華 電 國 際 電 力 股 份 有 限 公 司

Huadian Power International Corporation Limited*

*(A Sino-foreign investment joint stock company limited by shares incorporated in the People's Republic of China (the "**PRC**"))*

(Stock code: 1071)

ANNUAL RESULTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

The board of directors (the "**Board**") of Huadian Power International Corporation Limited (the "**Company**") hereby announces the consolidated results of the Company and its subsidiaries (the "**Group**") for the financial year ended 31 December 2024 extracted from the audited consolidated financial statements of the Group prepared in accordance with the International Financial Reporting Standards.

FINANCIAL AND BUSINESS SUMMARY

- Power generation by the Group in 2024 amounted to 222.63 million MWh, representing a decrease of approximately 0.52% compared with the same period of the previous year. The volume of on-grid power sold amounted to 208.45 million MWh, representing a decrease of approximately 0.52% compared with the same period of the previous year;
- Turnover of the Group in 2024 amounted to approximately RMB112,392 million, representing a decrease of approximately 3.42% over 2023;
- Profit for the year attributable to equity holders of the Company in 2024 amounted to approximately RMB5,670 million; profit for the year attributable to equity shareholders of the Company amounted to approximately RMB4,698 million;
- Basic earnings per share in 2024 were approximately RMB0.459. The Board proposes to declare an annual cash dividend for the financial year ended 31 December 2024 of RMB0.21 per share (tax inclusive), including the interim dividend of RMB0.08 per share (tax inclusive) paid in 2024. The proposed final dividend of RMB0.13 per share (tax inclusive) is based on the total share capital of 10,227,561,133 shares, totaling approximately RMB1,329,582.95 thousand (tax inclusive). The final dividend distribution proposal is subject to the approval by the shareholders at the upcoming 2024 annual general meeting.

PROFIT DISTRIBUTION

Pursuant to a resolution passed at the eleventh meeting of the tenth session of the Board, the Board proposed to declare an interim cash dividend of RMB0.08 per share (tax inclusive) based on the total share capital of 10,227,561,133 shares for the six months ended 30 June 2024, totaling approximately RMB818,204.89 thousand (tax inclusive). The distribution was completed after consideration and approval at the second extraordinary general meeting for 2024.

Pursuant to a resolution passed at the nineteenth meeting of the tenth session of the Board, the Board proposes to declare an annual cash dividend of RMB0.21 per share (tax inclusive), including the interim dividend of RMB0.08 per share (tax inclusive) paid in 2024, for the financial year ended 31 December 2024. The proposed final dividend of RMB0.13 per share (tax inclusive) is based on the total share capital of 10,227,561,133 shares, totaling approximately RMB1,329,582.95 thousand (tax inclusive). The final dividend distribution proposal is subject to approval by the shareholders at the upcoming 2024 annual general meeting. The circular of the 2024 annual general meeting of the Company, containing details of the time of meeting, the period of the closure and procedures of the register of members, will be published and despatched to shareholders of the Company in due course.

Interest payments on equity financing instruments shall be implemented in accordance with the relevant regulations on the issuance of equity financing instruments. If the total share capital of the Company changes due to the reorganisation of conventional energy assets before the record date for dividend distribution, the Company will maintain the final dividend of RMB0.13 per share (tax inclusive), and the total cash dividends to be paid will be adjusted accordingly based on the total amount of RMB1,329,582.95 thousand (tax inclusive).

If the above proposal for profit distribution is considered and approved at the upcoming 2024 annual general meeting, the Company expects to pay such cash dividends on or before 30 August 2025.

THE GROUP'S MAJOR EXISTING ASSETS

The Group is one of the largest comprehensive energy companies in the PRC, primarily engaged in the construction and operation of power plants, including large-scale efficient coal- or gas-fired generating units and various renewable energy projects. The Group's controlled power generating assets in operation are located in 12 provinces and cities across the PRC at the prime location, mainly in the electricity and heat load centres or regions with abundant coal resources.

As of the date of this announcement, the Group had a total of 46 controlled power generation enterprises which have commenced operations involving a total of 59,818.62 MW controlled installed capacity, primarily including 46,750 MW attributable to coal-fired generating units, 10,603.43 MW attributable to gas-fired generating units and 2,459 MW attributable to hydropower generating units. Details of the Group's major operational power generating assets are as follows:

(1) Details of controlled coal- and gas-fired generating units are as follows:

Category		Name of power plant/company	Installed capacity *(MW)*	Equity interest held by the Company	Generating units
	1	Zouxian Plant	2,575	100%	1 x 635 MW + 1 x 600 MW + 4 x 335 MW
	2	Shiliquan Plant	1,980	100%	2 x 660 MW + 2 x 330 MW
	3	Laicheng Plant	1,200	100%	4 x 300 MW
	4	Fengjie Plant	1,200	100%	2 x 600 MW
	5	Huadian Zouxian Power Generation Company Limited ("**Zouxian Company**")	2,000	69%	2 x 1,000 MW
	6	Huadian Laizhou Power Generation Company Limited ("**Laizhou Company**")	4,000	75%	4 x 1,000 MW
Coal-fired	7	Huadian Weifang Power Generation Company Limited ("**Weifang Company**")	2,000	64.29%	2 x 670 MW + 2 x 330 MW
	8	Huadian Qingdao Power Generation Company Limited ("**Qingdao Company**") (Note 4)	2,231.08	55%	2 x 505.54 MW + 1 x 320 MW + 3 x 300 MW
	9	Huadian Zibo Thermal Power Company Limited ("**Zibo Company**")	950	100%	2 x 330 MW + 2 x 145 MW
	10	Huadian Zhangqiu Power Generation Company Limited ("**Zhangqiu Power Generation Company**")	925	87.50%	1 x 335 MW + 1 x 300 MW + 2 x 145 MW
	11	Huadian Tengzhou Xinyuan Thermal Power Company Limited ("**Tengzhou Company**")	930	93.26%	2 x 315 MW + 2 x 150 MW

Category		Name of power plant/company	Installed capacity *(MW)*	Equity interest held by the Company	Generating units
Coal-fired	12	Huadian Longkou Power Generation Co., Ltd. ("**Longkou Company**")	1,540	100%	1 x 660 MW + 4 x 220 MW
	13	Huadian Hubei Power Generation Company Limited (Note 1) ("**Hubei Company**")	6,855.6	82.56%	2 x 680 MW + 2 x 660 MW + 2 x 640 MW + 6 x 330 MW + 1 x 300 MW + 2 x 185 MW + 2 x 122.8 MW
	14	Anhui Huadian Lu'an Power Generation Company Limited ("**Lu'an Company**")	1,320	95%	2 x 660 MW
	15	Anhui Huadian Suzhou Power Generation Company Limited ("**Suzhou Company**")	1,260	97%	2 x 630 MW
	16	Anhui Huadian Wuhu Power Generation Company Limited ("**Wuhu Company**")	2,320	65%	1 x 1,000 MW + 2 x 660 MW
	17	Hebei Huadian Shijiazhuang Yuhua Thermal Power Company Limited ("**Yuhua Company**")	600	20.80%	2 x 300 MW
	18	Hebei Huadian Shijiazhuang Luhua Thermal Power Company Limited ("**Luhua Company**") (Note 2)	661	18.74%	2 x 330 MW + 1 MW
	19	Huadian Xinxiang Power Generation Company Limited ("**Xinxiang Company**")	1,320	20.53%	2 x 660 MW
	20	Huadian Luohe Power Generation Company Limited ("**Luohe Company**")	660	79.11%	2 x 330 MW
	21	Huadian Qudong Power Generation Company Limited ("**Qudong Company**")	660	100%	2 x 330 MW

Category		Name of power plant/company	Installed capacity *(MW)*	Equity interest held by the Company	Generating units
Coal-fired	22	Sichuan Guang'an Power Generation Company Limited ("**Guang'an Company**")	2,400	80%	2 x 600 MW + 4 x 300 MW
	23	Tianjin Development Area Branch Company of Huadian Power International Corporation Limited ("**Tianjin Development Area Branch Company**")	510	100%	3 x 170 MW
	24	Guangdong Huadian Pingshi Power Generation Company Limited ("**Pingshi Power Generation Company**")	600	100%	2 x 300 MW
	25	Guangdong Huadian Shaoguan Thermal Power Company Limited ("**Shaoguan Thermal Power Company**")	700	100%	2 x 350 MW
	26	Shantou Huadian Power Generation Company Limited ("**Shantou Company**")	1,360	51%	2 x 680 MW
	27	Shuozhou Thermal Power Branch Company of Huadian Power International Corporation Limited ("**Shuozhou Thermal Power Branch Company**") (Note 2)	701.2	100%	2 x 350 MW + 1.2 MW
	28	Hunan Huadian Changsha Power Generation Company Limited ("**Changsha Company**")	1,200	70%	2 x 600 MW
	29	Hunan Huadian Changde Power Generation Company Limited ("**Changde Company**")	1,320	48.98%	2 x 660 MW
	30	Hunan Huadian Pingjiang Power Generation Company Limited ("**Pingjiang Company**")	2,000	100%	2 x 1,000 MW
Gas-fired	31	Hangzhou Huadian Banshan Power Generation Company Limited ("**Banshan Company**")	2,415	64%	3 x 415 MW + 3 x 390 MW
	32	Hangzhou Huadian Xiasha Thermal Power Company Limited ("**Xiasha Company**")	246	56%	1 x 88 MW + 2 x 79 MW

Category		Name of power plant/company	Installed capacity *(MW)*	Equity interest held by the Company	Generating units
	33	Hangzhou Huadian Jiangdong Thermal Power Company Limited ("**Jiangdong Company**")	960.5	70%	2 x 480.25 MW
	34	Huadian Zhejiang Longyou Thermal Power Company Limited ("**Longyou Company**")	405	100%	1 x 130.3 MW + 2 x 127.6 MW + 1 x 19.5 MW
	35	Hebei Huadian Shijiazhuang Thermal Power Company Limited ("**Shijiazhuang Thermal Power Company**") (Note 2, 3)	1,310.2	82%	2 x 453.6 MW + 2 x 200 MW + 3 MW
	36	Shijiazhuang Huadian Heat Corporation Limited ("**Shijiazhuang Heat Corporation**")	12.55	100%	2 x 4.275 MW + 2 x 2 MW
	37	Tianjin Huadian Fuyuan Thermal Power Company Limited ("**Fuyuan Thermal Power Company**") (Note 2)	400.49	100%	2 x 200 MW + 0.49 MW
Gas-fired	38	Tianjin Huadian Nanjiang Thermal Power Company Limited ("**Nanjiang Thermal Power Company**")	930	65%	2 x 315 MW + 1 x 300 MW
	39	Guangdong Huadian Shenzhen Energy Company Limited ("**Shenzhen Company**")	365	100%	1 x 120 MW + 2 x 82 MW + 1 x 81 MW
	40	Huadian Foshan Energy Company Limited ("**Foshan Energy Company**")	329	90%	4 x 59 MW + 1 x 47.5 MW + 1 x 45.5 MW
	41	Guangdong Huadian Qingyuan Energy Company Limited ("**Qingyuan Company**")	1,003.2	100%	2 x 501.6 MW
	42	Huadian Jinan Zhangqiu Thermal Power Company Limited ("**Zhangqiu Thermal Power Company**")	1,003.3	70%	2 x 501.65 MW

Note 1: Details of the installed generating units of Hubei Company are as follows:

Category	Name of power plant/company	Installed capacity *(MW)*	Shareholding percentage of Hubei Company	Generating units
Coal-fired	Huadian Hubei Power Generation Company Limited Huangshi Thermal Power Plant ("**Huangshi Thermal Power Plant**")	330	100%	1 x 330 MW
	Hubei Xisaishan Power Generation Company Limited ("**Xisaishan Company**")	660	50%	2 x 330 MW
	Hubei Huadian Xisaishan Power Generation Company Limited ("**Huadian Xisaishan Company**")	1,360	50%	2 x 680 MW
	Hubei Huadian Xiangyang Power Generation Company Limited ("**Xiangyang Company**")	2,570	60.10%	2 x 640 MW + 3 x 330 MW + 1 x 300 MW
	Hubei Huadian Jiangling Power Generation Company Limited ("**Jiangling Company**")	1,320	20.80%	2 x 660 MW
Gas-fired	Huadian Hubei Power Generation Company Limited Wuchang Thermal Power Branch Company ("**Wuchang Thermal Power**")	370	100%	2 x 185 MW
	Hubei Huadian Xiangyang Gas Turbine Thermal Power Company Limited ("**Xiangyang Thermal Power**")	245.6	51%	2 x 122.8 MW

Note 2: The 1.2 MW photovoltaic generating units of Shuozhou Thermal Power Branch Company, the 1 MW photovoltaic generating units of Luhua Company, the 3 MW photovoltaic generating units of Shijiazhuang Thermal Power Company and the 0.49 MW photovoltaic generating units of Fuyuan Thermal Power Company are all for own use.

Note 3: Generating units of Shijiazhuang Thermal Power Company include two 200 MW coal-fired generating units.

Note 4: Generating units of Qingdao Company include two 505.54 MW gas-fired generating units.

(2) Details of controlled renewable energy generating units are as follows:

Category		Name of power plant/company	Installed capacity *(MW)*	Equity interest held by the Company	Generating units
	1	Hebei Huadian Complex Pumping-storage Hydropower Company Limited ("**Hebei Hydropower Company**") (Note 2)	65.5	100%	1 x 16 MW + 2 x 15 MW + 1 x 11 MW + 2 x 3.2 MW + 1 x 1.6 MW + 0.5 MW
	2	Sichuan Huadian Luding Hydropower Company Limited ("**Luding Hydropower Company**")	920	100%	4 x 230 MW
Hydropower	3	Sichuan Huadian Za-gunao Hydroelectric Development Company Limited ("**Za-gunao Hydroelectric Company**")	591	64%	3 x 65 MW + 3 x 56 MW + 3 x 46 MW + 3 x 30 MW
	4	Sichuan Huadian Power Investment Company Limited (Note 1) ("**Sichuan Investment Company**")	883	100%	3 x 70 MW + 3 x 62 MW + 3 x 56 MW + 3 x 46 MW + 3 x 38 MW + 3 x 11 MW + 4 x 8.5 MW

Note 1: Details of the installed generating units of Sichuan Investment Company are as follows:

Category	Name of power plant/company	Installed capacity *(MW)*	Shareholding percentage of Sichuan Investment Company	Generating units
	Lixian Xinghe Power Company Limited ("**Lixian Company**")	67	100%	3 x 11 MW + 4 x 8.5 MW
Hydropower	Sichuan Liangshan Shuiluohe Hydropower Development Company Limited ("**Shuiluohe Company**")	816	57%	3 x 70 MW + 3 x 62 MW + 3 x 56 MW + 3 x 46 MW + 3 x 38 MW

Note 2: Generating units of Hebei Hydropower Company include 0.5 MW photovoltaic generating units for own use, and 1.6 MW hydropower generating units for own use.

BUSINESS REVIEW

(1) Power Generation

As of the date of this announcement, the Group's total controlled installed capacity amounted to 59,818.62 MW. Power generation by the Group in 2024 amounted to 222.63 million MWh, representing a decrease of approximately 0.52% compared with the same period of the previous year. The volume of on-grid power sold amounted to 208.45 million MWh, representing a decrease of approximately 0.52% compared with the same period of the previous year. The annual utilization hours of the Group's generating units were 3,746 hours, representing a year-on-year decrease of 210 hours; among which the utilization hours of coal-fired generating units were 4,086 hours, representing a year-on-year decrease of 215 hours; the utilization hours of natural gas-fired generating units were 2,152 hours, representing a year-on-year decrease of 35 hours; and the utilization hours of hydropower generating units were 3,363 hours, representing a year-on-year decrease of 431 hours. The coal consumption for power supply was 287.53g/KWh in aggregate.

(2) Turnover

In 2024, the Group's turnover amounted to approximately RMB112,392 million, representing a decrease of approximately 3.42% over 2023; of which revenue generated from sale of electricity amounted to approximately RMB94,744 million, representing a decrease of approximately 1.46% over 2023; revenue generated from sale of heat amounted to approximately RMB9,743 million, representing an increase of approximately 1.24% over 2023; revenue generated from sale of coal amounted to approximately RMB7,905 million, representing a decrease of approximately 25.43% over 2023.

(3) Profit

In 2024, the Group's operating profit amounted to approximately RMB6,622 million, representing an increase of approximately RMB2,521 million over 2023, mainly due to the decrease in fuel prices. For the year ended 31 December 2024, the profit for the year attributable to equity holders of the Company amounted to approximately RMB5,670 million, the profit for the year attributable to equity shareholders of the Company amounted to approximately RMB4,698 million, and the basic earnings per share was approximately RMB0.459.

(4) The Capacity of Newly-added Generating Units

During the reporting period, the details of the Group's newly-added generating units are as follows:

Projects	Category	Capacity *(MW)*
Qingdao Company	Gas-fired	505.54
Zhangqiu Thermal Power Company	Gas-fired	1,003.3
Total	**/**	**1,508.84**

(5) Generating Units Approved and under Construction

As of the end of the reporting period, the Group's major generating units approved and under construction are as follows:

Company/Project Name	Category	Planned new installed capacity *(MW)*
Guangdong Huadian Huizhou Energy Company Limited ("**Huizhou Company**")	Gas-fired generating units	2 x 535
Huadian (Chongqing) Gas Turbine Power Generation Company Limited ("**Chongqing Power Generation Company**")	Gas-fired generating units	2 x 546.7
Huadian Shantou Energy Company Limited ("**Shantou Energy**")	Coal-fired generating units	2 x 1,000
Longkou Company	Coal-fired generating units	1 x 660
Zhejiang Huadian Wuxi River Hybrid Pumped Storage Power Generation Company Limited ("**Wuxi River Company**")	Pumped storage generating unit	298
Huadian (Lingbao) Pumped Storage Co., Ltd ("**Lingbao Company**")	Pumped storage generating unit	1,200
Huadian Jingyu Pumped Storage Co., Ltd. ("**Jingyu Company**")	Pumped storage generating unit	1,800
Huadian Yongchang Pumped Storage Co., Ltd ("**Yongchang Company**")	Pumped storage generating unit	1,200
Total	**/**	**9,321.4**

BUSINESS OUTLOOK

(1) Competitive Landscape in the Industry and Development Trend

The Central Economic Work Conference has emphasized that 2025 is a crucial year for achieving the goals of the 14th Five-Year Plan. Facing escalating external pressures and mounting internal challenges, amidst a complex and rigorous environment, we should adhere to the general tone of making progress while maintaining stability, fully and accurately implement the new development concept, expedite the establishment of a new development paradigm, solidly promote high-quality development, and further deepen reforms comprehensively. We should also enhance high-level open policy and promote the integrated development of technological innovation and industrial innovation. By stabilizing our expectations and stimulating our vitality, we can promote the sustained recovery of the economy, and successfully achieve the goals of the 14th Five-Year Plan with high quality, laying a solid foundation for a promising start to the 15th Five-Year Plan.

According to the analysis and forecast on the national power supply and demand in 2025 by China Electricity Council, in terms of electricity consumption, taking into account China's economic growth potential at the current stage, the Outline of the 14th Five-Year Plan and the Long-Range Objectives Through the Year 2035, as well as the national macro-control policies and measures, it is expected that China's macro-economy will continue to maintain steady growth in 2025. It is also expected that the electricity consumption of the entire society in China will be 10.4 trillion KWh in 2025, representing a year-on-year increase of about 6%. In terms of power supply, it is expected that the new installed generating capacity in China will exceed 450 million KW in 2025, and the total installed generating capacity in China will reach 3.8 billion KW by the end of 2025, representing a year-on-year increase of about 14%. In 2025, it is expected that the national power supply and demand in some areas will be tightly balanced during peak electricity consumption periods such as the summer peak seasons. Various factors in the power supply and demand will bring uncertainties to the power supply and demand situation.

In terms of actual national conditions, resource endowments and the energy transformation process of China, coal-fired power remains to be an important support for ensuring national energy security, supply chain security, steady growth, promotion of development, and civil heating before 2030. China vigorously promotes the joint operation of coal-fired power, and the joint operation of coal-fired power and renewable energy, and carries out the "three technical transformations" and professional integration. Meanwhile, China published a series of relief policies, including financial preference, electricity price adjustment, special bonds of energy supply assurance, and the approved increase in the high-quality coal production capacity, quantity assurance, price control and capacity expansion. These policies will help ease the operating pressure on coal-fired power enterprises and improve their operating performance.

(2) Development Strategy of the Group

In 2025, the Group will adhere to the general tone of making progress while maintaining stability. We will continue to enhance core functions, focus on enhancing core competitiveness, brand influence and value creativity, and unswervingly become stronger and better. The Group will achieve the goals of the 14th Five-Year Plan with high quality, laying a solid foundation for a promising start to the 15th Five-Year Plan and accelerating the development of a strong and large first-class energy listed company.

(3) Operation Plan of the Group in 2025

In 2025, the Group is expected to generate approximately 210 billion KWh of electricity. According to the actual progress of each project, the Group plans to invest approximately RMB12 billion in 2025, which will be used for the construction of power source projects, environmental protection and energy-saving technology transformation, and equity investment, etc.

In 2025, the Group will focus on the following four aspects:

We will deepen value creation and comprehensively improve operation quality and efficiency. The Group will also further promote the improvement of quality and efficiency to steadily improve our operating performance. The Group will strengthen the analysis and judgment on the electricity market situation, continue to implement the capacity-based electricity pricing policy for coal machinery, coordinate and optimize the medium and long-term trading strategies in the spot electricity and auxiliary services markets, so as to improve the marginal benefits per kWh. The Group will actively strive for the two-part tariff policy for gas turbine generating units, promote the establishment of the gas-electricity linkage mechanism, and ensure the healthy and sustainable operation of gas turbine enterprises. The Group will focus on fuel costs control, optimize fuel procurement system and strategy, and comprehensively ensure our quantity and price control. By further reducing our costs and expenses, we will improve the standard of cost control. We will also fully seize the window period of relatively easy monetary policy and carefully establish the financing plan for 2025 to improve the quality and efficiency of financing. The Group will strengthen its risk monitoring and early warning system and continuously improve the corporate governance as a high-risk company, in order to further improve the quality and efficiency of asset management.

The Group will strengthen our commitment to practical work and continue to consolidate the foundation of safe operation. By focusing on peak summer demand, winter heating security, key regions and important periods, we will be able to ensure the stable energy supply during major events and critical periods. The Group will formulate scientific strategies for power generation coal inventory, strive to improve the fulfillment rate of high-quality long-term agreements with strategic customers, and guarantee the supply of power generation fuel. Taking the "Year of Solidifying Foundation" in production safety as the starting point, we will make great efforts to consolidate our safety foundation. The Group will prioritize strengthening safety through technology and intensify efforts to promote AI-enabled safety. The Group will deepen the enhancement of heating safety capabilities, ensuring a comprehensive upgrade of safety production through equipment upgrade, in order to better adapt to and support the construction of new power system. We will intensify our efforts to combat pollution and ensure that all pollutants are discharged in compliance with emission standards. Adhering to the principle of giving priority to ecology and green development, the Group supervises the environmental governance of new projects to ensure that the construction is organized in accordance with laws and regulations. The Group will implement relevant policies for gradually shifting from dual control of energy consumption to dual control of carbon emissions, strengthen energy consumption indicator analysis, supervision and inspection, and abnormal tracking, and promote a steady reduction in carbon emission intensity.

We attach importance to the quality of investment and coordinate efforts to advance green and low-carbon development. The Group will thoroughly implement the new energy safety strategy of "Four Revolutions and One Cooperation" and the major strategic decision to achieve peak carbon emission and carbon neutrality, and accelerate the promotion of green and low-carbon development by focusing on our annual development goals. The Group will actively track industrial policies related to pumped storage projects, enhance analysis of project competitiveness, and formulates differentiated project advancement strategies, in order to establish a rolling development pattern of "keeping some in the pipeline, moving some forward, and getting some underway". We will rely closely on technology innovation to drive growth and accelerate the increase in the proportion of revenue and value-added from strategic emerging industries. We will strengthen the management of investment plans and capital funds, improve the efficiency of capital use, and meet the capital needs for project development and infrastructure construction. The Group will thoroughly fulfil its project construction criteria, rigorously control investment risks, and ensure project investment returns.

The Group will strengthen its standardized operation to consolidate and enhance the brand image of Huadian. It will also make every effort to promote its asset restructuring project of conventional energy, maintain effective communication with the regulatory authorities, respond to feedback in a timely manner, expedite asset delivery, and timely initiate the relevant work of ancillary fundraising. We will diligently adhere to national laws, regulations and regulatory requirements, organize high-quality performance roadshows, and prepare high-quality ESG reports, in order to enhance the quality of information disclosure. The Group will continue to enhance the management of daily connected transactions, monitor the development of new connected transactions, and ensure comprehensive oversight and guidance. We will earnestly adhere to the "Suggestions to Improve and Strengthen the Market Value Management of Listed Companies Controlled by Centrally Administered Enterprises" (《關於改進和加強中央企業控股上市公司市值管理工作的若干意見》) issued by the State-owned Assets Supervision and Administration Commission of the State Council, firmly establish the concept of scientific market value management, further improve the relevant systems, plans and measures of our market value management, and continuously improve the development quality and standardized operation of listed companies. We will develop a scientific and reasonable dividend distribution plan to further boost investor confidence.

(4) Possible Risks and Measures

At present, China's economy maintains a stable foundation, with numerous advantages, strong resilience and great potential. The underlying positive fundamentals remain unchanged, with favorable conditions such as substantial market potential and economic resilience remaining intact. The factors supporting high-quality development are steadily increasing. However, there are still objective issues such as a more complicated and severe external environment, insufficient domestic demand, production and operation difficulties faced by some enterprises, and obstacles to consolidating the economic recovery and improving the situation. Under such influence, the Group's business situation still faces potential risks, with the possible risks mainly including:

1. Power Market Risks

With the acceleration of the power market-oriented reforms, the market share of coal-fired generating units has been shrinking, and the development space for thermal power generation has been squeezed. The rapid development of the electricity spot market and auxiliary services market places higher requirements on the flexible adjustment capability and marginal cost control of coal-fired generating units. The old generating units face the risk of declines in both power generation capacity and power prices due to the high marginal cost. It may also become more difficult to recover electricity charges for heating capacity. Furthermore, events such as the introduction of new energy sources may further intensify the downward pressure on electricity prices.

The Group will accelerate the "three technical transformations" and technical upgrade of coal-fired generating units to enhance flexibility in adjustment and load support capabilities. By strengthening the analysis and judgment on the electricity market situation, we will be able to carry out dynamic optimization for the medium and long-term trading strategies in the spot electricity and auxiliary services markets, so as to improve the revenue per kWh.

2. Coal Market Risks

Domestic coal production capacity is constrained, while imported coal has a weaker effect on stabilizing domestic coal prices, due to the impact of tax policies. Compounded by frequent disruptions in transportation due to extreme weather conditions, certain regions may encounter risks of inadequate supply of premium resources and imbalanced inventory structures during peak periods. International geopolitical fluctuations have heightened uncertainties in the coal market, with coastal regions that have a high proportion of imported coal facing significant pressure to maintain supply and control prices. Furthermore, while coal prices have declined in stages, they are still at high levels and experiencing frequent fluctuations, posing challenges to cost management in the coal-fired power sector.

The Group will deepen the "ballast stone" role of long-term contracts, strengthen the cooperation with high-quality large mines, increase the proportion of high-calorific value coal and optimize the procurement structure. We will accurately analyze market trends, flexibly adjust the pace of procurement, and utilize the strategy of low-cost coal storage during the off-season to alleviate cost pressures in the peak season. The Group will strengthen international coal market tracking, optimize the procurement plan for imported coal, and collaborate with railway departments to control and reduce transportation costs.

3. Environmental Protection Risks

The allocation of carbon quota across the country continues to tighten, which may lead to a significant increase in the carbon emission compliance cost of coal-fired power enterprises. The environmental protection policies have become more stringent, with higher requirements being proposed in key areas, such as waterbody protection and dust control. Coupled with the demand for the application of low-carbon technologies, such as green ammonia blending and carbon capture, there is an increasing pressure on environmental protection expenditure.

The Group will accelerate the low-carbon transformation of coal-fired power, promote the research on technologies such as green ammonia blending and carbon capture, in order to reduce the intensity of carbon emissions. We will strictly adhere to ultra-low emission standards, improve environmental facilities such as closed coal yard and recycling and utilization of coal ash, to ensure the pollutants are discharged in compliance with emission standards. We will coordinate carbon assets management, optimize carbon trading strategies, promote the preservation and appreciation of carbon quota value, and explore new models for generating revenue from carbon assets.

MANAGEMENT DISCUSSION AND ANALYSIS

(1) Macroeconomic Conditions and Electricity Demand

According to the data released by the National Bureau of Statistics, after preliminary calculations, the Gross Domestic Product (GDP) of the year in 2024 amounted to RMB134,908.4 billion, representing an increase of 5.0% compared with the previous year. According to the data released by the National Energy Administration, power consumption of the entire society totalled 9,852.1 billion KWh in 2024, representing a year-on-year increase of 6.8%. With regard to different industries, the consumption by the primary industry accounted for 135.7 billion KWh, representing a year-on-year increase of 6.3%; the consumption by the secondary industry accounted for 6,387.4 billion KWh, representing a year-on-year increase of 5.1%; and the consumption by the tertiary industry accounted for 1,834.8 billion KWh, representing a year-on-year increase of 9.9%; and the consumption by urban and rural residents accounted for 1,494.2 billion KWh, representing a year-on-year increase of 10.6%.

(2) Turnover

In 2024, the turnover of the Group was approximately RMB112,392 million, representing a decrease of approximately 3.42% over 2023, mainly due to the impact of the decrease in power generation, coal trading volume and on-grid tariff.

(3) Major Operating Expenses

In 2024, the operating expenses of the Group amounted to approximately RMB105,770 million, representing a decrease of approximately 5.79% over 2023. The particulars are as follows:

Fuel costs of the Group amounted to approximately RMB70,567 million in 2024, representing a decrease of approximately 6.49% over 2023, mainly due to the decrease in coal price and the decrease in power generation.

Costs of coal sold of the Group amounted to approximately RMB6,801 million in 2024, representing a decrease of approximately 30.13% over 2023, mainly due to the decrease in coal trading volume.

Depreciation and amortisation expenses of the Group amounted to approximately RMB10,813 million in 2024, representing an increase of approximately 2.94% over 2023, mainly due to the operation of new projects.

In 2024, the repair, maintenance and inspection expenses of the Group were approximately RMB4,559 million, representing an increase of approximately 3.21% over 2023, mainly due to the operation of new projects.

In 2024, the staff cost of the Group was approximately RMB8,629 million, representing an increase of approximately 7.01% over 2023, mainly due to the impact of the increase in employee compensation linked to operating results and the operation of new projects.

In 2024, the administration expenses of the Group were approximately RMB1,676 million, representing a decrease of approximately 7.27% over 2023, mainly due to the decrease in impairment provision for property, plant and equipment.

In 2024, the taxes and surcharges of the Group were approximately RMB1,255 million, representing an increase of approximately 28.68% over 2023, mainly due to the improvement in operating results.

(4) Investment Income

Investment income of the Group amounted to approximately RMB244 million in 2024, representing an increase of approximately RMB226 million over 2023, mainly due to the increase in gain on disposal of a subsidiary.

(5) Other Revenue

Other revenue of the Group amounted to approximately RMB1,726 million in 2024, representing an increase of approximately 49.53% over 2023, mainly due to the increase in gain on carbon emissions rights.

(6) Other Net Income

Other net income of the Group amounted to approximately RMB208 million in 2024, representing a decrease of approximately 51.92% over 2023, mainly due to the decrease in sales revenue from by-products of power generation such as coal ash.

(7) Finance Costs

Finance costs of the Group amounted to approximately RMB3,275 million in 2024, representing a decrease of approximately 10.91% over 2023, mainly due to our greater efforts in capital operation and the lower financing cost.

(8) Share of Results of Associates

Share of results of associates of the Group amounted to approximately RMB3,137 million in 2024, representing a decrease of approximately 16.54% over 2023, mainly due to the decrease in income from the invested enterprises.

(9) Income Tax

In 2024, the income tax of the Group amounted to approximately RMB1,983 million, representing an increase of approximately RMB1,009 million over 2023, mainly due to the improvement in operating results.

(10) Pledge and Mortgage of Assets

As at 31 December 2024, the Company's subsidiaries have pledged their income stream in respect of the sale of electricity and heat to secure loans amounting to approximately RMB8,362 million (2023: RMB9,936 million).

As at 31 December 2024, some of the Company's subsidiaries have mortgaged their generating units and relevant equipment to secure loans amounting to approximately RMB1,721 million (2023: RMB2,289 million).

(11) Indebtedness

As at 31 December 2024, the total borrowings of the Group amounted to approximately RMB92,107 million, of which borrowings denominated in Euro amounted to approximately EUR5.8 million. The liabilities to assets ratio (representing the total liabilities divided by total assets of the Group as at 31 December 2024) was approximately 61.03%. Borrowings of the Group were mainly of floating interest rates. Short-term borrowings and long-term borrowings due within one year amounted to approximately RMB42,246 million, and long-term borrowings due after one year amounted to approximately RMB49,861 million. The closing balance of super short-term debenture payables of the Group amounted to approximately RMB1,002 million. The balance of the medium-term notes (including the portion due within one year) and debt financing instruments issued through non-public offering to target subscribers (including the portion due within one year) of the Group amounted to approximately RMB22,619 million. The closing balance of lease liabilities of the Group amounted to approximately RMB179 million at the end of the year.

(12) Contingent Liabilities

As of 31 December 2024, the Group did not have material contingent liability.

(13) Provisions

Provisions represent the Group's best estimate of its liabilities and remedial work costs arising from mine disposal and environmental restoration based on industry practices and historical experience. As at 31 December 2024, the balance of the Group's provisions amounted to approximately RMB153 million.

(14) Cash Flow Analysis

In 2024, the net cash inflow from operating activities of the Group amounted to approximately RMB12,890 million, and the net cash inflow from operating activities amounted to approximately RMB9,460 million in 2023, mainly due to the improvement in operating results. The net cash outflow used in investing activities amounted to approximately RMB7,711 million, and the net cash outflow used in investing activities amounted to approximately RMB9,294 million in 2023, mainly due to the decrease in investment expenditure. The net cash outflow from financing activities amounted to approximately RMB4,728 million, and the net cash outflow from financing activities amounted to approximately RMB904 million in 2023, mainly due to the repayment of equity financial instruments on maturity.

(15) Exchange Rate Fluctuation Risk and Related Hedging

The Group mainly engages in business that sources income in China, and has a relatively small amount of foreign currency borrowings. Therefore, the exchange rate fluctuation risk is relatively low. Based on the above consideration, the Group did not adopt relevant hedging measures.

SIGNIFICANT EVENTS

1. Election of Vice Chairman

At the 16th meeting of the tenth session of the Board of the Company held on 20 December 2024, Mr. Chen Bin was elected as the Vice Chairman of the tenth session of the Board of the Company for a term commencing from the date of consideration and approval by the Board and ending on the expiry date of the term of the tenth session of the Board.

For details, please refer to the announcement of the Company dated 20 December 2024.

2. Change of Non-executive Directors

The first extraordinary general meeting of 2024 of the Company was held on 26 March 2024, and Mr. Zhao Wei and Mr. Zeng Qinghua were elected as the Non-executive Directors of the tenth session of the Board of the Company for a term commencing from the conclusion of the extraordinary general meeting and ending at the expiry of the term of the tenth session of the Board. Mr. Zhao Wei and Mr. Zeng Qinghua have confirmed that they understood their obligations as a director of a listed company and had obtained the legal advice as referred to in Rule 3.09D of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Hong Kong Listing Rules**") on 19 March 2024.

On 29 February 2024, Mr. Zhang Zhiqiang resigned as a Non-executive Director and a member of the Remuneration and Appraisal Committee of the tenth session of the Board of the Company; and Mr. Li Qiangde resigned as a Non-executive Director and a member of the Strategic Committee of the tenth session of the Board of the Company with effect from 26 March 2024, both due to reaching the retirement age. Mr. Zhang Zhiqiang and Mr. Li Qiangde have confirmed that they have no disagreement with the Board and there are no matters in relation to their resignations that need to be brought to the attention of the shareholders of the Company.

The second extraordinary general meeting of 2024 of the Company was held on 5 September 2024, and Mr. Zhu Peng was elected as a Non-executive Director of the tenth session of the Board of the Company for a term commencing from the conclusion of the extraordinary general meeting and ending at the expiry of the term of the tenth session of the Board. Mr. Zhu Peng has confirmed that he understood his obligations as a director of a listed company and had obtained the legal advice as referred to in Rule 3.09D of the Hong Kong Listing Rules on 5 September 2024.

At the 13th meeting of the tenth session of the Board of the Company held on 5 September 2024, Mr. Zhu Peng was elected as the Vice Chairman and a member of the Strategic Committee of the Company.

On 1 August 2024, Mr. Zhao Bing resigned as the Vice Chairman and a member of the Strategic Committee of the Board of the Company due to personal work adjustment with effect from 5 September 2024. Mr. Zhao Bing has confirmed that he has no disagreement with the Board and there is no matter in relation to his resignation that needs to be brought to the attention of the shareholders of the Company.

For details, please refer to the announcements of the Company dated 29 February 2024, 26 March 2024, 1 August 2024 and 5 September 2024 and the circulars dated 29 February 2024 and 13 August 2024.

3. **Appointment of Deputy General Manager**

At the 10th meeting of the tenth session of the Board of the Company held on 1 August 2024, Mr. Zhu Yueguang was appointed as a deputy general manager of the Company.

For details, please refer to the announcement of the Company dated 1 August 2024.

4. **Appointment of General Counsel**

The sixth meeting of the tenth session of the Board of the Company was held on 26 March 2024, and Mr. Gao Mingcheng was appointed as the general counsel of the Company.

On 12 March 2024, Mr. Qin Jiehai ceased to serve as the general counsel of the Company due to personal work adjustment.

For details, please refer to the announcement of the Company dated 26 March 2024.

5. **Changes in the Total Share Capital, the Registered Capital and Amendments to the Articles of Association and its Appendices**

In order to implement (i) the latest regulatory requirements in relation to the expanded paperless listing regime and the electronic dissemination of corporate communications by listed issuers (effective from 31 December 2023); (ii) the adjustments to the regulatory rules in Mainland China (including the repeal of the Mandatory Provisions for Articles of Association of Companies Listed Overseas (《到境外上市公司章程必備條款》) and the State Council's Special Regulations on Overseas Offering and Listing of Shares by Joint Stock Limited Companies (《國務院關於股份有限公司境外募集股份及上市的特別規定》) as well as the latest requirements of Guidelines for Articles of Association of Listed Companies (《上市公司章程指引》), the Management Measures for Independent Directors of Listed Companies (《上市公司獨立董事管理辦法》) and the Listed Companies Regulatory Guidance No. 3 – Cash Dividends Distribution by Listed Companies (2023 Revision) (《上市公司監管指引第 3 號－上市公司現金分紅(二零二三年修訂)》)); and (iii) the relevant requirements of the Work Regulation on Grassroots Organization in State-owned Enterprises of the Communist Party of China (Trial) (《中國共產黨國有企業基層組織工作條例(試行)》), and in accordance with the conversion results of convertible corporate bonds, namely "Huadian Dingzhuan (華電定轉)", issued by the Company, the Board proposed to amend the relevant provisions of the Articles of Association and its appendices, which form part of the Articles of Association.

As all of the "Huadian Dingzhuan (華電定轉)" have been converted into unrestricted outstanding shares of the Company, the total share capital of the Company has been changed from 9,893,709,553 shares to 10,227,561,133 shares accordingly. After the amended Articles of Association has been approved by the shareholders at the general meeting and become effective and the applicable registration and filing procedures under the PRC laws have been completed, the total registered capital of the Company is changed to RMB10,227,561,133.

For details, please refer to the announcement of the Company dated 26 April 2024.

6. Purchase of Assets by Share Issuance and Cash Payment and Raising Ancillary Funds

On 1 August 2024, the Company entered into the Asset Purchase Agreement I with China Huadian Corporation Limited ("**China Huadian**"), pursuant to which, the Company conditionally agreed to purchase its 80% equity interests in Jiangsu Huadian Energy Co., Ltd. (華電江蘇能源有限公司) by way of issuance of shares or a combination of issuance of shares and cash payments. The Company entered into the Asset Purchase Agreement II with Fujian Huadian Furui Energy Development Co., Ltd. (福建華電福瑞能源發展有限公司) ("**Huadian Furui**"), pursuant to which, the Company conditionally agreed to purchase its 51% equity interests in Shanghai Huadian Fuxin Energy Co., Ltd. (上海華電福新能源有限公司), 100% equity interests in Shanghai Huadian Minhang Energy Co., Ltd. (上海華電閔行能源有限公司), 55.0007% equity interests in Guangzhou University City Huadian New Energy Company Limited (廣州大學城華電新能源有限公司), 55% equity interests in Huadian Fuxin Guangzhou Energy Co., Ltd. (華電福新廣州能源有限公司), 70% equity interests in Huadian Fuxin Jiangmen Energy Company Limited (華電福新江門能源有限公司), 100% equity interests in Huadian Fuxin Qingyuan Energy Company Limited (華電福新清遠能源有限公司) by way of cash payments; and the Company entered into the Asset Purchase Agreement III with China Huadian Group Beijing Energy Co., Ltd. (中國華電集團北京能源有限公司) ("**Huadian Beijing Company**", formerly CHD Power Plant Operation Co., Ltd. (中國華電集團發電運營有限公司)), pursuant to which, the Company conditionally agreed to purchase its 100% equity interests in CHD Guigang Electric Power Co., Ltd. (中國華電集團貴港發電有限公司) by way of cash payments. Each of the above asset purchases constitutes the transaction as a whole and is being implemented simultaneously.

The Company proposed to issue new A Shares to no more than 35 (including 35) qualified target subscribers. The total amount of ancillary funds to be raised shall not exceed 100% of the consideration shares' amount and the number of new A Shares to be issued shall not exceed 30% of the total issued share capital of the Company upon the completion of the issuance of consideration shares. The number and price of new A Shares to be issued under the proposed issuance of A Shares will be determined in accordance with the relevant requirements of the China Securities Regulatory Commission (the "**CSRC**"). The proposed issuance of A Shares is conditional on the implementation of the transaction while the transaction is not conditional on the completion of the proposed issuance of A Shares.

On 30 October 2024, the Company entered into the supplemental agreements with each of China Huadian, Huadian Furui and Huadian Beijing Company, pursuant to which, the parties have determined the final consideration for the purchase of Target Assets I, Target Assets II and Target Assets III at RMB3,428.3 million, RMB1,900.6 million and RMB1,997.7 million (inclusive of RMB160.0 million paid into the capital reserves of CHD Guigang Electric Power Co., Ltd. by Huadian Beijing Company), respectively. The consideration for Target Assets II and Target Assets III is subject to an increase of not exceeding RMB250.0 million and RMB190.0 million, respectively, to reflect the amounts that may be paid respectively by Huadian Furui and Huadian Beijing Company into the registered paid-up capital/capital reserves of Target Companies II and CHD Guigang Electric Power Co., Ltd. during the transition period. All of the consideration for Target Assets I will be settled by issuance of consideration shares and the rest of the consideration for the transaction will be settled by cash.

The Company proposed to issue new A Shares to no more than 35 (including 35) qualified target subscribers. The total amount of ancillary funds to be raised shall not exceed RMB3,428.0 million (being 100% of the consideration shares' total value, rounded down to the nearest million RMB) and the number of new A Shares to be issued shall not exceed 30% of the total issued share capital of the Company upon the completion of the issuance of consideration shares. The number and price of new A Shares to be issued under the proposed issuance of A Shares will be determined in accordance with the relevant requirements of the CSRC.

As one or more of the applicable percentage ratios in respect of the transaction in accordance with the Hong Kong Listing Rules exceed 25% but are less than 100%, the transaction constitutes a major transaction of the Company which is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Hong Kong Listing Rules. As at the date of this announcement, China Huadian is the controlling shareholder of the Company, and Huadian Furui and Huadian Beijing Company are subsidiaries of China Huadian, and are its associates. Therefore, the sellers are connected persons of the Company. Accordingly, the transaction constitutes a connected transaction of the Company under the Hong Kong Listing Rules and is subject to the report, announcement and independent shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules. The new A Shares under the proposed issuance of A Shares will be issued pursuant to the specific mandates to be sought from the independent shareholders at the extraordinary general meeting.

China Huadian directly and indirectly holds in aggregate 4,534,199,224 A Shares and 85,862,000 H Shares (held via China Huadian HongKong Company Limited (中國華電香港有限公司), a wholly-owned subsidiary of China Huadian Overseas Investment Co., Ltd., which is in turn wholly-owned by China Huadian), representing approximately 45.17% of the total issued share capital of the Company. Upon completion of the transaction, China Huadian will directly and indirectly hold 5,213,062,481 A Shares and 85,862,000 H shares respectively, representing approximately 48.59% of the total number of the issued shares as increased by the issuance of the consideration shares (assuming there is no other change in the issued share capital of the Company). As such, under Rule 26.1 of the Takeovers Code, the transaction will give rise to an obligation on the part of China Huadian to make a mandatory general offer to the shareholders for all the issued shares and other securities of the Company not already owned or agreed to be acquired by it or parties acting in concert with it, unless the whitewash waiver is obtained from the Securities and Futures Commission of Hong Kong ("**HKSFC**"). China Huadian made an application to HKSFC for the whitewash waiver in respect of the transaction pursuant to Note 1 of the Notes on dispensations from Rule 26 of the Takeovers Code.

The fourth extraordinary general meeting of 2024 of the Company was held on 27 November 2024, and the resolution in relation to such subject matter had been duly passed. HKSFC had granted the whitewash waiver on 26 November 2024, subject to the fulfilment of the conditions set out therein.

For details, please refer to the announcements of the Company dated 18 July 2024, 25 July 2024, 1 August 2024, 30 August 2024, 27 September 2024, 25 October 2024, 30 October 2024 and 27 November 2024 and the circular dated 8 November 2024.

7. **Quasi-REITs Project of Hubei Company**

The Company issued directed asset-backed notes (quasi-REITs) in the interbank market with the assets of Jiangling Company as the underlying assets (the "**Special Scheme**"). Hubei Company, Huadian Hubei Energy Sales Limited Liability Company (華電湖北能源銷售有限公司) ("**Energy Sales Company**") and Huadian Jintai (Beijing) Investment Fund Management Co., Ltd (華電金泰(北京)投資基金管理有限公司) ("**Huadian Jintai**") entered into a partnership agreement. Such agreement was considered and approved on the 14th meeting of the tenth session of the Board of the Company on 15 October 2024, and its signing had been completed on 15 November 2024. Pursuant to the agreement, Hubei Company, Energy Sales Company and Huadian Jintai will jointly establish a limited partnership, of which Hubei Company will contribute approximately RMB794 million as to approximately 20% of the limited partnership share, and Energy Sales Company will contribute approximately RMB1 million.

Hubei Company and Jiangling Company entered into a trust contract with China Fortune International Trust Co., Ltd. ("**Fortune Trust**") separately. Pursuant to the arrangement under the trust contract, Fortune Trust is entrusted by the limited partnership to set up a service trust and provide trustee services, and is entrusted by Hubei Company and Jiangling Company to set up a service trust and provide trustee services and products, and receive a remuneration for its trustee services.

Huadian Jintai and Fortune Trust are both subsidiaries of China Huadian, the controlling shareholder of the Company, which directly and indirectly holds approximately 45.17% of the total issued share capital of the Company as at the date of this announcement, and are therefore connected persons of the Company. The transactions contemplated under the partnership agreement and the trust contract therefore constitute connected transactions under Chapter 14A of the Hong Kong Listing Rules. As the maximum applicable percentage ratios (as defined in the Hong Kong Listing Rules) in respect of the transactions contemplated under the partnership agreement and the trust contract exceed 0.1% but are less than 5%, the transactions are subject to the reporting and announcement requirements but exempt from the independent shareholders' approval requirement under Chapter 14A of the Hong Kong Listing Rules.

For details, please refer to the announcements of the Company dated 22 August 2024, 15 October 2024 and 4 November 2024.

SUBSEQUENT EVENTS

1. Change of Executive Director and Chairman

The first extraordinary general meeting of 2025 of the Company was held on 14 January 2025, and Mr. Liu Lei was elected as an Executive Director of the tenth session of the Board of the Company for a term commencing from the conclusion of the extraordinary general meeting and ending at the expiry of the term of the tenth session of the Board. Mr. Liu Lei has confirmed that he understood his obligations as a director of a listed company and had obtained the legal advice as referred to in Rule 3.09D of the Hong Kong Listing Rules on 14 January 2025.

At the 17th meeting of the tenth session of the Board of the Company held on 14 January 2025, Mr. Liu Lei was elected as the Chairman and the chairman of the Strategic Committee of the Company.

On 18 December 2024, Mr. Dai Jun resigned as the Chairman and the chairman of the Strategic Committee of the Board of the Company with effect from 14 January 2025, due to reaching the retirement age. Mr. Dai Jun has confirmed that he has no disagreement with the Board and there is no matter in relation to his resignation that needs to be brought to the attention of the shareholders of the Company.

For details, please refer to the announcements of the Company dated 18 December 2024, 20 December 2024 and 14 January 2025.

2. Appointment of Deputy General Manager

At the 17th meeting of the tenth session of the Board of the Company held on 14 January 2025, Mr. Li Kanyu was appointed as a deputy general manager of the Company.

For details, please refer to the announcement of the Company dated 14 January 2025.

SHAREHOLDINGS OF SUBSTANTIAL SHAREHOLDERS

So far as the directors of the Company are aware, each of the following persons, not being a director, supervisor, chief executive or members of the senior management of the Company, had an interest or short position as at 31 December 2024 in the Company's shares or underlying shares (as the case may be) which would fall to be disclosed to the Company and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance (the "**SFO**"), or was otherwise interested in 5% or more of any class of issued share capital of the Company as at 31 December 2024, or was a substantial shareholder (as defined in the Hong Kong Listing Rules) of the Company as at 31 December 2024.

Name of shareholder	Class of shares	Number of shares held	Approximate percentage of the total number of shares of the Company in issue	Approximate percentage of the total number of A shares of the Company in issue	Approximate percentage of the total number of H shares of the Company in issue	Capacity
China Huadian	A shares	4,534,199,224(L)	44.33%	53.28%	–	Beneficial owner
	H shares	85,862,000(L)[Note]	0.84%	–	5.00%	Interests in a controlled corporation
Shandong Development Investment Holding Group Co., Ltd.	A shares	664,865,346(L)	6.50%	7.81%	–	Beneficial owner
Pacific Asset Management Co., Ltd.	H shares	120,550,000(L)	1.18%	–	7.02%	Others

(L) = long position

(S) = short position

(P) = lending pool

Note 1: So far as the directors of the Company are aware or are given to understand, these 85,862,000 H shares were held directly by China Huadian HongKong Company Limited, a wholly-owned subsidiary of China Huadian Overseas Investment Co., Ltd., which is in turn a wholly-owned subsidiary of China Huadian, through CCASS in the name of HKSCC Nominees Limited.

Note 2: Based on the Corporate Substantial Shareholder Notice filed by Pacific Asset Management Co., Ltd. with the Hong Kong Stock Exchange on 1 November 2024, Pacific Asset Management Co., Ltd. invested the shares as manager for and on behalf of Pacific Anxin Agricultural Insurance Co.,Ltd., Pacific Health Insurance Co., Ltd. and a portfolio insurance asset management product.

Save as disclosed above and so far as the Directors are aware, as at 31 December 2024, no other person (other than the directors, supervisors, chief executive or members of senior management of the Company) had any interest or short position in the Company's shares or underlying shares (as the case may be) which would fall to be disclosed to the Company and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO and as recorded in the register required to be kept under Section 336 of the SFO, or was a substantial shareholder (as defined in the Hong Kong Listing Rules) of the Company.

INTERESTS OF DIRECTORS, SUPERVISORS, CHIEF EXECUTIVE OR MEMBERS OF SENIOR MANAGEMENT IN THE SECURITIES

As at 31 December 2024, none of the directors, supervisors, chief executive or members of the senior management of the Company and their respective associates had any interest or short position in the shares, underlying shares and/or debentures (as the case may be) of the Company and/or any of its associated corporations (as defined in Part XV of the SFO) which was required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the provisions of Divisions 7 and 8 of Part XV of the SFO (including interest or short position which any such director, supervisor, chief executive or member of senior management of the Company was taken or deemed to have under such provisions of such sections of the SFO) or which was required to be recorded in the register kept by the Company pursuant to Section 352 of the SFO, or which was 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 Issuers (the "**Model Code**") adopted by the Company (which for this purpose shall be deemed to apply to the supervisors of the Company to the same extent as it applies to the directors of the Company).

In 2024, the Company has adopted a code of conduct regarding transactions of the directors and supervisors in the Company's securities on terms identical to those of the Model Code. Having made specific enquiries of all directors and supervisors, the Company understands that all of the directors and supervisors have complied with the required standards set out in the Model Code.

CORPORATE GOVERNANCE

The Company has always attached great importance to corporate governance and has continuously implemented management innovation. In strict compliance with the Company Law of the People's Republic of China (the "**Company Law**"), the Securities Law of the People's Republic of China, the Shanghai Listing Rules, the Hong Kong Listing Rules and relevant provisions promulgated by domestic and overseas securities regulatory institutions, the Company has improved the structure of corporate governance, enhanced the level of the Company's governance and endeavored to achieve the harmonious development between the growth of the Company and the interest of its shareholders.

The codes on corporate governance of the Company include, but not limited to, the following documents:

1. Articles of Association;

2. Rules of Procedures for General Meetings of Shareholders, Rules of Procedures for the Board of Directors and Rules of Procedures for the Supervisory Committee of the Company (as a part of the current Articles of Association);

3. Terms of Reference of the Audit Committee, the Remuneration and Appraisal Committee, the Nomination Committee, and the Strategic Committee of the Board of the Company;

4. Working Requirements for Independent Directors;

5. Working Requirements for Secretary to the Board;

6. Working Rules for General Manager;

7. Code on the Company's Investment Projects;

8. the Company's Management Methods on Raised Proceeds;

9. the Company's Management Methods on External Guarantees;

10. the Company's Management Rules on Information Disclosure;

11. Management Rules on Investor Relations;

12. Code on Trading in Securities of the Company by Directors (Supervisors) of the Company;

13. Code on Trading in Securities of the Company by Employees of the Company;

14. Management Methods for Affairs of the Board of Directors;

15. Working Rules on Annual Report for the Audit Committee of the Board;

16. Working Rules on Annual Report for Independent Directors;

17. Management Rules on Connected Transactions; and

18. Insider Registration and Management Methods.

The Board is committed to the principles of corporate governance in order to achieve a prudent management and value enhancement for shareholders. Transparency, accountability and independence are enshrined under these principles.

The Board has reviewed the relevant requirements prescribed under the corporate governance codes adopted by the Company and its actual practices, and has taken the view that the corporate governance of the Company in 2024 has met the requirements under the code provisions in the Corporate Governance Code (the "**CG Code**") as contained in Appendix C1 to the Hong Kong Listing Rules and there was no deviation from such provisions. In certain aspects, the corporate governance codes adopted by the Company are more stringent than the code provisions set out in the CG Code, the particulars of which are as follows:

– The Company has formulated the Code on Trading in Securities of Huadian Power International Corporation Limited for Directors and Supervisors and the Code on Trading in Securities of Huadian Power International Corporation Limited for Employees, which are on terms no less exacting than those set out in the Model Code set out in Appendix C3 to the Hong Kong Listing Rules.

– In addition to the Audit Committee, the Remuneration and Appraisal Committee and the Nomination Committee, the Company has established the Strategic Committee and has stipulated the Terms of Reference for the Strategic Committee.

– In the financial year of 2024, a total of twelve Board meetings were held by the Company.

– The Audit Committee comprises five members, including two Non-executive Directors and three Independent Non-executive Directors.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the financial year of 2024, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of its issued securities ("**securities**" having the meaning as ascribed thereto under paragraph 1 of Appendix D2 to the Hong Kong Listing Rules).

DESIGNATED DEPOSITS AND OVERDUE TIME DEPOSITS

As at 31 December 2024, the Group's deposits placed with financial institutions or other parties did not include any designated or trust deposits or any material time deposits which could not be collected by the Group upon maturity.

AUDIT COMMITTEE

The Company's Audit Committee has reviewed the annual results of the Group for 2024 and the financial statements prepared under IFRSs for the financial year ended 31 December 2024.

SCOPE OF WORK OF SHINEWING (HK) CPA LIMITED

With the concurrence of the Group's independent auditor, SHINEWING (HK) CPA Limited, the figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2024 as set out in this preliminary announcement are consistent with the amounts set out in the Group's audited consolidated financial statements for the year ended 31 December 2024. The work performed by SHINEWING (HK) CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by SHINEWING (HK) CPA Limited on this preliminary announcement.

MATERIAL LITIGATION

As of 31 December 2024, some members of the Group were a party to certain litigations arising from the Group's ordinary course of business or acquisition of assets. The management of the Group believes that any possible legal liability which incurred or may incur from the aforesaid cases will have no material adverse effect on the financial position and operating results of the Group.

By order of the Board
Huadian Power International Corporation Limited*
Liu Lei
Chairman

As at the date of this announcement, the Board comprises:

Liu Lei (Chairman, Executive Director), Chen Bin (Vice Chairman, Executive Director), Zhu Peng (Vice Chairman, Non-executive Director), Zhao Wei (Non-executive Director), Zeng Qinghua (Non-executive Director), Cao Min (Non-executive Director), Wang Xiaobo (Non-executive Director), Li Guoming (Executive Director), Feng Zhenping (Independent Non-executive Director), Li Xingchun (Independent Non-executive Director), Wang Yuesheng (Independent Non-executive Director) and Shen Ling (Independent Non-executive Director).

Beijing, the PRC
27 March 2025

* *For identification purpose only*

I SUMMARY OF FINANCIAL INFORMATION IN CONSOLIDATED FINANCIAL STATEMENTS PREPARED UNDER INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs")

The consolidated financial information set out below is extracted from the audited consolidated financial statements prepared under IFRSs of the Group as set out in its 2024 annual report.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024
(Expressed in Renminbi)

	NOTES	2024 RMB'000	2023 RMB'000
Turnover	3	**112,391,667**	116,376,064
Operating expenses			
Fuel costs		**(70,567,051)**	(75,462,402)
Costs of coal sold		**(6,800,854)**	(9,732,932)
Depreciation and amortisation		**(10,813,228)**	(10,504,666)
Repairs, maintenance and inspection		**(4,558,514)**	(4,416,710)
Personnel costs	4	**(8,628,920)**	(8,063,985)
Administration expenses		**(1,676,464)**	(1,807,802)
Taxes and surcharges	5	**(1,254,550)**	(974,934)
Other operating expenses	9(b)	**(1,470,451)**	(1,311,763)
		(105,770,032)	(112,275,194)
Operating profit		**6,621,635**	4,100,870
Investment income	6	**243,594**	17,846
Other revenue	7	**1,725,751**	1,154,131
Other net income	7	**208,438**	433,511
Interest income from bank deposits		**49,340**	72,494
Fair value gain (loss) on financial assets at fair value through profit or loss		**37,311**	(18,621)
Finance costs	8	**(3,274,946)**	(3,676,131)
Share of results of associates		**3,136,879**	3,758,608
Profit before taxation	9(a)	**8,748,002**	5,842,708
Income tax expense	10	**(1,983,227)**	(974,263)
Profit for the year		**6,764,775**	4,868,445

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME *(CONTINUED)*

For the year ended 31 December 2024

(Expressed in Renminbi)

	NOTES	**2024** **RMB'000**	2023 RMB'000
Other comprehensive (expense) income:			
Items that may be subsequently reclassified to profit or loss:			
Share of other comprehensive (expense) income of investees accounted for under the equity method (with nil tax effect)		**(15,330)**	18,426
Items that will not be reclassified to profit or loss:			
Share of other comprehensive income (non-recycling) of investees accounted for under the equity method (with nil tax effect)		**12,274**	64,113
Other comprehensive (expense) income for the year (net of tax)		**(3,056)**	82,539
Total comprehensive income for the year		**6,761,719**	4,950,984
Profit for the year attributable to:			
Equity holders of the Company		**5,669,855**	4,601,094
Non-controlling interests		**1,094,920**	267,351
		6,764,775	4,868,445
Total comprehensive income for the year attributable to:			
Equity holders of the Company		**5,666,910**	4,682,464
Non-controlling interests		**1,094,809**	268,520
		6,761,719	4,950,984
Earnings per share	*11*		
Basic earnings per share		**RMB0.459**	RMB0.355
Diluted earnings per share		**N/A**	RMB0.353

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

(Expressed in Renminbi)

	NOTES	2024 RMB'000	2023 RMB'000
Non-current assets			
Property, plant and equipment		**132,191,490**	134,616,966
Right-of-use assets		**5,712,667**	5,355,393
Construction in progress		**6,930,611**	7,352,868
Investment properties		**73,580**	70,881
Intangible assets		**1,835,920**	1,892,131
Goodwill		**1,032,483**	1,032,483
Interests in associates		**47,382,450**	44,240,623
Financial assets at fair value through profit or loss		**263,279**	351,434
Other non-current assets		**937,323**	471,640
Deferred tax assets		**1,690,747**	2,510,363
		198,050,550	197,894,782
Current assets			
Inventories		**5,160,041**	4,500,583
Trade debtors and bills receivables	*12*	**11,504,312**	12,336,707
Deposits, other receivables and prepayments		**6,504,695**	6,196,940
Tax recoverable		**67,888**	92,329
Restricted deposits		**229,892**	284,880
Cash and cash equivalents		**5,621,212**	5,170,277
		29,088,040	28,581,716
Current liabilities			
Bank loans		**35,409,723**	26,789,426
Loans from shareholders		**930,945**	737,354
State loans		**1,821**	1,886
Other loans		**5,903,144**	4,402,494
Short-term debentures payable		**1,001,884**	–
Long-term debentures payable-current portion		**4,726,883**	14,196,421
Amount due to the parent company		**3,495**	13,269
Lease liabilities		**99,908**	24,635
Trade creditors and bills payable	*13*	**10,959,312**	11,282,248
Other payables and contract liabilities		**5,764,687**	5,570,645
Tax payable		**326,703**	178,289
		65,128,505	63,196,667

CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(CONTINUED)*

As at 31 December 2024

(Expressed in Renminbi)

	2024	2023
	RMB'000	*RMB'000*
Net current liabilities	**(36,040,465)**	(34,614,951)
Total assets less current liabilities	**162,010,085**	163,279,831
Non-current liabilities		
Bank loans	**40,934,651**	49,678,407
Loans from shareholders	**3,580,710**	5,020,370
State loans	**41,859**	45,631
Other loans	**5,303,801**	6,856,509
Long-term debentures payable	**17,892,058**	9,794,241
Lease liabilities	**79,480**	46,621
Provisions	**153,236**	147,142
Deferred government grants	**1,442,527**	1,465,681
Deferred income	**2,532,465**	2,753,802
Deferred tax liabilities	**1,525,872**	1,560,912
Retirement benefit obligations	**6,579**	8,240
	73,493,238	77,377,556
Net assets	**88,516,847**	85,902,275
Capital and reserves		
Share capital	**10,227,561**	10,227,561
Perpetual capital securities	**25,019,956**	30,656,009
Reserves	**33,923,415**	30,755,089
Equity attributable to equity holders of the Company	**69,170,932**	71,638,659
Non-controlling interests	**19,345,915**	14,263,616
Total equity	**88,516,847**	85,902,275

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of preparation of consolidated financial statements

The consolidated financial statements for the year ended 31 December 2024 comprise the Group and its interests in associates.

At 31 December 2024, the Group had net current liabilities of approximately RMB36,040 million (2023: RMB34,615 million) and certain capital commitments. The directors of the Company are of the opinion that, taking into account the current operation of the Group, the unutilised banking facilities available to the Group as well as debentures and bonds registered in the PRC interbank debenture market which has not been issued, the Group has sufficient working capital to enable it to meet in full its financial obligations as and when they fall due in the coming twelve months from the end of the reporting period. Therefore, these consolidated financial statements have been prepared on a going concern basis.

The measurement basis used in the preparation of the consolidated financial statements is the historical cost basis except for certain financial instruments, which are measured at fair value.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in the consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of IFRS 16 Leases ("**IFRS 16**"), and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 Inventories ("**IAS 2**"), or value in use in IAS 36 Impairment of Assets ("**IAS 36**").

For financial instruments which are transacted at fair value and a valuation technique that unobservable inputs are to be used to measure fair value in subsequent periods, the valuation technique is calibrated so that at initial recognition the results of the valuation technique equal the transaction price.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

The preparation of the consolidated financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgement made by management in the application of IFRSs that have significant effects on the consolidated financial statements and major sources of estimation uncertainty.

2. Application of new and amendments to IFRSs

New and amendments to IFRSs that are mandatorily effective for the current year

In the current year, the Group has applied, for the first time, the following new and amendments to IFRSs issued by the International Accounting Standards Board ("IASB") which are effective for the Group's financial year beginning on 1 January 2024:

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

Except as described below, the application of the new and amendments to IFRSs in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

Impact on application of Amendments to IFRS 16 Lease Liability in a Sale and Leaseback

The amendments add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements of IFRS 15 Revenue from Contracts with Customers to be accounted for as a sale. The amendments require a seller-lessee to determine "lease payments" or "revised lease payments" such that the seller-lessee would not recognize a gain or loss that relates to the right of use retained by the seller-lessee.

The application of the amendments has had no material impact on the consolidated financial statements of the Group.

Impact on application of Amendments to IAS 1 Classification of Liabilities as Current or Non-current and Amendments to IAS 1 –Non-current Liabilities with Covenants

The amendments to IAS 1 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 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.

Upon adoption of the amendments, the Group has reassessed the terms and conditions of its loan arrangements, the application of the amendments has no material impact on the classification of the Group's liabilities.

Impact on application of Amendments to IAS 7 and IFRS 7 Supplier Finance Arrangements

The amendments clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

As a result of implementing the amendments, the Group has provided additional disclosures about its supplier finance arrangements in the Group's consolidated financial statements.

Amendments to IFRSs issued but not yet effective

The Group has not early applied the following new and amendments to IFRSs that have been issued but are not yet effective:

IFRS 18	Presentation and Disclosure in Financial Statements[3]
IFRS 19	Subsidiaries without Public Accountability: Disclosures[3]
Amendments to IAS 21	Lack of Exchangeability[1]
Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments[2]
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards – Volume 11[2]
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[4]
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity[2]

[1] Effective for annual periods beginning on or after 1 January 2025
[2] Effective for annual periods beginning on or after 1 January 2026
[3] Effective for annual periods beginning on or after 1 January 2027
[4] Effective for annual periods beginning on or after a date to be determined.

The directors of the Company anticipate that, except as described below, the application of other new and amendments to IFRSs will have no material impact on the results and the financial position of the Group.

IFRS 18 – Presentation and Disclosure in Financial Statements

IFRS 18 sets out requirements on presentation and disclosures in financial statements and will replace IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. Minor amendments to IAS 7 "Statement of Cash Flows" and IAS 33 "Earnings per Share" are also made.

IFRS 18, and the consequential amendments to other IFRS Accounting Standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted.

The application of IFRS 18 is not expected to have material impact on the financial position of the Group but is expected to affect the presentation of the statement of profit or loss and other comprehensive income and statement of cash flows and disclosures in the future financial statements. The Group will continue to assess the impact of IFRS 18 on the consolidated financial statements of the Group.

3. Turnover and segment information

(a) Disaggregation of turnover

Turnover represents the sale of electricity, heat and coal. Major components of the Group's turnover are as follows:

	2024	2023
	RMB'000	*RMB'000*
Revenue from contracts with customers within the scope of IFRS 15		
– Sale of electricity	**94,744,208**	96,151,641
– Sale of heat	**9,742,888**	9,623,874
– Sale of coal	**7,904,571**	10,600,549
	112,391,667	116,376,064

The revenue from sale of electricity, heat and coal is recognised at a point in time.

(b) Segment information

The chief operating decision makers review the Group's revenue and profit as a whole, which are determined in accordance with the Group's accounting policies, for resources allocation and performance assessment. Therefore, the Group has only one operating and reportable segment and no further segment information is presented in the consolidated financial statements.

Geographical information

The Group's non-current assets are mainly located in the PRC. The Group's major customers are based in the PRC which are the power grid operators in relation to the sale of electricity.

Information about major customers

In 2024, the revenue from two (2023: two) regional and provincial power grid operators accounted for 39% (2023: 39%) of external revenue, each of which contributing to over 10% of the total sales of the Group. Revenue from customers of the corresponding years contributing over 10% of the total revenue of the Group is as follows:

	2024	2023
	RMB'000	*RMB'000*
Customer A*	**32,658,358**	33,337,419
Customer B*	**11,640,512**	11,752,489

* Revenue from sale of electricity.

4. Personnel costs

	2024	2023
	RMB'000	*RMB'000*
Wages, welfare and other benefits	**5,516,838**	5,194,659
Retirement benefits	**2,232,090**	2,087,668
Other staff costs	**879,992**	781,658
	8,628,920	8,063,985

5. Taxes and surcharges

During the year, taxes and surcharges of the Group with the amount of approximately RMB1,255 million (2023: RMB975 million) mainly represent city maintenance and construction tax, education surcharge, urban land use tax, real estate tax and other taxes and surcharges.

6. Investment income

	2024	2023
	RMB'000	*RMB'000*
Dividend income from financial assets measured at FVTPL	**3,910**	4,540
Interest on loans and receivables	**14,919**	14,878
Gain on disposal of a subsidiary	**223,176**	7,278
Gain (loss) on disposal of financial assets measured at FVTOCI	**1,589**	(8,850)
	243,594	17,846

7. Other revenue and net income

	2024	2023
	RMB'000	*RMB'000*
Other revenue		
Government grants *(Note i)*	**671,716**	686,491
Revenue from upfront installation fees for heating networks	**235,487**	232,880
Others *(Note ii)*	**818,548**	234,760
	1,725,751	1,154,131
Other net income		
Gain on disposal of property, plant and equipment, right-of-use assets and intangible assets	**429,118**	159,137
Net income from sale of materials	**91,151**	458,079
Others	**(311,831)**	(183,705)
	208,438	433,511

Note:

(i) Government grants mainly represent the grants from government for purchase of coal, power generation, heat supply and environmental protection. There is no unfulfilled condition relating to those grants.

(ii) Included in others, income arising from sales of carbon emission quota is incurred with the amount of approximately RMB578,273,000 (2023: RMB75,882,000).

8. Finance costs

	2024	2023
	RMB'000	*RMB'000*
Interest on loans and other financial liabilities	**3,288,160**	3,763,708
Interest on lease liabilities	**9,864**	8,825
Interest on convertible bonds	**–**	15,137
Other finance costs	**33,686**	27,291
Net foreign exchange (gain) loss	**(456)**	6,441
Less: interest capitalised	**(56,308)**	(145,271)
	3,274,946	3,676,131

The borrowing costs have been capitalised at an average rate of 2.56% (2023: 3.27%) per annum for construction in progress.

9. Profit before taxation

(a) Profit before taxation is arrived at after charging:

	2024	2023
	RMB'000	*RMB'000*
Amortisation		
– Intangible assets	**111,165**	119,702
Depreciation		
– Property, plant and equipment	**10,421,147**	10,078,768
– Right-of-use assets	**278,574**	304,004
– Investment properties	**2,342**	2,192
Total depreciation and amortisation	**10,813,228**	10,504,666
Auditor's remuneration		
– Audit services	**6,250**	6,250
– Non-audit services	**1,250**	1,250
Cost of inventories recognised	**81,926,419**	85,195,334
Reversal of impairment losses under expected credit loss model, net (included in administration expenses)		
– Trade debtors and bills receivables	**(7,616)**	(5,482)
– Deposits, other receivables and prepayments	**(5,283)**	(215,958)
(Reversal of) write down of inventories, net	**(801)**	13,277
Impairment losses on non-financial assets (included in administration expenses):		
– Property, plant and equipment	**62,701**	483,668
– Construction in progress	**40,296**	15,037
– Intangible assets	**–**	14,698
Expense relating to short-term leases	**61,027**	57,245

(b) Other operating expenses

	2024	2023
	RMB'000	*RMB'000*
Heating	**594,644**	557,614
Power charges	**255,848**	272,037
Water charges	**584,460**	454,525
Others	**35,499**	27,587
Total other operating expenses	**1,470,451**	1,311,763

10. Income tax in the consolidated statement of profit or loss and other comprehensive income

	2024	2023
	RMB'000	*RMB'000*
Current tax – PRC Enterprise Income Tax		
Charge for the year	**1,181,415**	553,903
Under (over) provision in respect of prior years	**17,236**	(1,724)
	1,198,651	552,179
Deferred tax		
Origination and reversal of temporary differences and tax losses	**784,576**	422,084
Income tax expense in the consolidated statement of profit or loss and other comprehensive income	**1,983,227**	974,263

11. Earnings per share

(a) Basic and diluted earnings per share

The calculation of basic earnings per share is based on the profit attributable to equity shareholders of the Company for the year and divided by the weighted average number of ordinary shares in issue during the year.

	2024	2023
	RMB'000	*RMB'000*
Profit attributable to equity holders of the Company	**5,669,855**	4,601,094
Less: Profit attributable to holders of perpetual capital securities	**(971,836)**	(1,007,474)
Profit attributable to equity shareholders (Earnings for the purpose of basic earnings per share)	**4,698,019**	3,593,620
Weighted average number of ordinary shares in issue (Rounded to the nearest thousand)	**10,227,561**	10,122,960
Basic earnings per share (RMB)	**0.459**	0.355
Diluted earnings per share (RMB) *(Note 11(b))*	**N/A**	0.353

(b) Diluted earnings per share

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares in issue to assume exercise/conversion of all dilutive potential ordinary shares. During the year ended 31 December 2023, the Company has one category of dilutive potential ordinary shares which is the convertible bonds. They are assumed to have been converted into ordinary shares, and profits attributable to the equity shareholders of the Company is adjusted to eliminate the interest expenses of the convertible bonds.

	2023
	RMB'000
Profit attributable to equity shareholders	3,593,620
Add: interest expense on liability component of convertible bonds	15,137
Earnings for the purpose of diluted earnings per share	3,608,757

	2023
	'000
Weighted average number of ordinary shares for the purpose of basic earnings per share	10,122,960
Effect of dilutive potential ordinary shares: convertible bonds	104,601
Weighted average number of ordinary shares for the purpose of diluted earnings per share	10,227,561
Diluted earnings per share (RMB)	0.353

No dilutive earnings per share is presented for the year ended 31 December 2024 as there is no dilutive potential share in issue during the year.

12. Trade debtors and bills receivables

	2024	2023
	RMB'000	*RMB'000*
Trade debtors and bills receivables for the sale of electricity	**10,294,449**	11,014,323
Trade debtors and bills receivables for the sale of heat	**1,152,536**	1,045,354
Trade debtors and bills receivables for the sale of coal	**403,712**	631,877
	11,850,697	12,691,554
Less: allowance for impairment	**(346,385)**	(354,847)
	11,504,312	12,336,707

	2024 *RMB'000*	2023 *RMB'000*
Analysed into:		
– At amortised cost	**11,718,876**	12,326,729
– At FVTOCI	**131,821**	364,825
	11,850,697	12,691,554

As at 31 December 2024, the ageing analysis of trade debtors and bills receivables (net of allowance for impairment), presented based on the invoice date, which approximated to the revenue recognition date, is as follows:

	2024 *RMB'000*	2023 *RMB'000*
Within 1 year	**11,270,815**	12,201,336
1 to 2 years	**131,511**	117,309
2 to 3 years	**83,924**	17,660
Over 3 years	**18,062**	402
	11,504,312	12,336,707

13. Trade creditors and bills payable

	2024 *RMB'000*	2023 *RMB'000*
Trade creditors	**9,025,768**	10,440,380
Trade payables – supplier finance arrangements	**5,444**	–
Bills payables	**1,928,100**	841,868
	10,959,312	11,282,248

As at 31 December 2024, the ageing analysis of trade creditors and bills payable, presented based on the invoice date, is as follows:

	2024 *RMB'000*	2023 *RMB'000*
Within 1 year	**8,961,554**	9,165,850
1 to 2 years	**1,076,077**	1,089,175
Over 2 years	**921,681**	1,027,223
	10,959,312	11,282,248

14. Dividends

(i) Dividends payable to equity shareholders of the Company attributable to the year:

	2024	2023
	RMB'000	*RMB'000*
Final dividend proposed after the end of reporting period of RMB0.13 per share (2023: RMB0.15 per share)	**1,329,583**	1,534,134

Pursuant to a resolution passed at the directors' meeting held on 27 March 2025, a final dividend of RMB0.13 per share (2023: RMB0.15) is proposed to be payable to shareholders for 2024, subject to the approval of the shareholders at the coming annual general meeting.

The final dividend proposed after the end of the reporting period has not been recognised as a liability at the end of the reporting period.

(ii) Dividend approved and paid to the shareholders of the Company during the year:

	2024	2023
	RMB'000	*RMB'000*
2024 Interim-RMB0.08 (2023: 2023 interim dividend: nil) per share	**818,205**	–
2023 Final-RMB0.15 (2023: 2022 final dividend RMB0.20) per share	**1,534,134**	2,045,512
	2,352,339	2,045,512

15. Contingent liabilities

At the end of reporting period, the lawsuits were in progress whose final outcomes cannot be determined at present. The directors of the Company considered that the outcome of these outstanding lawsuits will not result in significant adverse effect on the financial position and operating results of the Group.

Apart from the above, the Group has no other material contingent liabilities as at 31 December 2024 (2023: nil).

II SUMMARY OF FINANCIAL INFORMATION IN CONSOLIDATED FINANCIAL STATEMENTS PREPARED UNDER CHINA ACCOUNTING STANDARDS FOR BUSINESS ENTERPRISES ("CAS")

The consolidated financial information set out below is extracted from the audited consolidated financial statements prepared under CAS of the Group as set out in its 2024 annual report.

CONSOLIDATED BALANCE SHEET AND THE COMPANY'S BALANCE SHEET

As at 31 December 2024

(Expressed in Renminbi'000)

Item	The Group 31 December 2024	 31 December 2023	The Company 31 December 2024	 31 December 2023
Current assets:				
Cash and cash equivalents	**5,851,104**	5,455,157	**836,515**	364,719
Bills receivable	**32,021**	14,701	**32,021**	14,701
Trade debtors	**11,561,740**	12,168,585	**1,501,791**	1,795,829
Accounts receivable financing	**131,821**	364,825	**27,000**	24,788
Prepayments	**4,018,650**	3,185,062	**261,537**	326,028
Other receivables	**946,935**	1,177,762	**11,208,847**	16,473,196
Inventories	**5,160,041**	4,500,583	**797,181**	677,521
Non-current assets – current portion	**58,493**	172,900	**73,953**	188,361
Other current assets	**1,327,235**	1,542,141	**67,932**	50,189
Total current assets	**29,088,040**	28,581,716	**14,806,777**	19,915,332
Non-current assets:				
Long-term investments	**269,452**	155,045	**307,590**	202,629
Long-term equity investments	**46,932,980**	43,791,153	**94,114,603**	89,935,535
Other non-current financial assets	**263,279**	351,434	**131,622**	107,072
Investment properties	**73,580**	70,881	**19,265**	20,302
Property, plant and equipment	**129,274,064**	131,660,255	**16,364,372**	17,100,986
Construction in progress	**6,930,611**	7,352,868	**421,617**	321,103
Right-of-use assets	**175,226**	77,360	**121,681**	15,651
Intangible assets	**7,509,627**	7,273,051	**847,883**	850,665
Development expenditure	**1,897**	2,217	**–**	–
Goodwill	**373,940**	373,940	**–**	–
Long-term prepaid expenses	**625,955**	521,637	**236**	5,000
Deferred tax assets	**1,690,747**	2,510,363	**–**	–
Other non-current assets	**665,974**	314,379	**54,728**	48,586
Total non-current assets	**194,787,332**	194,454,583	**112,383,597**	108,607,529
Total assets	**223,875,372**	223,036,299	**127,190,374**	128,522,861

CONSOLIDATED BALANCE SHEET AND THE COMPANY'S BALANCE SHEET *(CONTINUED)*
As at 31 December 2024
(Expressed in Renminbi'000)

Item	The Group		The Company	
	31 December 2024	31 December 2023	**31 December 2024**	31 December 2023
Current liabilities:				
Short-term loans	**27,890,773**	18,967,777	**7,811,866**	2,414,838
Bills payable	**1,928,100**	841,868	**–**	–
Trade creditors	**9,031,759**	10,445,786	**1,738,872**	1,703,576
Deposit received	**4,600**	9,271	**258**	688
Contract liabilities	**2,657,826**	2,157,646	**103,234**	102,918
Salaries payable	**186,556**	215,801	**44,561**	55,669
Tax payable	**743,469**	849,354	**63,486**	68,737
Other payable	**2,117,273**	2,423,585	**942,094**	887,618
Non-current liabilities – current portion	**19,181,854**	27,184,439	**10,034,167**	19,096,037
Other current liabilities	**1,386,295**	101,140	**1,011,811**	12,195
Total current liabilities	**65,128,505**	63,196,667	**21,750,349**	24,342,276
Non-current liabilities:				
Long-term loans	**49,861,021**	61,600,917	**18,929,639**	21,132,401
Debentures payable	**17,892,058**	9,794,241	**17,892,058**	9,794,241
Lease liabilities	**79,480**	46,621	**42,952**	8,838
Long-term payables	**14,532**	28,105	**11,123**	24,219
Retirement benefit obligations	**6,579**	8,240	**–**	–
Provisions	**153,236**	147,142	**–**	–
Deferred income	**3,629,930**	3,813,467	**48,603**	53,747
Deferred tax liabilities	**1,031,719**	1,021,121	**63,805**	66,193
Total non-current liabilities	**72,668,555**	76,459,854	**36,988,180**	31,079,639
Total liabilities	**137,797,060**	139,656,521	**58,738,529**	55,421,915

CONSOLIDATED BALANCE SHEET AND THE COMPANY'S BALANCE SHEET *(CONTINUED)*

As at 31 December 2024

(Expressed in Renminbi'000)

	The Group		The Company	
Item	**31 December 2024**	31 December 2023	**31 December 2024**	31 December 2023
Shareholders' equity:				
Share capital	**10,227,561**	10,227,561	**10,227,561**	10,227,561
Other equity instruments	**25,019,956**	30,656,009	**25,019,956**	30,656,009
Including: Preferred stock	**–**	–	**–**	–
Perpetual capital securities	**25,019,956**	30,656,009	**25,019,956**	30,656,009
Capital reserve	**15,176,602**	14,357,934	**15,613,289**	15,380,487
Other comprehensive income	**172,084**	175,028	**165,860**	168,293
Specific reserve	**126,200**	112,758	**15,565**	30,963
Surplus reserve	**5,450,525**	5,040,910	**5,485,291**	5,075,675
Retained earnings	**11,161,844**	9,186,042	**11,924,323**	11,561,958
Total equity attributable to equity holders of the Company	**67,334,772**	69,756,242	**–**	–
Non-controlling interests	**18,743,540**	13,623,536	**–**	–
Total equity	**86,078,312**	83,379,778	**68,451,845**	73,100,946
Total liabilities and equity	**223,875,372**	223,036,299	**127,190,374**	128,522,861

CONSOLIDATED INCOME STATEMENT AND THE COMPANY'S INCOME STATEMENT

For the year ended 31 December 2024

(Expressed in Renminbi'000)

	The Group		The Company	
Item	**31 December 2024**	31 December 2023	**31 December 2024**	31 December 2023
Total operating income	**112,993,979**	117,176,125	**15,425,860**	16,113,414
Total operating costs	**109,361,744**	115,900,749	**16,200,360**	16,701,558
Including: Operating costs	**103,070,648**	109,645,654	**14,554,566**	15,092,765
Taxes and surcharges	**1,268,372**	983,107	**218,046**	164,843
Administrative expenses	**1,797,118**	1,668,351	**434,739**	384,849
Finance expenses	**3,225,606**	3,603,637	**993,009**	1,059,101
Add: Other income	**869,755**	870,614	**105,402**	32,537
Investment income	**3,478,321**	3,776,454	**4,771,222**	4,292,185
Including: income from investment in associates and joint ventures	**3,136,879**	3,758,608	**3,050,799**	3,623,087
Gain/(loss) on change in fair value	**37,311**	(18,621)	**14,554,566**	15,092,765
(Reversal)/recognition of expected credit losses	**12,899**	221,440	**(34,702)**	192,460
Impairment loss of assets	**(102,196)**	(526,680)	**(28,823)**	(13,866)
Gain on disposal of assets	**399,245**	104,867	**21**	1
Operating profit	**8,327,570**	5,703,450	**4,038,620**	3,915,173
Add: Non-operating income	**839,035**	295,505	**118,097**	42,844
Less: Non-operating expenses	**302,114**	188,814	**62,951**	95,726
Total profit	**8,864,491**	5,810,141	**4,093,766**	3,862,291
Less: Income tax (expense)/credit	**(2,028,865)**	(1,002,134)	**2,390**	16,458
Net profit	**6,835,626**	4,808,007	**4,096,156**	3,878,749
Classified according to operating continuity	**6,835,626**	4,808,007	**4,096,156**	3,878,749
1. Net profit from continuing operations	**6,835,626**	4,808,007	**4,096,156**	3,878,749
2. Net profit from discontinuing operations	**–**	–	**–**	–
Classified according to the ownership	**6,835,626**	4,808,007	**–**	–
1. Attributable to equity shareholders of the Company	**5,702,671**	4,522,125	**–**	–
2. Minority interests	**1,132,955**	285,882	**–**	–

CONSOLIDATED INCOME STATEMENT AND THE COMPANY'S INCOME STATEMENT *(CONTINUED)*

For the year ended 31 December 2024

(Expressed in Renminbi'000)

Item	The Group **31 December 2024**	The Group 31 December 2023	The Company **31 December 2024**	The Company 31 December 2023
Other comprehensive (expense)/income, net of tax	**(3,056)**	82,539	**(2,433)**	76,000
Other comprehensive (expense)/income attributable to equity shareholders of the Company, net of tax	**(2,944)**	81,370	**–**	–
Other comprehensive income that cannot be reclassified through profits or losses	**12,386**	62,944	**12,897**	57,574
1. Other comprehensive incomes that cannot be reclassified through profit or loss under the equity method	**12,386**	62,944	**12,897**	57,574
Other comprehensive (expense)/income that will be re-classified into profits or losses	**(15,330)**	18,426	**(15,330)**	18,426
1. Other comprehensive (expense)/incomes that can be re-classified into profit or loss under the equity method	**(15,330)**	18,426	**(15,330)**	18,426
Net of tax of other comprehensive (expense)/income attributable to minority shareholders	**(112)**	1,169	**–**	–
Total comprehensive income	**6,832,570**	4,890,546	**4,093,723**	3,954,749
Attributable to equity shareholders of the Company	**5,699,727**	4,603,495	**–**	–
Minority interests	**1,132,843**	287,051	**–**	–
Earnings per share:				
Basic earnings per share *(RMB/Share)*	**0.459**	0.355	**N/A**	N/A
Diluted earnings per share *(RMB/Share)*	**N/A**	0.353	**N/A**	N/A

III RECONCILIATION OF THE FINANCIAL STATEMENTS PREPARED UNDER CAS AND IFRSs

Effects of major differences between the CAS and IFRSs on net profit/(loss) and net assets attributable to equity holders of the Company are analysed as follows:

Item	*Notes*	**Net profit attributable to equity shareholders of the Company** **31 December 2024**	31 December 2023 (Restated)	**Net asset attributable to equity shareholders of the Company** **31 December 2024**	31 December 2023 (Restated)
Amounts under CAS		**5,702,671**	4,522,125	**67,334,772**	69,756,242
Adjustments:					
Business combination involving entities under common control	*1*	**(182,551)**	(111,485)	**3,246,026**	3,428,577
Government grants	*2*	**47,381**	47,392	**(330,530)**	(377,911)
Maintenance and production safety funds	*3*	**18,680**	96,662	**17,192**	11,622
Taxation impact of the adjustments		**45,638**	27,871	**(494,153)**	(539,791)
Attributable to minority interest		**38,036**	18,529	**(602,375)**	(640,080)
Amounts under IFRSs		**5,669,855**	4,601,094	**69,170,932**	71,638,659

Notes:

(i) According to the accounting policies adopted in the Group's financial statements prepared under IFRSs, assets and liabilities acquired by the Group during business combination, irrespective of whether such business combination is involving entities under common control or not, are measured at the fair value of identifiable assets and liabilities of the acquire at the date of acquisition. In preparing the consolidated financial statements, the respective financial statements of subsidiaries are adjusted based on the fair value of individual identifiable assets and liabilities at the date of acquisition. The excess of purchase consideration paid by the Company over its share of fair value of identifiable net assets of the acquired was recognized as goodwill.

In accordance with CAS, assets and liabilities acquired by the Group in business combination involving entities under common control are measured at their carrying value at the date of combination. The excess of carrying value of purchase consideration paid by the Company over its share of carrying value of identifiable net assets of the acquire for business combination involving entities under common control reduces the share premium of capital reserve or retained profits.

In addition, according to CAS, in respect of business combination involving entities under common control, when preparing consolidated financial statements, the opening balances as well as the comparative figures of the financial statements should be adjusted as if the current structure and operations resulting from the acquisitions had been in existence since prior periods (no earlier than the later of both parties were under common control).

(ii) According to IFRSs, conditional government grants should be first recorded in long-term liabilities and amortized to profit or loss using the straight line method over the useful lives of the relevant assets after fulfilling the requirements from the government in respect of the construction projects.

According to CAS, government grants related to assets (required to be recorded in capital reserve pursuant to the relevant government notice) are not recognized as deferred income.

(iii) Pursuant to the relevant PRC regulations for coal mining companies, the funds for production maintenance and production safety are accrued by the Group at fixed rates based on coal production volume. Provision for maintenance and production funds is recognized as expense in profit or loss with a corresponding adjustment to the specific reserve. The maintenance and production funds could be utilized when expenses or capital expenditures on production maintenance and safety measures are incurred. The amount of maintenance and production funds utilized would be transferred from the specific reserve back to retained earnings.

According to IFRSs, coal mining companies are required to set aside an amount to a fund for production maintenance, production safety and other similar funds through transferring from retained earnings to specific reserve. When qualifying revenue expenditures are incurred, such expenses are recorded in the profit or loss as incurred. When capital expenditures are incurred, an amount is transferred to property, plant and equipment and is depreciated in accordance with the depreciation policy of the Group. Internal equity items transfers take place based on the actual application amount of such expenses whereas specific reserve is offset against retained earnings to the extent of zero.