Jiangsu	**502,640**	510,000
2022 medium-term notes 4th batch (2 years)	**–**	303,834
2022 medium-term notes 6th batch (3 years)	**2,041,309**	2,016,484
2022 medium-term notes 7th batch (2 years)	**509,250**	504,100
2024 medium-term notes 1st batch (10 years)	**1,012,958**	–
2024 green medium-term notes 1st batch (3 years)	**2,512,019**	–
2024 medium-term notes 2nd batch (20 years)	**1,003,877**	–
2024 medium-term notes 3rd batch (10 years)	**2,006,686**	–
Subtotal	**41,450,137**	39,868,218
Less: Current portion of long-term bonds	**12,526,239**	11,829,844
Total	**28,923,898**	28,038,374

Details of the outstanding corporate bonds, medium-term notes and debt financing instruments of the Group as at 30 June 2024 are summarised as follows:

Type of Instruments	Face Value	Issuance Date	Initial Period	Initial Distribution Rate	Effective Rate	Issue Price	Balance as at 31 December 2023	Issued Amount	Amortisation	Interest	Repayment	Foreign Exchange Gain	Foreign Currency Translation Differences	Interest Payable	Balance as at 30 June 2024
2016 corporate bonds 1st batch (10 years)	1,200,000	June 2016	10 years	3.98%	3.98%	1,200,000	1,226,393	–	5	23,755	(47,760)	–	–	2,356	1,202,393
2018 corporate bonds 2nd batch (10 years)	5,000,000	September 2018	10 years	5.05%	5.05%	5,000,000	5,078,071	–	21	125,560	–	–	–	203,518	5,203,652
2019 corporate bonds 1st batch (10 years)	2,300,000	April 2019	10 years	4.70%	4.70%	2,300,000	2,374,770	–	4	53,810	(108,100)	–	–	20,435	2,320,484
2019 medium-term notes 1st batch (5 years)	1,500,000	July 2019	5 years	3.85%	3.96%	1,500,000	1,525,395	–	719	28,717	–	–	–	54,910	1,554,831
2020 corporate bonds (5 years) – SSPL	2,108,865	February 2020	5 years	2.25%	2.32%	2,108,865	2,141,288	–	1,252	23,896	(23,960)	102,206	(79,321)	17,491	2,165,361
2020 corporate bonds (10 years) – SSPL	2,108,865	February 2020	10 years	2.63%	2.72%	2,108,865	2,133,796	–	993	27,878	(27,953)	102,206	(79,171)	20,406	2,157,749
2021 green medium-term notes 1st batch (3 years)	1,000,000	February 2021	3 years	3.45%	3.66%	1,000,000	1,034,386	–	(3,572)	3,686	(1,034,500)	–	–	–	–
2021 green medium-term notes 2nd batch (3 years)	2,500,000	April 2021	3 years	3.35%	3.40%	2,500,000	2,560,568	–	(1,073)	24,255	(2,583,750)	–	–	–	–
2021 corporate bonds 1st batch (3 years)	500,000	May 2021	3 years	3.35%	3.35%	500,000	510,209	–	(22)	6,563	(516,750)	–	–	–	–
2021 corporate bonds 1st batch (10 years)	1,500,000	May 2021	10 years	3.97%	3.97%	1,500,000	1,536,230	–	3	29,530	(59,550)	–	–	6,200	1,506,213
2021 corporate bonds 2nd batch (3 years)	500,000	June 2021	3 years	3.33%	3.33%	500,000	509,509	–	(21)	7,162	(516,650)	–	–	–	–
2021 corporate bonds 2nd batch (10 years)	3,500,000	June 2021	10 years	3.97%	3.97%	3,500,000	3,579,205	–	7	68,905	(138,950)	–	–	9,136	3,509,167
2021 corporate bonds 3rd batch (10 years)	1,800,000	June 2021	10 years	3.99%	3.99%	1,800,000	1,838,184	–	4	35,615	(71,820)	–	–	1,968	1,801,983
2021 medium-term notes 1st batch (3 years)	2,000,000	August 2021	3 years	2.99%	3.01%	2,000,000	2,022,076	–	489	29,736	–	–	–	51,957	2,052,301
2021 medium-term notes 2nd batch (3 years)	2,000,000	November 2021	3 years	3.07%	3.07%	2,000,000	2,006,221	–	112	30,532	–	–	–	36,739	2,036,865
2021 medium-term notes 1st batch (3 years) – Jiangsu	300,000	December 2021	3 years	2.95%	2.95%	300,000	300,121	–	–	4,413	–	–	–	4,534	304,534
2022 medium-term notes 1st batch (10 years)	1,500,000	February 2022	10 years	3.74%	3.80%	1,500,000	1,548,889	–	(6,719)	27,920	(56,100)	–	–	19,466	1,513,990
2022 medium-term notes 2nd batch (3 years)	3,000,000	March 2022	3 years	2.84%	2.89%	3,000,000	3,068,840	–	734	42,443	(85,200)	–	–	27,778	3,026,817
2022 medium-term notes 3rd batch (10 years)	1,500,000	April 2022	10 years	3.70%	3.76%	1,500,000	1,539,649	–	(6,719)	27,628	(55,500)	–	–	10,644	1,505,058
2022 medium-term notes 1st batch (3 years) – Jiangsu	500,000	April 2022	3 years	2.92%	2.92%	500,000	510,000	–	–	7,240	(14,600)	–	–	20,406	502,640
2022 medium-term notes 4th batch (2 years)	300,000	June 2022	2 years	2.37%	2.40%	300,000	303,834	–	(104)	3,380	(307,110)	–	–	9,267	–
2022 medium-term notes 6th batch (3 years)	2,000,000	August 2022	3 years	2.40%	2.51%	2,000,000	2,016,484	–	956	23,869	–	–	–	19,541	2,041,309
2022 medium-term notes 7th batch (2 years)	500,000	August 2022	2 years	2.14%	2.17%	500,000	504,100	–	(170)	5,320	–	–	–	153	509,250
2024 medium-term notes 1st batch (10 years)	1,000,000	January 2024	10 years	2.91%	2.91%	1,000,000	–	1,000,000	157	12,801	–	–	–	12,801	1,012,958
2024 green medium-term notes 1st batch (3 years)	2,500,000	April 2024	3 years	2.20%	2.20%	2,500,000	–	2,500,000	(36)	12,055	–	–	–	12,055	2,512,019
2024 medium-term notes 2nd batch (20 years)	1,000,000	May 2024	20 years	2.74%	2.74%	1,000,000	–	1,000,000	(26)	3,903	–	–	–	3,904	1,003,877
2024 medium-term notes 3rd batch (10 years)	2,000,000	May 2024	10 years	2.68%	2.68%	2,000,000	–	2,000,000	(69)	6,755	–	–	–	6,755	2,006,686
Total						45,617,730	39,868,218	6,500,000	(13,075)	697,327	(5,648,253)	204,412	(158,492)	572,420	41,450,137

8. ACCOUNTS PAYABLE AND OTHER LIABILITIES

Accounts payable and other liabilities comprised:

	As at 30 June 2024	As at 31 December 2023
Accounts and notes payable	**20,695,679**	22,562,908
Payables to contractors for construction	**25,856,477**	28,239,563
Retention payables to contractors	**1,989,447**	2,015,050
Consideration payables for acquiring a subsidiary	**–**	22,842
Others	**8,082,601**	7,010,781
Total	**56,624,204**	59,851,144

Ageing analysis of accounts and notes payable based on the invoice date, was as follows:

	As at 30 June 2024	As at 31 December 2023
Within 1 year	**18,894,049**	20,595,605
Between 1 and 2 years	**134,826**	1,630,731
Over 2 years	**1,666,804**	336,572
Total	**20,695,679**	22,562,908

9. SHORT-TERM BONDS

Details of the outstanding short-term bonds as at 30 June 2024 are summarised as follows:

Type of Instruments	Face Value	Issuance Date	Maturity	Coupon Rate	Issue Price	Balance as at 31 December 2023	Issued Amount	Interest	Amortisation	Repayment	Balance as at 30 June 2024
Super short-term bond (JiangSu 2023 5th)	600,000	November 2023	57 days	2.25%	600,000	601,439	–	–	–	(601,439)	–
Super short-term bond (2023 19th)	3,000,000	December 2023	34 days	2.33%	3,000,000	3,004,794	–	1,719	(19)	(3,006,494)	–
Super short-term bond (2023 20th)	2,500,000	December 2023	35 days	2.33%	2,500,000	2,503,995	–	1,592	(16)	(2,505,571)	–
Super short-term bond (2024 1st)	1,000,000	March 2024	37 days	1.84%	1,000,000	–	1,000,000	1,815	–	(1,001,815)	–
Super short-term bond (2024 2nd)	2,000,000	April 2024	34 days	1.79%	2,000,000	–	2,000,000	3,335	–	(2,003,335)	–
Super short-term bond (2024 3rd)	4,000,000	May 2024	64 days	1.71%	4,000,000	–	4,000,000	9,745	76	–	4,009,821
Super short-term bond (2024 4th)	3,000,000	May 2024	62 days	1.67%	3,000,000	–	3,000,000	6,314	47	–	3,006,361
Super short-term bond (2024 5th)	2,000,000	June 2024	59 days	1.73%	2,000,000	–	2,000,000	2,654	25	–	2,002,679
Super short-term bond (JiangSu 2024 1st)	800,000	February 2024	2 months	1.99%	800,000	–	800,000	1,957	–	(801,957)	–
Super short-term bond (JiangSu 2024 2nd Sci-tech Innovation Bond)	400,000	March 2024	2 months	2.06%	400,000	–	400,000	1,174	–	(401,174)	–
Super short-term bond (JiangSu 2024 3rd Sci-tech Innovation Bond)	600,000	April 2024	1 month	1.90%	600,000	–	600,000	1,156	–	(601,156)	–
Super short-term bond (JiangSu 2024 4th Sci-tech Innovation Bond)	1,000,000	May 2024	1 month	1.69%	1,000,000	–	1,000,000	1,621	–	(1,001,621)	–
Super short-term bond (JiangSu 2024 5th Sci-tech Innovation Bond)	1,000,000	June 2024	1 month	1.75%	1,000,000	–	1,000,000	623	–	–	1,000,623
Total					21,900,000	6,110,228	15,800,000	33,705	113	(11,924,562)	10,019,484

10. ADDITIONAL FINANCIAL INFORMATION ON UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2024, the net current liabilities of the Group amounted to approximately RMB76.817 billion (31 December 2023: RMB73.255 billion), total assets less current liabilities were approximately RMB388.813 billion (31 December 2023: RMB386.317 billion).

11. PROFIT BEFORE INCOME TAX EXPENSE

Profit before income tax expense was determined after charging/(crediting) the following:

	For the six months ended 30 June	
	2024	2023
Total interest expense on borrowings	**4,492,741**	4,880,814
Less: Amounts capitalised in property, plant and equipment	**451,041**	331,293
Interest expenses charged to unaudited interim condensed consolidated statement of comprehensive income	**4,041,700**	4,549,521
Including: Interest expenses on lease liabilities	**159,280**	148,004
Depreciation of property, plant and equipment	**12,218,980**	12,222,167
Depreciation of Investment property	**13,830**	12,212
Depreciation of right-of-use assets	**502,427**	374,682
	12,735,237	12,609,061

	For the six months ended 30 June	
	2024	2023
Included in other operating expenses:		
– Operating expense of Ruyi Pakistan Energy	**932,416**	1,444,849
– Other materials expense	**718,037**	825,745
– Electricity charges	**874,813**	967,656
– Cost of sales of raw materials	**536,625**	361,760
– Water charges	**267,164**	265,661
– Insurance expense	**271,500**	244,721
– Cleaning, greening and fire protection expense	**155,781**	155,758
– Water conservancy fund and disabled security fund	**44,248**	45,683
– Test and inspection expense	**96,617**	81,583
– Service charge	**460,091**	250,693
– Auditors' remuneration-audit services	**13,215**	17,556
– Other consulting expense	**60,115**	78,175
– Transportation allowance	**87,634**	91,810
– Office expense	**125,418**	130,021
– Minimum lease payments under operating leases, lease payments not included in the measurement of lease liabilities	**263,788**	73,298
– Service concession construction cost	**–**	3,980
– Amortisation of other non-current assets	**73,738**	95,137
– Heating pipeline related cost	**79,509**	98,593
– Property management expense	**62,889**	57,610
– Pollutant charge	**13,467**	8,960
– Information technology maintenance expense	**38,169**	39,995
– Travel expense	**73,861**	64,881
– Donations	**22,486**	8,724
– Business entertainment expense	**12,142**	14,836
– Penalties	**32,550**	3,471
– Write-down of/(reversal of write-down of) inventories to net realisable value	**136**	(17)

	For the six months ended 30 June	
	2024	2023
– Impairment loss of other non-current assets	**543**	–
– Net loss/(gain) on disposal of non-current assets	**75,366**	(100,607)
– Government grants	**(440,567)**	(719,873)
– Green Certificate Trading Costs	**38,277**	–
– Service fees on transmission and transformer facilities of HIPDC	**23,974**	23,974
– Safety production expense	**527,894**	535,816
– Others	**651,443**	483,423
Total	**6,193,339**	5,653,872

12. INCOME TAX EXPENSE

	For the six months ended 30 June	
	2024	2023
Current income tax expense	**1,364,459**	1,081,547
Deferred income tax	**581,221**	544,525
Total	**1,945,680**	1,626,072

No Hong Kong profits tax has been provided as there were no estimated assessable profits in Hong Kong for the six months ended 30 June 2024 (for the six months ended 30 June 2023: Nil).

The Company and its PRC branches and subsidiaries are subject to income tax at 25%, except for certain PRC branches and subsidiaries that are tax exempted or taxed at preferential tax rates, as determined in accordance with the relevant PRC income tax rules and regulations for the six months ended 30 June 2024 and 2023.

The income tax rate applicable to Singapore subsidiaries is 17% (for the six months ended 30 June 2023: 17%). The Company's overseas subsidiary in Pakistan engaged in the power generation business is entitled to an income tax exemption according to Pakistani 2015 Fiscal Act. Another subsidiary located in Pakistan is engaged in the provision of maintenance services, before 1 July 2019, the subsidiary's tax liability would be calculated as the amount which is the highest of (i) normal tax at the rate of 29% of taxable income; (ii) Alternative Corporate Tax (ACT) at the rate of 17% of accounting profit; and (iii) minimum tax deductible at 8% of the revenue. If the income tax calculated is above the normal tax at the rate of 29%, it would be carried forward to subsequent years for settlement against the liabilities of the following years. The carryforward period is 5 years in the case of minimum tax and 10 years in the case of ACT. However, from 1 July 2019, if the minimum tax liability is above the normal tax calculated, it cannot be carried forward to subsequent years.

The reconciliation of the effective income tax rate from the statutory income tax rate is as follows:

	For the six months ended 30 June	
	2024	2023
PRC statutory enterprise income tax rate	**25.00%**	25.00%
Effect of different tax rates of certain subsidiaries	**(9.77%)**	(10.63%)
Utilisation of previously unrecognised tax losses and deductible temporary differences	**(1.74%)**	(3.49%)
Unrecognised deductible temporary differences	**0.44%**	0.27%
Unrecognised tax losses for the period	**4.09%**	7.35%
Effect of non-taxable income	**(1.85%)**	(2.29%)
Effect of non-deductible expenses	**0.32%**	0.24%
Others	**0.61%**	2.83%
Effective tax rate	**17.10%**	19.28%

For the six months ended 30 June 2024, the effective tax rate was proportioned by income tax expense to profit before income tax expense (For the six months ended 30 June 2023: income tax expense to profit before income tax expense).

13. EARNINGS PER SHARE

The basic earnings per share is calculated by dividing the consolidated net profit attributable to the equity holders of the Company excluding cumulative distribution of other equity instruments by the weighted average number of the Company's outstanding ordinary shares during the period.

	For the six months ended 30 June	
	2024	2023
Consolidated net profit attributable to equity holders of the Company	**7,774,991**	6,489,663
Less: Cumulative distribution of other equity instruments	**1,457,861**	1,429,357
Consolidated net profit attributable to ordinary shareholders of the Company	**6,317,130**	5,060,306
Weighted average number of the Company's outstanding ordinary shares ('000)	**15,698,093**	15,698,093
Basic and diluted earnings per share (RMB)	**0.40**	0.32

There was no dilutive effect on earnings per share since the Company had no dilutive potential ordinary shares for the six months ended 30 June 2024 and 2023.

B. FINANCIAL INFORMATION EXTRACTED FROM CONSOLIDATED FINANCIAL STATEMENTS PREPARED UNDER PRC GAAP (UNAUDITED)

(Amounts expressed in RMB Yuan unless otherwise stated)

1 FINANCIAL HIGHLIGHTS AND FINANCIAL RATIOS

	For the six months ended 30 June			
	Unit	**2024**	2023	**Fluctuation**
Operating revenue	RMB	**118,805,857,937**	126,032,267,458	(5.73%)
Profit before income tax expense	RMB	**11,189,044,254**	8,345,204,040	34.08%
Net profit attributable to equity holders of the Company	RMB	**7,453,818,372**	6,308,284,637	18.16%
Net profit attributable to equity holders of the Company less non-recurring items	RMB	**7,179,752,066**	5,571,276,098	28.87%
Basic and diluted earnings per share	RMB/share	**0.38**	0.31	22.58%
Basic earnings per share less non-recurring items	RMB/share	**0.36**	0.26	38.46%
Weighted average of return on equity	%	**10.75**	9.90	Increase of 0.85 percentage point
Weighted average of return on equity less non-recurring items	%	**10.26**	8.41	Increase of 1.85 percentage points
Net cash provided by operating activities	RMB	**23,602,935,544**	13,759,731,750	71.54%

	Unit	**As At 30 June 2024**	As At 31 December 2023	**Fluctuation**
Total assets	RMB	**552,246,280,557**	541,159,281,130	2.05%
Equity attributable to equity holders of the Company	RMB	**135,438,001,527**	132,138,663,588	2.50%

Note: The financial ratio:

Earnings per share = Consolidated net profit attributable to ordinary shareholders of the Company (excluding communicative distribution of other equity instruments)/Weighted average number of the Company's outstanding ordinary shares

Weighted average of return on equity = Consolidated net profit attributable to equity holders of the Company/Weighted average number of equity attributable to equity holders of the Company (excluding non-controlling interests) *100%

2 ITEMS AND AMOUNTS OF NON-RECURRING ITEMS

	For the six months ended 30 June 2024
Net gain on disposal of non-current assets, including the reversal of impairment loss on assets	(68,891,768)
Government grants recognized in profit or loss for the current period (except for government grants that are closely related to normal business operations, comply with national policies and regulations, are enjoyed according to determined standards, and have a sustained impact on profit or loss) *(Note 1)*	253,904,418
Profit and loss from entrusting others to invest or manage assets	(8,169,129)
Custody fee income received from entrusted operation	84,365,820
Reversal of loss allowances for receivables and contract assets individually tested for impairments	21,185,453
Profits and losses from entrusted loans	1,872,374
Non-recurring income and expense besides items above	56,597,510
Other items recorded in the profit and loss in accordance with the definition of non-recurring items	(644,268)
Impact of income tax	(18,440,697)
Impact of non-controlling interests (net of tax)	(47,713,407)
	274,066,306

Note 1: The Company and its subsidiaries recognised non-recurring profit and loss items in accordance with the requirement of *Explanatory Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public_ Non-recurring Profit and Loss* (CSRC announcement [2023] No. 65) issued by the China Securities Regulatory Commission.

The items not listed in the *Explanatory Announcement No. 1 on Information Disclosure of Companies Offering Their Securities to the Public – Non recurring Profit and Loss* are recognized as non recurring profit and loss items with significant amounts, and the non recurring profit and loss items listed in the *Explanatory Announcement No. 1 on Information Disclosure of Companies Offering Their Securities to the Public – Non recurring Profit and Loss* are defined as recurring profit and loss items as follows:

	For the six months ended 30 June 2024	**Reason**
Value-added tax levied immediately returned and refund of individual income tax handling fee	92,742,597	Closely related to the normal business of the Company

3 INCOME STATEMENTS

(Amounts expressed in RMB, unless otherwise stated)

	For the six months ended 30 June			
	2024	2023	**2024**	2023
	Consolidated	Consolidated	**Company**	Company
Operating revenue	**118,805,857,937**	126,032,267,458	**13,748,805,743**	14,204,037,661
Less: Operating cost	**100,306,582,976**	110,864,061,248	**12,668,085,166**	13,313,664,784
Taxes and surcharges	**899,577,967**	734,310,076	**193,928,006**	132,359,273
Selling expenses	**111,095,183**	108,700,184	**1,290,362**	11,324,604
General and administrative expenses	**3,024,259,092**	2,688,975,681	**812,960,441**	763,106,091
Research and development expenses	**607,836,591**	512,846,888	**25,390,856**	32,655,109
Financial expenses	**3,977,856,102**	4,397,362,519	**976,937,483**	984,998,797
Including: Interest expenses	**4,041,699,509**	4,549,521,356	**1,167,630,643**	1,131,210,162
Interest income	**298,564,487**	210,300,770	**202,811,394**	155,874,264
Add: Other income	**472,220,655**	772,686,275	**62,474,825**	200,977,080
Investment income	**830,759,624**	728,705,648	**1,366,887,312**	3,482,423,218
Including: investment income from associates and joint ventures	**829,125,948**	727,046,619	**702,955,892**	718,425,681
Credit losses	**19,489,352**	(62,108,488)	**–**	–
Impairment losses	**(679,161)**	17,144	**–**	(460,054)
Loss/(gain) on disposal of non-current assets	**(8,486,407)**	86,286,390	**–**	19,640
Operating profit	**11,191,954,089**	8,251,597,831	**499,575,566**	2,648,888,887
Add: Non-operating income	**151,586,267**	135,009,469	**14,466,100**	30,278,757
Less: Non-operating expenses	**154,496,102**	41,403,260	**26,305,520**	8,982,729
Profit before income tax expense	**11,189,044,254**	8,345,204,040	**487,736,146**	2,670,184,915
Less: Income tax expense	**2,032,801,661**	1,727,312,603	**–**	–
Net profit	**9,156,242,593**	6,617,891,437	**487,736,146**	2,670,184,915

	For the six months ended 30 June			
	2024	2023	**2024**	2023
	Consolidated	Consolidated	**Company**	Company
(1) Classification according to the continuity of operation				
– Continuous operating net profit	**9,156,242,593**	6,617,891,437	**487,736,146**	2,670,184,915
(2) Classification according to ownership				
– Equity holders of the Company	**7,453,818,372**	6,308,284,637	**487,736,146**	2,670,184,915
– Non-controlling interests	**1,702,424,221**	309,606,800	**–**	–
Other comprehensive income, net of tax	**167,894,718**	(45,447,652)	**(170,312,461)**	5,163,851
Other comprehensive income attributable to equity holders of the Company, net of tax	**65,397,232**	373,868,403	**(170,312,461)**	5,163,851
(1) Items that will not be reclassified to profit or loss:	**(184,033,322)**	(9,124,877)	**(184,033,322)**	(9,124,877)
Including:				
Share of other comprehensive income of investees accounted for under the equity method (non-recycling)	**(184,033,322)**	(13,437,494)	**(184,033,322)**	(13,437,494)
Fair value changes of other equity instrument investments	**–**	4,312,617	**–**	4,312,617

	For the six months ended 30 June			
	2024	2023	**2024**	2023
	Consolidated	Consolidated	**Company**	Company
(2) Items that may be reclassified subsequently to profit or loss:	**249,430,554**	382,993,280	**13,720,861**	14,288,728
Including:				
Share of other comprehensive income of investees accounted for under the equity method (recycling)	**13,720,861**	14,288,728	**13,720,861**	14,288,728
Effective portion of cash flow hedges	**449,943,962**	224,664,992	**–**	–
Translation differences of the financial statements of foreign operations	**(214,234,269)**	144,039,560	**–**	–
Other comprehensive income attributable to non-controlling interests, net of tax	**102,497,486**	(419,316,055)	**–**	–
Total comprehensive income	**9,324,137,311**	6,572,443,785	**317,423,685**	2,675,348,766
Attributable to:				
– Equity holders of the Company	**7,519,215,604**	6,682,153,040		
– Non-controlling interests	**1,804,921,707**	(109,709,255)		
Earnings per share				
Basic earnings per share	**0.38**	0.31		
Diluted earnings per share	**0.38**	0.31		

4. FINANCIAL STATEMENTS RECONCILIATION BETWEEN PRC GAAP AND IFRSs

(Amounts expressed in thousands of RMB unless otherwise stated)

The financial statements, which have been prepared by the Group in conformity with PRC GAAP, differ in certain respects from those of IFRSs. The major impact of adjustments for IFRSs, on the consolidated net profit attributable to equity holders of the Company, is summarised as follows:

	For the six months ended 30 June	
	2024	2023
Consolidated net profit attributable to equity holders of the Company under PRC GAAP	**7,453,818**	6,308,285
Impact of IFRSs adjustments:		
Differences in accounting treatment on business combinations under common control and depreciation, amortisation, disposal and impairment of assets acquired in business combinations under common control (A)	**(318,144)**	(356,935)
Difference on depreciation related to borrowing costs capitalised in previous years (B)	**(3,019)**	(9,211)
Difference on reserve funds (C)	**464,357**	431,202
Others	**43,906**	24,952
Applicable deferred income tax impact of the GAAP differences above (D)	**87,122**	101,240
Profit/(loss) attributable to non-controlling interests on the adjustments above	**46,951**	(9,870)
Consolidated net profit attributable to equity holders of the Company under IFRSs	**7,774,991**	6,489,663

(A) DIFFERENCES IN THE ACCOUNTING TREATMENT ON BUSINESS COMBINATIONS UNDER COMMON CONTROL AND DEPRECIATION, AMORTISATION, DISPOSAL AND IMPAIRMENT OF ASSETS ACQUIRED IN BUSINESS COMBINATIONS UNDER COMMON CONTROL

Huaneng Group is the parent company of HIPDC, which in turn is also the ultimate parent of the Company. The Company has carried out a series of acquisitions from Huaneng Group and HIPDC. As the acquired power companies and plants and the Company were under common control of Huaneng Group before and after the acquisitions, such acquisitions were regarded as business combinations under common control.

In accordance with PRC GAAP, for business combinations under common control, the assets and liabilities acquired in business combinations are measured at the carrying amounts of the acquirees in the consolidated financial statements of the ultimate controlling party on the acquisition date. The difference between the carrying amounts of the net assets acquired and the consideration paid is adjusted to the equity account of the acquirer. The operating results for all periods presented are retrospectively restated as if the current structure and operations resulting from the acquisition had been in existence since the beginning of the earliest year presented, with financial data of previously separate entities consolidated. The cash consideration paid by the Company is treated as an equity transaction in the year of acquisition. The subsequent adjustment of contingent consideration after the acquisition date is also accounted for as an equity transaction.

For business combinations occurred prior to 1 January 2007, in accordance with the previous PRC GAAP, when equity interests acquired were less than 100%, the assets and liabilities of the acquirees were measured at their carrying amounts. The excess of the consideration over the proportionate share of the carrying amounts of the net assets acquired was recorded as an equity investment difference and amortised on a straight-line basis for not more than 10 years. When acquiring the entire equity, the entire assets and liabilities are accounted for in a manner similar to purchase accounting. Goodwill arising from such transactions was amortised over the estimated useful lives on a straight-line basis. On 1 January 2007, in accordance with PRC GAAP, the unamortised equity investment differences and goodwill arising from business combinations under common control were written off against undistributed profits.

Under IFRSs, the Company and its subsidiaries have adopted the purchase method to account for the acquisitions above. The assets and liabilities acquired in acquisitions were recorded at fair value by the acquirer. The excess of the acquisition cost over the proportionate share of fair value of net identifiable assets acquired was recorded as goodwill. Goodwill is not amortised but is tested annually for impairment and carried at cost less accumulated impairment losses. The operating results of the acquirees are consolidated in the operating results of the Company and its subsidiaries from the acquisition dates onwards. The contingent consideration not classified as equity is measured at fair value at each reporting date with the changes in fair value recognised in profit or loss, if such changes are not measurement period adjustments.

As mentioned above, the differences in the accounting treatment under PRC GAAP and IFRSs on business combinations under common control affect both equity and profit. Meanwhile, due to different measurement bases of the assets acquired, depreciation and amortisation in the period subsequent to the acquisition will be affected which will also affect the equity and profit or loss upon subsequent disposals and impairment of such investments. Such differences will be gradually eliminated following subsequent depreciation, amortisation and disposal of the related assets.

(B) EFFECT OF DEPRECIATION ON THE CAPITALISATION OF BORROWING COSTS IN PREVIOUS YEARS

In previous years, under the previous PRC GAAP, the scope of capitalisation of borrowing costs was limited to specific borrowings, and thus, borrowing costs arising from general borrowings were not capitalised. In accordance with IFRSs, the Company and its subsidiaries capitalised borrowing costs on general borrowings used for the purpose of obtaining qualifying assets in addition to the capitalisation of borrowing costs on specific borrowings. From 1 January 2007 onwards, the Company and its subsidiaries adopted PRC GAAP No. 17 prospectively. The current adjustments represent the related depreciation on capitalised borrowing costs included in the cost of the related assets under IFRSs in previous years.

(C) EFFECT OF RESERVE FUNDS

Reserve funds represent safety funds. In accordance with PRC GAAP, appropriation of safety funds is recognized in profit or loss and reserve funds of equity. In accordance with IFRSs, unutilized safety funds are treated as appropriation from retained earnings to reserve funds and the relevant expenses are recognized in profit or loss only when it is incurred.

(D) DEFERRED INCOME TAX IMPACT ON GAAP DIFFERENCES

This represents related deferred income tax impact on the GAAP differences above where applicable.