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# **中国神华能源股份有限公司**

## **CHINA SHENHUA ENERGY COMPANY LIMITED**

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

**(Stock Code: 01088)**

### **INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2025**

The board of directors (the “**Board**”) of China Shenhua Energy Company Limited (the “**Company**”) is pleased to announce the unaudited interim results of the Company and its subsidiaries for the six months ended 30 June 2025. The interim results have been reviewed by the audit and risk management committee of the Board.

This announcement, containing the full text of the 2025 interim report of the Company, complies with the relevant requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited in relation to information to accompany preliminary announcements of interim results.

The 2025 interim results of the Company are available for viewing on the websites of the Company at [www.csec.com](http://www.csec.com) or [www.shenhuachina.com](http://www.shenhuachina.com) and the HKEXnews website at [www.hkexnews.hk](http://www.hkexnews.hk).

By order of the Board

**China Shenhua Energy Company Limited**

**Song Jinggang**

*Chief Financial Officer and Secretary to the Board of Directors*

Beijing, 29 August 2025

*As at the date of this announcement, the Board comprises the following: Mr. Zhang Changyan as executive director, Mr. Kang Fengwei and Mr. Li Xinhua as non-executive directors, Dr. Yuen Kwok Keung, Dr. Chen Hanwen and Mr. Wang Hong as independent non-executive directors, and Ms. Jiao Lei as employee director.*

## Important Notice

- I. The Board, directors and senior management of the Company warrant that this interim report does not contain any misrepresentations, misleading statements or material omissions, and are jointly and severally liable for the authenticity, accuracy and completeness of the information contained in this report.
- II. This report was approved at the 13th meeting of the sixth session of the Board of the Company. 5 out of 7 directors attended the meeting. Kang Fengwei and Li Xinhua (non-executive directors) requested for leave due to business engagement, and authorized Zhang Changyan (executive director) to attend and vote at the Board meeting on their behalf.
- III. The interim financial statements of this report have not been audited. KPMG has issued a review report on the Company's 2025 Interim Financial Statements prepared under IFRS Accounting Standards in accordance with the Hong Kong Standards on Review Engagements.
- IV. Zhang Changyan, the person in-charge of the Company, Song Jinggang, Chief Financial Officer, and Yu Yanling, person-in-charge of the accounting department, warrant the authenticity, accuracy and completeness of the financial statements contained in this report.
- V. The Board proposed the payment of interim dividend for the six months ended 30 June 2025 of RMB0.98 per share (tax inclusive) based on the total share capital as at the record date for the dividend distribution. The proposed profit distribution is subject to the approval at the general meeting of the Company. According to the total share capital of 19,868,519,955 shares of the Company as at 30 June 2025, the interim dividend totaling RMB19,471 million will be paid.
- VI. Disclaimer of forward-looking statements: the forward-looking statements in this report made on the basis of subjective assumptions and judgements on future policies and economic conditions, which are subject to risks, uncertainties and assumptions, may differ materially from the actual outcome. Such statements do not constitute actual commitments to investors. Investors should be aware that undue reliance on or use of such information may lead to risks of investment.
- VII. Any appropriation of funds by controlling shareholder and its related parties for non-operating purposes: No
- VIII. Any provision of external guarantee that has violated the applicable decision-making procedures: No
- IX. Whether more than half of the directors cannot guarantee the authenticity, accuracy and completeness of the interim report disclosed by the Company: No
- X. Material risk alert: the Company has explained in detail the risks faced by the Company, among other things, risks in safety, environmental protection, compliance, engineering project management, market competition, investment, integrated operation, policy and international operation, in the section headed "Management Discussion and Analysis", to which investors are advised to pay attention.

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## Section I Definitions

Unless the context otherwise requires, the following terms used in this report have the following meanings:

China Shenhua/the Company	China Shenhua Energy Company Limited
the Group	The Company and its subsidiaries
China Energy	China Energy Investment Corporation Limited
China Energy Group	China Energy and its subsidiaries (excluding the Group)
Shendong Coal	China Energy Shendong Coal Group Co., Ltd.
Shendong Power	Shenhua Shendong Power Co., Ltd.
Zhunge'er Energy	Shenhua Zhunge'er Energy Co., Ltd.
Baorixile Energy	China Energy Baorixile Energy Co., Ltd.
Beidian Shengli	China Energy Beidian Shengli Energy Co., Ltd.
Yulin Energy	China Energy Yulin Energy Co., Ltd.
Hangjin Energy	China Energy Hangjin Energy Co., Ltd.
Dayan Mining	Inner Mongolia Dayan Mining Industry Group Co., Ltd.
Trading Group	China Energy Trading Group Limited
Shuohuang Railway	China Energy Shuohuang Railway Development Co., Ltd.
Xinshuo Railway	China Energy Xinshuo Railway Co., Ltd.
Baoshen Railway	China Energy Baoshen Railway Co., Ltd.
Railway Equipment	China Energy Railway Equipment Co., Ltd.
Huanghua Harbour Administration	China Energy Huanghua Harbour Administration Co., Ltd.
Tianjin Harbour Administration	China Energy (Tianjin) Harbour Administration Co., Ltd.
Zhuhai Harbour Administration	China Energy Zhuhai Harbour Administration Co., Ltd.
Baotou Coal Chemical	China Energy Baotou Coal Chemical Co., Ltd.

## Section I Definitions (Continued)

Bayannur Energy	Shenhua Bayannur Energy Co., Ltd.
Sichuan Energy	China Energy Sichuan Energy Co., Ltd.
Fujian Energy	Shenhua (Fujian) Energy Co., Ltd.
Zhunge'er Power	Power generation segment controlled and operated by Zhunge'er Energy
EMM Indonesia	PT. GH EMM INDONESIA
Pembangkitan Jawa	PT. Shenhua Guohua Pembangkitan Jawa Bali
Taishan Power	China Energy Yudean Taishan Power Co., Ltd.
Cangdong Power	China Energy Hebei Cangdong Power Generation Co., Ltd.
Jinjie Energy	China Energy Jinjie Energy Co., Ltd.
Dingzhou Power	China Energy Hebei Dingzhou Power Generation Co., Ltd.
Mengjin Power	China Energy Mengjin Thermal Power Co., Ltd.
Jiujiang Power	China Energy Shenhua Jiujiang Power Co., Ltd.
Huizhou Thermal	China Energy (Huizhou) Thermal Power Co., Ltd.
Beijing Gas Power	China Energy Guohua (Beijing) Gas Power Cogeneration Co., Ltd.
Shouguang Power	China Energy Shouguang Power Generation Co., Ltd.
Liuzhou Power	China Energy Guangtou (Liuzhou) Power Generation Co., Ltd.
Beihai Power	China Energy Guangtou Beihai Power Generation Co., Ltd.
Yongzhou Power	China Energy Group Yongzhou Power Generation Co., Ltd.
Yueyang Power	China Energy Group Yueyang Power Generation Co., Ltd.
Qingyuan Power	China Energy Qingyuan Power Generation Co., Ltd.
Shandong Power Sales Company	China Energy (Shandong) Power Sales Co., Ltd.
Finance Company	China Energy Finance Co., Ltd.

## Section I Definitions (Continued)

JORC	Australasian Code for Reporting of Mineral Resources and Ore Reserves
SSE	Shanghai Stock Exchange
HKEx	The Stock Exchange of Hong Kong Limited
Shanghai Listing Rules	Rules Governing the Listing of Shares on the SSE
Hong Kong Listing Rules	Rules Governing the Listing of Securities on the HKEx
China Accounting Standards for Business Enterprises	The latest Accounting Standards for Business Enterprises issued by the Ministry of Finance of the People's Republic of China and the related application guidance, interpretations and other related requirements
IFRS Accounting Standards	IFRS Accounting Standards issued by the International Accounting Standards Board
Articles of Association	Articles of Association of China Shenhua Energy Company Limited
EBITDA	Profit for the period + net finance costs + income tax + depreciation and amortisation – share of results of associates
gearing ratio	Total liabilities/total assets
total debt to equity ratio	$\frac{\text{Long-term interest-bearing debt} + \text{short-term interest-bearing debt (including bills payable)}}{\text{Long-term interest-bearing debt} + \text{short-term interest-bearing debt (including bills payable)} + \text{total shareholder equity}}$
RMB	Renminbi unless otherwise specified
Reporting Period	January to June 2025
at the beginning of the period/at the end of the period	at the beginning of the Reporting Period/at the end of the Reporting Period

## Section II Company Profile and Major Financial Indicators

### I. INFORMATION OF THE COMPANY

Chinese Name of the Company	中國神華能源股份有限公司
Short Name of Chinese Name of the Company	中國神華
English Name of the Company	China Shenhua Energy Company Limited
Abbreviation/Short Name of English Name of the Company	CSEC/China Shenhua
Legal Representative of the Company	On 24 March 2025, Mr. Lv Zhiren resigned as Chairman of the Board and executive director of the Company. The election of the new Chairman of the Board is in progress.
Authorised Representative of the Company under the Hong Kong Listing Rules	Zhang Changyan, Song Jinggang

### II. CONTACTS AND CONTACT DETAILS

Secretary to the Board, Joint Company Secretary		Representative of Securities Affairs, Joint Company Secretary
Name	Song Jinggang	Zhuang Yuan
Address	22 Andingmen Xibinhe Road, Dongcheng District, Beijing (Postal Code: 100011)	22 Andingmen Xibinhe Road, Dongcheng District, Beijing (Postal Code: 100011)
Tel	(8610) 5813 1088	(8610) 5813 3355
Fax	(8610) 5813 1804/1814	(8610) 5813 1804/1814
E-mail	1088@csec.com	ir@csec.com
Office of the Board of the Company		Hong Kong Office of the Company
Address	22 Andingmen Xibinhe Road, Dongcheng District, Beijing (Postal Code: 100011)	Room B, 54th Floor, Bank of China Tower, 1 Garden Road, Central, Hong Kong
Tel	(8610) 5813 1088/3355	(852) 2578 1635
Fax	(8610) 5813 1804/1814	(852) 2915 0638

### III. PARTICULARS

Registered Address of the Company	22 Andingmen Xibinhe Road, Dongcheng District, Beijing
Postal Code of Registered Address of the Company	100011
Change of Registered Address of the Company	N/A
Office Address of the Company	22 Andingmen Xibinhe Road, Dongcheng District, Beijing
Postal Code of Office Address of the Company	100011
Company Website	www.csec.com or www.shenhuachina.com
E-mail	ir@csec.com

## Section II Company Profile and Major Financial Indicators (Continued)

### IV. INFORMATION DISCLOSURE AND PLACE FOR DOCUMENT INSPECTION

Designated newspaper for information disclosure	China Securities Journal, Shanghai Securities News, Securities Times and Securities Daily
Website for publication of the interim report	www.sse.com.cn and www.hkexnews.hk
Place where the Company's interim report is available for inspection	SSE, Office of the Board of the Company and Hong Kong Office of the Company

### V. BASIC INFORMATION ON SHARES

Class of Shares	Stock Exchange	Abbreviation	Stock Code
A Share	SSE	China Shenhua	601088
H Share	HKEx	China Shenhua	01088

### VI. OTHER INFORMATION

Accounting Firm Engaged by the Company (A Shares)	Name	KPMG Huazhen LLP
	Office Address	8th Floor, Tower E2, Oriental Plaza, 1 East Chang An Avenue, Beijing
	Signing Auditors	Duan Yuhua, Zheng Ziyun
Accounting Firm Engaged by the Company (H Shares)	Name	KPMG (Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance)
	Office Address	8th Floor, Prince's Building, 10 Chater Road, Central, Hong Kong
	Signing Auditor	Ho Ying Man
Share Registrar of the Company (A Share)	Name	China Securities Depository and Clearing Corporation Limited Shanghai Branch
	Office Address	188 Yanggao South Road, Pudong New Area, Shanghai
Share Registrar of the Company (H Share)	Name	Computershare Hong Kong Investor Services Limited
	Office Address	17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong

## Section II Company Profile and Major Financial Indicators (Continued)

### VII. MAJOR ACCOUNTING DATA AND FINANCIAL INDICATORS

Major accounting data	Unit	The first half of 2025	The first half of 2024		Change %
			After restatement	Before restatement	
Revenue	RMB million	<b>138,109</b>	169,121	168,078	(18.3)
Profit for the period	RMB million	<b>32,059</b>	36,983	38,398	(13.3)
Profit for the period attributable to equity holders of the Company	RMB million	<b>26,706</b>	31,356	32,771	(14.8)
Basic earnings per share	RMB/share	<b>1.344</b>	1.578	1.649	(14.8)
Net inflow of cash from operating activities	RMB million	<b>45,794</b>	51,890	52,668	(11.7)
Return on total assets as at the end of the period	%	<b>4.7</b>	5.4	5.7	Decreased by 0.7 percentage point
Return on net assets as at the end of the period	%	<b>6.6</b>	8.0	8.2	Decreased by 1.4 percentage point
EBITDA	RMB million	<b>50,629</b>	54,764	55,822	(7.6)

	Unit	As at 30 June 2025	As at 31 December 2024		Change %
			After restatement	Before restatement	
Total assets	RMB million	<b>686,068</b>	671,639	661,436	2.1
Total liabilities	RMB million	<b>212,433</b>	171,377	154,116	24.0
Total equity	RMB million	<b>473,635</b>	500,262	507,320	(5.3)
Equity attributable to equity holders of the Company	RMB million	<b>404,527</b>	422,595	429,653	(4.3)
Total share capital as at the end of the period	RMB million	<b>19,869</b>	19,869	19,869	0.0
Equity attributable to equity holders per share	RMB/share	<b>20.36</b>	21.27	21.62	(4.3)
Gearing ratio	%	<b>31.0</b>	21.27	21.62	Increased by 5.5 percentage points
Total debt to equity ratio	%	<b>7.1</b>	25.5	23.3	Decreased by 1.8 percentage points
		<b>7.1</b>	8.9	6.1	points



## Section II Company Profile and Major Financial Indicators (Continued)

Reasons for restatement:

On 11 February 2025, the Company completed the acquisition of 100% equity interest in Hangjin Energy held by China Energy (for details, please refer to relevant announcements published by the Company on 21 January, 24 January and 12 February 2025 on the website of HKEx). Since then, Hangjin Energy has been included in the consolidated financial statements of the Company. The above acquisition falls under a business combination under common control. The Company has made retrospective adjustments to the consolidated financial statements for the comparative periods of the Reporting Period in accordance with the relevant provisions.

### VIII. DIFFERENCE IN ACCOUNTING DATA UNDER DOMESTIC AND OVERSEAS ACCOUNTING STANDARDS

Unit: RMB million

	Net profit attributable to equity holders of the Company			Net assets attributable to equity holders of the Company		
	The first half of 2025	The first half of 2024 After restatement	Before restatement	As at 30 June 2025	As at 31 December 2024 After restatement	Before restatement
Under China Accounting Standards for Business Enterprises	24,641	28,012	29,504	401,523	419,559	426,866
Adjustments for:						
Simple production maintenance, safety production and other related expenditures	2,065	3,344	3,267	3,004	3,036	2,787
Under IFRS Accounting Standards	26,706	31,356	32,771	404,527	422,595	429,653

Explanation on Differences in Domestic and Overseas Accounting Standards:

Pursuant to relevant regulations of the related governmental authorities in the PRC, the Group accrued provisions for simple production maintenance, safety production and other related expenditures, which are recognised as current expenses and separately recorded as a specific reserve in shareholders' equity. On utilisation of the specific reserve as fixed assets within the stipulated scope, the full amount of accumulated depreciation is recognised at the same time when the cost of the relevant assets is recorded. Under IFRS Accounting Standards, these expenses are recognised when incurred. Relevant capital expenditure is recognised as property, plant and equipment and depreciated according to the applicable depreciation method. The effect on deferred tax arising from such difference is also reflected.

## Section III Board's Statement

### Dear Shareholders,

In the first half of 2025, adhering to the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, the Company comprehensively implemented the spirit of the 20<sup>th</sup> National Congress of the Communist Party of China, the Second and the Third Plenary Sessions of the 20<sup>th</sup> CPC Central Committee, and the Central Economic Work Conference, intensively studied and realised General Secretary Xi Jinping's crucial speech and important instructions on the energy industry, state-owned assets and state-owned enterprises, closely focused on the development strategy of the Company. Fully committed to addressing the severe situation of declining price and volume of coal and electricity, the Company managed to further enhance in both development quality and investment value with stable momentum of production and operation, and orderly progress in construction of key projects. As at the end of June 2025, the Company recorded a total market capitalisation of RMB762.3 billion with the price trend of A shares and H shares outperforming that of major industry indexes.

**The production and operational situation remains stable and orderly.** With a three-year action plan to address the root causes of production safety issues and the special project of eliminating hidden hazards of ecological and environmental issues in the Yellow River Basin solidly carried out, the safety and environmental protection foundation continued to be firm and solid. We spared no effort in promoting purchase and sales of coal, power generation, and integrated operation, whereby production of self-produced coal remained at a high level with smooth and efficient energy transportation channels. With significantly higher coverage rate and performance rate of medium and long-term agreements at both ends of purchase and sales of thermal coal than the national requirements and utilisation hour of coal-fired power generation higher than the national average, we completed the task of ensuring supply during critical periods and in key regions with high quality, striving to serve as the "ballast" and "stabiliser" for energy security. We advanced benchmarking against corresponding periods, regions and industries, and urged enterprises with insufficient production and operations to timely formulate special improvement plans, intensifying efforts to reduce costs, expand the market and increase revenue. We organised and carried out a special action plan to enhance the net profit attributable to equity holders of the parent company and strengthened lean management of cash assets, and improved asset quality and profitability.

**The construction of key projects has been accelerated.** It took 6 months for project of Xinjie No. 1 and No. 2 Mines to complete the prerequisite formalities before the construction, setting a new record for the shortest time from approval to commencement filing for local coal mine construction projects. The Company optimised the layout of supportive coal-fired projects, steadily promoted the construction of coal-fired projects such as Jiujiang Phase II and Beihai Phase II, and commissioned the operation of the South Sumatra No. 1 project with high quality. We actively supported the development of renewable energy projects by adding renewable energy power generation projects with capacity of 215 MW for external commercial operations, and the new energy industry investment fund and the green low-carbon development investment fund established by the Company through investment remained steady operation. We further optimised the layout of transportation network and steadily promoted the construction of projects such as Dongyue Railway, Huanghua Port Phase V, and Zhuhai Harbour Administration Bulk Cargo Terminal. Baotou Coal-to-Olefin Upgrade Demonstration Project has entered the stage of full-scale construction. The Company improved the investment decision-making management system and mechanism, significantly enhancing the quality and efficiency of investment.

## Section III Board's Statement (Continued)

**Technological innovation is driving industrial upgrading.** By continuously improving the construction of the technological innovation system and promoting high-level technological breakthroughs and the transformation and application of technological achievements, we promoted the transformation and upgrading of traditional industries empowered by technological innovation. We also accelerated the construction of intelligent coal mines, intelligent power stations and intelligent transportation. The first "BIM+Beidou" intelligent, infrastructural and management system of Xinjie Energy in the domestic coal infrastructure sector was successfully deployed; the smart heavy-haul model of Shuohuang Railway was selected as an excellent case of value creation by SASAC. With the efforts in advancing digital transformation, the data governance practice of the Company was selected as one of the excellent cases by China Enterprise News. In the first half of the year, the Company obtained 244 authorised patents, of which 58 were invention patents.

**The role of the listing platform continues to strengthen.** The capital operation of the Company was highly effective and the Company successfully completed the acquisition of equity interests in Hangjin Energy. Through actively advancing a new round of capital injection, the Company further strengthened its ability to secure energy supply and level of synergetic operation. Adhering to the principle of active return to the shareholders, we distributed a final dividend of RMB2.26 per share (tax inclusive) for the year 2024, increased the annual minimum dividend payout ratio to 65% of the net profit attributable to shareholders of the Company as realised in the corresponding year for the year 2025 to 2027 and the distribution of 2025 interim dividend was proposed. In active response to the initiative of the SSE, the Company formulated and implemented the 2025 Corporate Value and Return Enhancement Action Plan". Market capitalisation management system was implemented, whereby regular meetings on market capitalisation management were held to continuously improve the market capitalisation management system. The Company also implemented the special action of "further enhancement of information disclosure" in order to strengthen investor-orientated operation and put greater efforts in proactive disclosure. With multi-dimensional and multi-level efforts in investor relationship, a clear positioning and accurate valuation of the Company in the capital market was encouraged.

**The capability of corporate governance and development has been effectively enhanced.** In advancing the unification of Party leadership and corporate governance improvement, we amended and improved the Articles of Association, promoted the reform of the Supervisory Committee, earnestly implemented the general requirements of establishing a "scientific, rational and efficient" board, with a view to promoting the standardized performance of duties and efficiency improvement of various governance bodies. In strict compliance with the relevant policies and regulatory requirements of sustainable development, the Company continued to improve the management system of key ESG issues of the Company, systematically deepened the governance improvement, with particular focus on such as quantification of climate risks and opportunities, statistics and analysis of Scope 3 carbon emission and intelligent construction of ESG system, and promoted industrial transformation with high-quality ESG work. Reform of market-oriented system and mechanism was continued to further stimulate the driving force. The Company spared no efforts to continue to conduct major risk assessments, prevent and mitigate major operational risks, and practically safeguard the interests of shareholders and minority investors. During the first half of the year, the Company entered the ranking list of "2025 China Brand Value Evaluation Information" again with a brand value of RMB232.156 billion, ranked fifth in the energy and chemical sector and ranked first among listed companies of the energy and chemical sector.

Currently, the world's profound changes unseen in a century has been accelerating, with increasing uncertainty in the external environment and intensified competition among major powers. The supporting conditions and fundamental trends for the long-term economic growth in China remain unchanged amid unstable foundation for this upward trend, and some deep-seated structural contradictions that have accumulated over time remain to be resolved. From the perspective of industrial development trends, the comprehensive green and low-carbon transformation of economic and social development is driving the accelerated transition of the energy industry towards a low-carbon, diversified, and market-oriented development. The second half of the year marks a critical period for concluding the 14th Five-Year Plan

## Section III Board's Statement (Continued)

and planning for the 15th Five-Year Plan. The Company will carefully assess the market and operating conditions in the second half of the year, confront challenges with strengthened confidence, and overcome difficulties head-on. Adhering to sustainable growth and promoting high-quality development, the Company will make every effort to achieve its annual goals and tasks with "stabilizing operations, pursuing innovation, optimising investment, strengthening management, and ensuring safety" as its core work guidelines.

**Firstly, we must firmly secure supply and deepen operation to create efficiency.** We will continuously optimise the mechanism of securing constant and long-term supply of energy and fully strengthen our integrated advantage in order to ensure stable production and supply of coal. We will give full play to our bottom-line guarantee role of coal-fired power, strengthen control of production and operation scheduling, as well as improve reliability management, to ensure stable supply of power and heat. We will carefully study the conditions of the market and operation in the second half of the year, respond actively to changes in the situation, and make every effort to expand the market, increase revenue, reduce costs, enhance efficiency, explore potential and create efficacy.

**Secondly, we will focus on green development and optimise the coal-based industry.** Anchoring our "dual carbon" goals, we will strengthen the clean and efficient utilisation of coal, systematically promote the greening of the whole chain for coal mining, production, storage, transportation, and utilisation, vigorously develop green mines, low-carbon coal power, high-end chemical industry, and green logistics, and scientifically coordinate efficient production and high-level environmental protection. We will actively follow up on capital injection and accelerate the construction of major projects, in an effort to achieve the optimal resource allocation along the industry chain.

**Thirdly, we will insist on planning as the first priority and emphasise innovation leadership.** We will strengthen the development of our philosophy that "innovation is the primary driving force of the enterprise" and advocate profound integration of technological innovation and industrial innovation, with focus on cultivating and developing new quality productive forces in the energy sector. The Company will formulate the 15th Five-Year Plan in a scientific way, improve the technological innovation system, make breakthroughs in key core technologies and cutting-edge technologies, and strategically prioritise the development of new quality productive forces based on local conditions.

**Fourthly, we will enhance benchmarking analysis and improve operation capability.** By enhancing the construction of management system and management capability, focusing on key points, making up for weaknesses, strengthening weak points, and promoting improvement, we will fully push forward the transformation of quality, efficiency and driving force of enterprises, while benchmarking with regional and industrial advanced and world-class enterprises, identifying the gaps, and implementing targeted policies to comprehensively enhance the value creation capability. The Company will strengthen lean management and adhere to prioritising efficiency and cost, so as to achieve continuous improvement in operation quality.

**Fifthly, we will firmly build a strong defence line to prevent and resolve risks.** We will practise the overall national security concept in all aspects such as, strengthening the safety barrier in production, operation and ecology, and escort high-quality development with high-standard safety. The Company will continue to deepen the three-year action of tackling root causes, focus on the implementation of safety production management system, and deepen and implement rectification for safe production project. The Company will strengthen the awareness of risks, compliance and security by reinforcing corporate governance, compliance management and internal control system construction continuously, practically fulfilling regulatory requirements and market rules and actively promoting sustainable corporate development.

**Board of Directors  
China Shenhua Energy Company Limited  
29 August 2025**





# Overview of China Shenhua’s Operating Results for the First Half of 2025

Table 1 Completion of Business Targets

		Target for 2025	Completion in the first half of 2025	Percentage of completion %
Commercial coal production	100 million tonnes	3,348	1,654	49.4
Coal sales	100 million tonnes	4,659	2,049	44.0
Power generation	100 million kWh	2,271	987.8	43.5
Revenue	RMB100 million	3,200	1,381.09	43.2
Cost of sales	RMB100 million	2,300	943.74	41.0
Selling, general and administrative expenses, R&D costs and net finance costs	RMB100 million	145	63.14	43.5
Changes in unit production costs of self-produced coal		Year-on-year increase of around 6%	Year-on-year decrease of 3.9%	

Table 4 Operation Data

		In the first half of 2025	In the first half of 2024 (restated)	Change %
Commercial coal production	million tonnes	165.4	168.2	(1.7)
Coal sales	million tonnes	204.9	230.0	(10.9)
Transportation turnover of self-owned railway	billion tonne km	152.8	161.4	(5.3)
Loading volume at Huanghua Port	million tonnes	107.6	110.0	(2.2)
Loading volume at Tianjin Coal Dock	million tonnes	21.8	21.9	(0.5)
Shipping volume	million tonnes	49.9	65.5	(23.8)
Shipment turnover	billion tonne nm	52.5	75.0	(30.0)
Gross power generation	billion kWh	98.78	106.65	(7.4)
Total power output dispatch	billion kWh	92.91	100.25	(7.3)
Polyethylene sales	thousand tonnes	184.0	148.2	24.2
Polypropylene sales	thousand tonnes	170.6	139.2	22.6

Table 9 Domestic Coal Sales Volume

		In the first half of 2025 Million tonnes	Proportion of domestic sales %	In the first half of 2024 (restated) Million tonnes	Change %
Domestic sales		203.0	100.0	225.8	(10.1)
By regions					
Northern China		86.1	42.4	75.6	13.9
Eastern China		50.1	24.7	78.3	(36.0)
Central China and Southern China		28.4	14.0	36.9	(23.0)
Northeast China		18.9	9.3	21.4	(11.7)
Others		19.5	9.6	13.6	43.4
By usage					
Thermal coal		156.4	77.0	178.0	(12.6)
Metallurgy		6.6	3.3	7.6	(13.2)
Chemical (including coal slurry)		22.4	11.0	25.4	(11.8)
Others		17.6	8.7	13.8	27.5

Table 12 Coal Sales Price

		In the first half of 2025		In the first half of 2024 (restated)		Change	
		Sales volume Million tonnes	Percentage to total sales volume %	Sales volume Million tonnes	Percentage to total sales volume %	Average price (excluding tax) RMB/tonne	Average price (excluding tax) %
Total sales volume/average price (excluding tax)		204.9	100.0	493	230.0	100.0	566
I. Classify by contract pricing mechanism							
(I) Sales through Trading Group		197.3	96.3	503	217.5	94.6	581
1. Annual long-term agreement		113.7	55.5	461	125.0	54.3	490
2. Monthly long-term agreement		75.3	36.7	563	72.8	31.7	725
3. Spot commodity		8.3	4.1	544	19.7	8.6	618
(II) Direct sales through coal mine pit		7.6	3.7	213	12.5	5.4	313
II. Classify by internal and external customers							
(I) Sales to external customers		168.7	82.4	503	193.0	83.9	576
(II) Sales to internal power segment		33.7	16.4	451	34.9	15.2	516
(III) Sales to internal coal chemical segment		2.5	1.2	407	2.1	0.9	425

Table 2 Financial Indicators

		In the first half of 2025	In the first half of 2024 (restated)	Change %
Revenue	RMB million	138,109	169,121	(18.3)
Profit before income tax	RMB million	40,013	44,971	(11.0)
EBITDA	RMB million	50,629	54,764	(7.6)
Profit for the period attributable to equity holders of the Company	RMB million	26,706	31,366	(14.8)
Basic earnings per share	RMB/share	1.344	1.578	(14.8)
Net cash generated from operating activities	RMB million	45,794	51,890	(11.7)

Table 5 Commercial Coal Production Volume

		In the first half of 2025 Million tonnes	In the first half of 2024 (restated) Million tonnes	Change %
Total production		165.4	168.2	(1.7)
By mines				
Shendong Mines		94.9	94.6	0.3
Zhunge'er Mines		36.4	37.0	(1.6)
Baotou Mines		15.4	16.9	(8.9)
Shengli Mines		12.4	13.9	(10.8)
Dayan Mines		5.6	5.0	12.0
Baotou Mines		0.7	0.8	(12.5)
By regions				
Inner Mongolia		117.4	119.6	(1.8)
Shaanxi Province		44.3	46.2	(4.1)
Shanxi Province		3.7	2.4	54.2

Table 10 Completion of Capital Expenditure Plan

		Plan for 2025 RMB100 million	Completion in the first half of 2025 RMB100 million
Coal segment		96.81	41.35
Power segment		174.11	86.96
Transportation segments		81.66	14.35
Including: Railway		47.58	11.36
Port		34.07	2.87
Shipping		0.01	0.12
Coal chemical segment		54.46	4.76
Others		10.89	0.04
Total		417.93	147.46

Table 3 Results of Each Segment

	Coal		Power		Railway		Port		Shipping		Coal chemical		Unallocated items		Eliminations		Total	
	In the first half of 2025 RMB million	In the first half of 2024 (restated) RMB million	In the first half of 2025 RMB million	In the first half of 2024 (restated) RMB million	In the first half of 2025 RMB million	In the first half of 2024 RMB million	In the first half of 2025 RMB million	In the first half of 2024 RMB million	In the first half of 2025 RMB million	In the first half of 2024 RMB million	In the first half of 2025 RMB million	In the first half of 2024 RMB million	In the first half of 2025 RMB million	In the first half of 2024 RMB million	In the first half of 2025 RMB million	In the first half of 2024 RMB million	In the first half of 2025 RMB million	In the first half of 2024 (restated) RMB million
Revenue from external customers	86,722	113,787	40,451	45,062	5,702	5,889	1,087	870	1,228	975	2,919	2,538	-	-	-	-	138,109	169,121
Inter-segment revenue	17,181	20,769	88	107	15,731	16,553	2,377	2,573	414	1,513	-	-	430	495	(36,221)	(42,010)	-	-
Sub-total of segment revenue	103,903	134,556	40,539	45,169	21,433	22,442	3,464	3,443	1,642	2,488	2,919	2,538	430	495	(36,221)	(42,010)	138,109	169,121
Segment cost of sales	(76,685)	(101,340)	(34,205)	(38,232)	(12,749)	(14,004)	(1,856)	(1,962)	(1,466)	(2,244)	(2,773)	(2,442)	(15)	(12)	35,375	41,318	(94,374)	(118,908)
Profit before income tax	23,655	27,835	5,351	5,561	7,259	7,141	1,355	1,231	116	224	79	4	2,703	3,176	(505)	(201)	40,013	44,971
As at 30 June 2025 RMB million		As at 31 December 2024 (restated) RMB million	As at 30 June 2025 RMB million	As at 31 December 2024 (restated) RMB million	As at 30 June 2025 RMB million	As at 31 December 2024 RMB million	As at 30 June 2025 RMB million	As at 31 December 2024 RMB million	As at 30 June 2025 RMB million	As at 31 December 2024 RMB million	As at 30 June 2025 RMB million	As at 31 December 2024 RMB million	As at 30 June 2025 RMB million	As at 31 December 2024 RMB million	As at 30 June 2025 RMB million	As at 31 December 2024 RMB million	As at 30 June 2025 RMB million	As at 31 December 2024 (restated) RMB million
Segment total assets	342,428	323,963	192,530	187,714	136,299	123,595	21,360	19,740	7,359	7,218	9,252	8,180	579,942	538,369	(603,102)	(537,140)	686,068	671,639
Segment total liabilities	(152,425)	(145,911)	(143,925)	(145,695)	(54,211)	(46,605)	(6,637)	(6,445)	(557)	(487)	(2,537)	(1,784)	(300,726)	(228,360)	448,585	403,910	(212,433)	(171,377)

Table 6 Power Business

Power plants/ Power type	Location	Gross power generation 100 million kWh	Total power output dispatch 100 million kWh	Average utilisation hours	Standard coal consumption for power output dispatch g/kWh	Power tariff RMB/MWh	Total installed capacity as at 31 December 2024 (restated) MW	Increase/ (decrease) in installed capacity for the first half of 2025 MW	Total installed capacity as at 30 June 2025 MW	Equity installed capacity as at 30 June 2025 MW
Coal-fired power										
Zhunge'er Power	Inner Mongolia	15.8	14.4	2,637	309	374	600	-	600	347
Beidian Shengli	Inner Mongolia	22.4	20.5	1,697	353	349	1,320	-	1,320	829
Hangjin Energy	Inner Mongolia	21.3	19.3	1,779	351	328	1,200	-	1,200	1,200
Cangdong Power	Hebei	51.1	48.8	2,027	292	402	2,520	-	2,520	1,285
Dingshou Power	Hebei	51.3	47.7	2,036	303	403	2,520	-	2,520	1,021
Taishan Power	Guangdong	115.6	109.3	2,245	304	352	5,150	-	5,150	4,120
Huizhou Thermal	Guangdong	19.0	17.0	2,885	300	337	660	-	660	660
Qingyuan Power	Guangdong	48.9	46.9	2,445	278	345	2,000	-	2,000	1,340
Fujian Energy	Fujian	104.7	100.1	2,155	291	390	4,860	-	4,860	3,419
Shendong Power	Shaanxi, Inner Mongolia, etc.	127.9	118.8	2,549	316	370	5,014	-	5,014	4,528
Jinjie Energy	Shaanxi	92.2	84.7	2,478	311	315	3,720	-	3,720	3,720
Shouguang Power	Shandong	36.9	34.6	1,826	283	406	2,020	-	2,020	1,212
Jiujiang Power	Jiangxi	54.9	52.1	2,743	276	408	2,000	-	2,000	2,000
Sichuan Energy	Sichuan	68.6	65.0	2,638	291	416	2,600	-	2,600	1,666
Mengjin Power	Henan	20.2	18.7	1,681	298	403	1,200	-	1,200	612
Luzhou Power	Guangxi	9.2	8.7	1,315	314	371	700	-	700	490
Beihai Power	Guangxi	23.4	22.3	1,169	285	380	2,000	-	2,000	1,040
Yongzhou Power	Hunan	29.9	28.4	1,495	287	476	2,000	-	2,000	1,600
Yueyang Power	Hunan	30.7	29.7	1,537	283	467	2,000	-	2,000	1,900
EMM Indonesia	Indonesia	7.1	6.1	2,351	366	483	300	-	300	210
Total of coal-fired power plants/weighted average		951.1	893.1	2,143	300	380	44,384	-	44,384	33,199
Other power type										
Gas-fired power	Beijing, Guangdong	29.3	28.7	1,338	210	587	2,194	-	2,194	2,194
Hydropower	Sichuan	1.7	1.6	2,049	/	269	125	(47)	78	40
Photovoltaic power	Guangdong, Fujian, Inner Mongolia, etc.	5.7	5.7	653	/	314	761	215	976	722

Table 13 Coal Resources Reserve

	Coal resources (under PRC standard)			Recoverable reserve (under PRC standard)			Marketable reserve (under JORC standard)		
	As at 30 June 2025 100 million tonnes	As at 31 December 2024 100 million tonnes	Change %	As at 30 June 2025 100 million tonnes	As at 31 December 2024 100 million tonnes	Change %	As at 30 June 2025 100 million tonnes	As at 31 December 2024 100 million tonnes	Change %
Mines									
Shendong Mines	157.7	158.0	(0.2)	89.5	89.7	(0.2)	64.5	65.4	(1.4)
Zhunge'er Mines	40.0	40.3	(0.7)	28.9	29.2	(1.0)	20.9	21.3	(1.9)
Shengli Mines	22.2	22.3	(0.4)	10.0	10.2	(2.0)	1.7	1.9	(10.5)
Dayan Mines	17.7	/	/	10.2	/	/	1.3	/	/
Baotou Mines	12.3	12.5	(1.6)	7.4	7.5	(1.3)	6.9	7.0	(1.4)
Baotou Mines	0.4	0.4	-	0.3	0.3	-	0.1	0.1	-
Xinjie Taigemiao Mines	145.0	110.1	31.7	14.0	14.0	-	9.4	9.4	-
Tarangoale Mines	20.5	/	/	14.2	/	/	6.5	/	/
Total of China Shenhua	415.8	343.6	21.0	174.5	150.9	15.6	111.3	105.1	5.9

Table 7 Cost of Sales of Coal Segment

		In the first half of 2025 RMB million	In the first half of 2024 (restated) RMB million	Change %
Coal purchased		16,641	32,105	(48.2)
Materials, fuel and power		4,559	5,243	(13.0)
Personnel expenses		9,122	9,870	(7.6)
Repairs and maintenance		1,546	1,778	(13.0)
Depreciation and amortisation		3,255	3,231	0.7
Transportation charges		24,131	27,555	(12.4)
Others		10,231	13,301	(23.1)
Tax and surcharges		7,200	8,257	(12.8)
Total cost of sales		76,685	101,340	(24.3)

Table 8 Cost of Sales of Power Segment

		In the first half of 2025		In the first half of 2024 (restated)		Change in unit cost	
		Cost RMB million	Power output dispatch 100 million kWh	Cost RMB million	Power output dispatch 100 million kWh	Unit cost RMB/MWh	%
Cost of power output dispatch		31,967	928.1	344.1	35,924	1,002.5	358.4
Materials, fuel and power		23,108	928.1	248.7	27,295	1,002.5	212.3
Personnel expenses		2,674	928.1	28.8	2,658	1,002.5	28.5
Repairs and maintenance		795	928.1	7.9	778	1,002.5	7.8
Depreciation and amortisation		3,627	928.1	39.0	3,507	1,002.5	35.0
Others		1,823	928.1	19.7	1,486	1,002.5	14.8

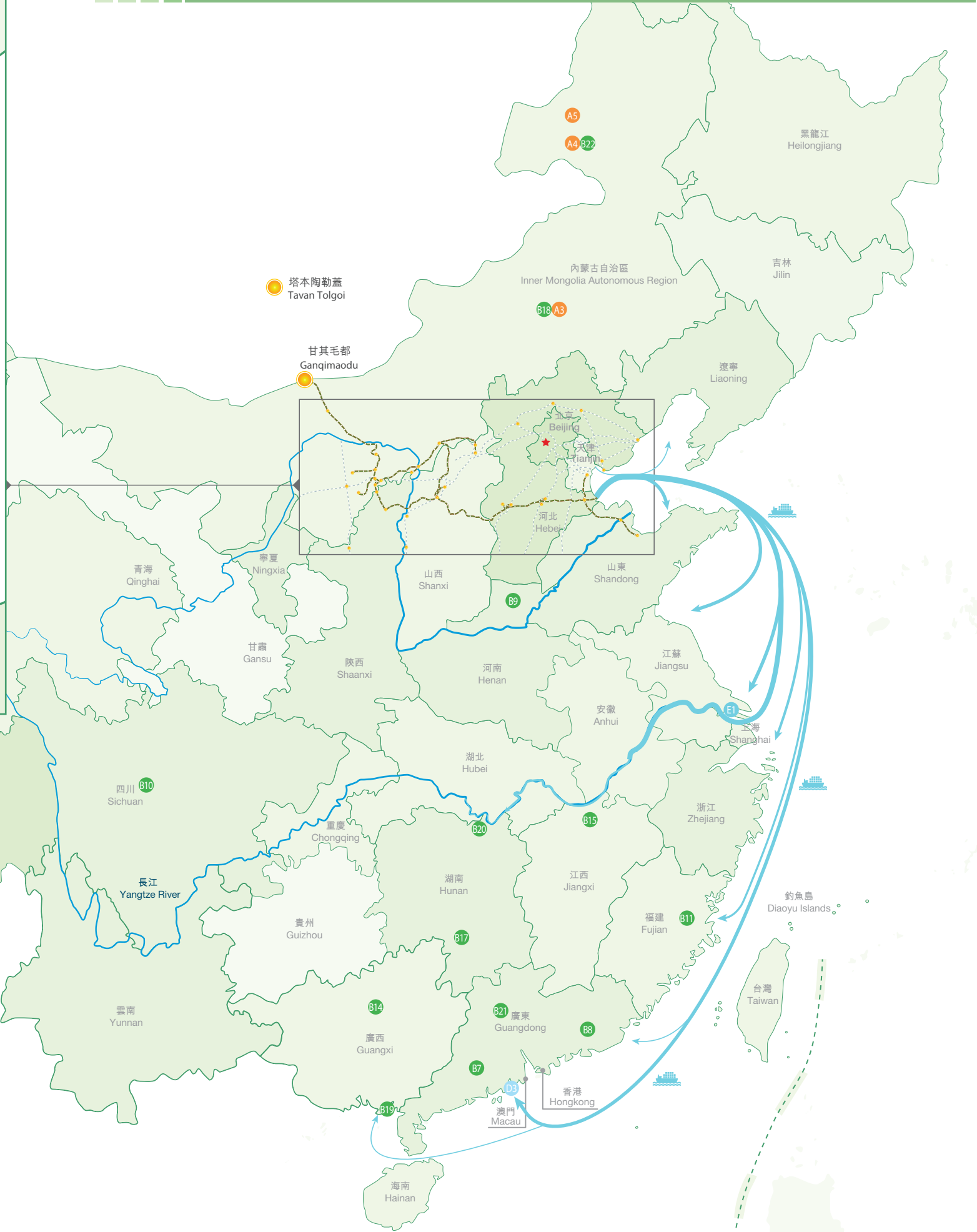


中国神华能源股份有限公司  
CHINA SHENHUA ENERGY COMPANY LIMITED



主要資產分佈圖 Assets Distribution Map

2025



### 煤礦 COAL MINE

- A1. 神東礦區  
Shendong Mines
- A2. 准格爾礦區  
Zhunge'er Mines
- A3. 勝利礦區  
Shengli Mines
- A4. 大雁礦區  
Dayan Mines
- A5. 寶日希勒礦區  
Baorixile Mines
- A6. 包頭礦區  
Baotou Mines
- A7. 新街台格廟礦區  
Xinjie Taigemiao Mining Area
- A8. 塔然高勒礦區  
Tarangaole Mines

### 鐵路 RAILWAY

- C1. 神朔鐵路  
Shenshuo Railway
- C2. 朔黃鐵路  
Shuohuang Railway
- C3. 黃萬鐵路  
Huangwan Railway
- C4. 大准鐵路  
Dazhun Railway
- C5. 包神鐵路  
Baoshen Railway
- C6. 巴准鐵路  
Bazhun Railway
- C7. 甘泉鐵路  
Ganquan Railway
- C8. 准池鐵路  
Zhunchi Railway
- C9. 黃大鐵路  
Huangda Railway
- C10. 塔韓鐵路  
Tahan Railway
- C11. 東月鐵路 (前期)  
Dongyue Railway (Preliminary)

### 電廠 POWER

- B1. 滄東電力  
Cangdong Power
- B2. 定州電力  
Dingzhou Power
- B3. 准能電力  
Zhunge'er Power
- B4. 神東電力  
Shendong Power
- B5. 北京燃氣  
Beijing Gas Power
- B6. 錦界能源  
Jinjie Energy
- B7. 台山電力  
Taishan Power
- B8. 惠州熱電  
Huizhou Thermal
- B9. 孟津電力  
Mengjin Power
- B10. 四川能源  
Sichuan Energy
- B11. 福建能源  
Fujian Energy
- B12. 南蘇EMM  
EMM Indonesia
- B13. 壽光電力  
Shouguang Power
- B14. 柳州電力  
Liuzhou Power
- B15. 九江電力  
Jiujiang Power
- B16. 印尼爪哇  
Indonesia Java
- B17. 永州電力  
Yongzhou Power
- B18. 北電勝利  
Beidian Shengli
- B19. 北海電力  
Beihai Power
- B20. 岳陽電力  
Yueyang Power
- B21. 清遠電力  
Qingyuan Power
- B22. 杭錦能源鄂溫克電廠  
Evenki Power Plant of Hangjin Energy
- B23. 天健美朗  
Lion Power

### 港口 PORT

- D1. 黃驊港  
Huanghua Port
- D2. 天津煤碼頭  
Tianjin Coal Dock
- D3. 珠海煤碼頭  
Zhuhai Coal Dock

### 航運 SHIPPING

- E1. 航運公司  
Shipping Company

### 煤化工 COAL CHEMICAL

- F1. 包頭煤化工  
Baotou Coal Chemical

註：① 於2025年6月30日之分佈圖，僅做示意  
② 以審圖號GS(2019)1818號地圖為基礎編製  
Note: ① This map as at 30 June 2025 is for illustrative purpose only.  
② Prepared on the basis of the map with the approval number of GS(2019)1818.

#### 圖例 Legend

- 省界線  
Provincial Boundary
- 國有或地方鐵路線  
State-owned or Local Railway
- 自有運營鐵路  
Self-owned Railway (in operation)
- 自有礦區  
Self-owned mines
- 主要航線  
Main Shipping Route



## Section IV Management Discussion and Analysis

### I. INDUSTRY IN WHICH THE COMPANY OPERATED AND ITS PRINCIPAL BUSINESSES DURING THE REPORTING PERIOD

#### (I) Competition and Development Trend in the Industry<sup>1</sup>

##### 1. Macroeconomic environment

In the first half of 2025, China has accelerated the construction of a new development pattern, coordinated domestic economic development and international trade, and effectively implemented more proactive and effective macroeconomic policies. The national economy has withstood the pressure and has risen to challenges, with the economy progressing in a stable manner. With a steady increase in the demand for production and overall employment remaining stable, household income has been increasing. New growth drivers continued to grow and high-quality development has made progress, while the overall social situation remained stable. Calculated at constant prices, the gross domestic product (GDP) for the first half year increased by 5.3% as compared with the corresponding period of last year.

##### 2. Coal market environment

###### (1) China's thermal coal market

In the first half of 2025, China's commercial coal consumption remains stable. The coal production has maintained growth on the key principles of "stabilising production, supply and price" under relevant policies. The momentum of China's coal economy is relatively weak with a decrease in core coal prices. As of June 2025, the medium and long-term contract price of the National Coal Seaborne Thermal-Coal Price Index (NCEI) (國煤下水動力煤價格指數) (5,500 kcal) was RMB669 per tonne, representing a decrease of RMB24 per tonne compared with that at the end of the previous year; the average medium- and long-term contract price for the first half of the year was approximately RMB682 per tonne, representing a decrease of RMB22 per tonne compared with that of last year. The average transaction price for thermal coal (5,500 kcal) at Qinhuangdao Port for the first half of the year was approximately RMB685 per tonne, representing a year-on-year decrease of approximately 22.2%.

	The first half of 2025	Year-on-year change (%)
Raw coal output of above-scale industries (100 million tonnes)	24.0	5.4
Coal import (100 million tonnes)	2.2	(11.1)
National coal transportation volume by railways (100 million tonnes)	13.4	(4.8)

<sup>1</sup> This section is for reference only and does not constitute any investment advice. The Company has used its best endeavours to ensure the accuracy and reliability of information in this section, but does not assume any liability or provide any form of guarantee for the accuracy, completeness or validity of all or part of its content. If there is any error or omission, the Company does not assume any liability. The content in this section may contain certain forward-looking statements based on subjective assumptions and judgements of future political and economic developments; therefore, there may exist uncertainties in these statements. The Company does not undertake any responsibility for updating the information or correcting any subsequent error that may appear. The opinions, estimates and other data set out herein can be amended or withdrawn without further notice. The data contained in this section are mainly derived from sources such as the National Bureau of Statistics, China Coal Market Network, China Coal Resources Network, China Electricity Council, and Coal Transportation and Distribution Association, etc.

## Section IV Management Discussion and Analysis (Continued)

In respect of the supply side, the growth rate of coal production showed a trend of being higher at the beginning and lower towards the end. The industrial raw coal output above designated scale in China was 2,400 million tonnes, representing a year-on-year increase of 5.4%, with a decrease in growth rate to 3.0% in June. During the first half of the year, raw coal production in Inner Mongolia Autonomous Region, Shanxi Province, Shaanxi Province and Xinjiang Uygur Autonomous Region accounted for 81.4% of the raw coal output of above-scale industries nationwide. China's national coal inventories stayed at a higher level, while coal inventories at ports in the northern China began to fall. During the first half of the year, the total imported coal was 220 million tonnes, representing a year-on-year decrease of 11.1%. Among the total import, the import from Indonesia was 90.98 million tonnes, representing a year-on-year decrease of 15.5%.

In respect of the demand side, China's commercial coal consumption increased by approximately 0.4% year-on-year during the first half of 2025. A year-on-year decrease in thermal power generation led to a decrease by 1.8% in the commercial coal consumption of power generation industry, accounting for approximately 56.9% of the total coal consumption; commercial coal consumption in the chemical industry increased by 12.1% year-on-year; coal consumption in the steel sector experienced a slight increase, while that in the building materials sector experienced a year-on-year decrease.

### **(2) International thermal coal market**

In the first half of 2025, the global economic growth slowed down, while non-fossil power consumption experienced a growth and the coal supply showed a moderately ample condition. According to statistical data, the total coal production in India in the first half of 2025 was 0.59 billion tonnes, representing a year-on-year increase of 0.7%; the coal production in Indonesia reached 0.34 billion tonnes, representing a year-on-year decrease of 8.6%; coal production in the United States was 0.24 billion tonnes, representing a year-on-year increase of 7.5%; coal production in Russia was 0.22 billion tonnes, representing a year-on-year increase of 1.6%; coal production in Australia was 0.13 billion tonnes, representing a year-on-year decrease of 8.2%; the coal production in Mongolia was 43.71 million tonnes, representing a year-on-year decrease of 12.4%. The demand for coal from major markets including China and India became weak, resulting in a decrease in global coal exports. According to the report of Banchero Costa, a world's leading brokerage house in the maritime, the global trading volume of coal through shipping experienced a year-on-year decrease by 7.9% in the first half of 2025. Indonesia, Australia, the United States and Mongolia experienced a drop in exported volume. Among them, the exported volume of coal from Indonesia was 225 million tonnes, representing a year-on-year decrease of 12.8%. The coal prices fluctuated and declined overall. The free onboard sales price of thermal coal (5,500 kcal) at Newcastle Harbour at the end of June was approximately US\$65, decreasing by approximately 20.7% as compared to the end of the previous year.



## Section IV Management Discussion and Analysis (Continued)

### 3. Power Market Environment

The national power supply system operated stably and the power supply and demand were generally balanced. In the first half of 2025, China's national power consumption reached 4,841.8 billion kWh, representing a year-on-year increase of 3.7%. The power generation by power plants above designated scale in China was 4,537.1 billion kWh, representing a year-on-year increase of 0.8%. Among that, thermal power generation amounted to 2,941.0 billion kWh, representing a year-on-year decrease of 2.4%, accounting for 64.8% of the national power generation; hydropower generation amounted to 539.8 billion kWh, representing a year-on-year decrease of 2.9%; wind power, solar power and nuclear power generation increased year-on-year by 10.6%, 20.0% and 11.3%, respectively. The average utilisation hours of power generation equipment of power plants in China with the installed capacity of 6,000 kW and above were 1,504 hours, decreasing by 162 hours year-on-year. Except for nuclear power generation, utilisation hours of power generation equipment decreased year-on-year. Among them, the average utilisation hours of thermal power equipment were 1,968 hours, decreasing by 130 hours year-on-year (the average utilisation hours of coal power equipment were 2,056 hours, decreasing by 147 hours year-on-year).

The installed capacity of wind power and solar power generation increased rapidly, and the installed capacity of solar power reached 1,100 GW. As of June 2025, the national installed capacity of power generation reached 3,650 GW, representing a year-on-year increase of 18.7%. In the first half of the year, the combined newly added installed capacity of wind power and solar power generation increased by 260 GW, accounting for 89.9% of the total newly added installed capacity of power generation. As of the end of June 2025, the installed capacity of wind power and solar power generation accounted for 45.8% of the total installed capacity; the installed capacity of thermal power reached 1,470 GW, representing a year-on-year increase of 4.7%, accounting for 40.4% of the total installed capacity of power generation (of which, 1,210 GW was coal power, accounting for 33.2% of the total installed capacity of power generation). At the end of the first half of the year, the installed capacity of non-fossil energy power generation reached 2,220 GW, accounting for 60.9% of the total installed capacity of power generation. The non-fossil power generation accounted for 43.1% of the total power generation, representing a year-on-year increase of 3.7 percentage points; the total new energy power generation accounted for 26.0% of the total power generation, representing a year-on-year increase of 4.4 percentage points.

## Section IV Management Discussion and Analysis (Continued)

Following the market-oriented reform of the feed-in tariff of new energy, competition in the power market intensified. As the total volume of on-grid power for wind power and solar power has basically entered the power market, the feed-in tariff is formed through market transactions. In the first half of 2025, power trading centres across China organised and completed a total of 2,948.5 billion kWh of market transactions, representing a year-on-year increase of 4.8%, accounting for 60.9% of total power consumption in the whole society and 74.6% of power output dispatch. Among them, the medium and long-term power direct trading volume in the national power market was 2,210.5 billion kWh, representing a year-on-year increase of 0.1%. Green power trading volume reached 154.0 billion kWh, representing a year-on-year increase of 49.3%. Power transmission across regions nationwide reached 436.6 billion kWh, representing a year-on-year increase of 11.8%; and power transmission across provinces reached 954.3 billion kWh, representing a year-on-year increase of 8.4%.

### 4. Outlook for the Second Half of the Year

In the second half of 2025, the national economy will face a number of risks and challenges. The measures for economic development will adhere to the overarching principle of pursuing progress while maintaining stability. The country will fully, accurately and comprehensively implement the new development philosophy, accelerate the establishment of a new development paradigm, maintain continuity and stability of the policies, and enhance flexibility and predictability of the policies. The country will strengthen efforts to keep employment, enterprises, market and expectations stable, effectively promote the “dual circulation” that lets domestic and foreign markets boost each other, and strive to complete all annual goals and tasks of economic and social development, thereby achieving a successful conclusion of the 14th Five-Year Plan.

In respect of the coal industry, with effects of policies that will lead to a demand for energy and various factors such as climate that would drive a positive growth in thermal power generation, we are expecting a slight increase in coal consumption. As the management on production capacity of the major coal producing areas has been strengthened, the growth of domestic coal production for the second half of the year is expected to slow down. With the narrowing price competitiveness of imported coal, it is expected that the import volumes for the second half will continue to decrease. In overall, the coal market for the second half of the year will stabilize with fluctuation of prices at the coal market narrowed as compared with the first half of the year, while the prices will fluctuate mildly within a reasonable band.

## Section IV Management Discussion and Analysis (Continued)

In respect of the power industry, taking into account factors such as high temperature in the third quarter and a lower base for the fourth quarter of last year, the growth of power consumption for the second half of the year is expected to be higher than that for the first half of the year, and China's national power consumption for 2025 will increase by 5% to 6% as compared with that of the last year, while the maximum electricity consumption will reach 1,520 to 1,570 GW, according to the forecast results of the China Electricity Council. It is expected that the overall power supply and demand nationwide during the peak summer season in the year will be balanced, while the power supply-demand situation in regions including Eastern China, Central China and Southwestern China, as well as in provincial-level power grids in Jiangsu, Zhejiang and Anhui during peak consumption periods may be tight.

### **(II) Principal Businesses and Operation Model of the Company during the Reporting Period**

China Shenhua Energy Company Limited was established in Beijing in November 2004 and was listed on HKEx and SSE in June 2005 and October 2007, respectively. The Group is principally engaged in production and sale of coal and electricity, railway, port and shipping transportation, and coal-to-olefins businesses. The integration of coal, power, railway, port, shipping and coal chemical into one unified operation chain is the Group's unique operation and profitability model.

The Group owns high-quality coal resources in Shendong Mines, Zhunge'er Mines, Shengli Mines, Baorixile Mines and Xinjie Taigemiao Mines, etc. As at 30 June 2025, the Company had coal reserves of 41.58 billion tonnes and recoverable coal reserves of 17.45 billion tonnes under the PRC Standard. The Group controls and operates high-capacity clean coal-fired power generators with great parameters, with an installed capacity of 47,632 MW as at 30 June 2025. The Group controls and operates a network of concentric transportation railways around the major coal production bases in western Shanxi, northern Shaanxi and southern Inner Mongolia as well as "Shenshuo – Shuohuang Line", a major channel for coal transportation from western to eastern China, and Huangda Railway, a new energy channel in Bohai Rim. The total length of railways in operation has reached 2,408 km. The Group also controls and operates a number of integrated ports and docks (approximately 0.27 billion tonnes/year vessel loading capability in aggregate), such as Huanghua Port, possesses the shipping transportation team comprising its own vessels with approximately 2.24 million tonnes of deadweight capacity and conducts coal-to-olefins businesses with approximately 0.6 million tonnes/year of operation and production capacity. The Group's technology of coal exploitation and production safety has secured a leading position in the global market, and that of clean coal-fired power generation and heavy-haul railway transportation have secured a leading position in the domestic market.

During the Reporting Period, there has been no significant change to the Group's principal businesses, major products and their uses, operating model, market position or key performance drivers.

## Section IV Management Discussion and Analysis (Continued)

### II. DISCUSSION AND ANALYSIS ON OPERATION RESULTS

In the first half of the year, the Group strived to cope with challenges arising from the decline in both volume and price of coal and power. The Group has moved forward against negative factors and overcome difficulties, maintained safe and stable production and enhanced the efficiency of its integrated operations, with initial results achieved in improving quality and efficiency. While some of the indicators for production and operation experienced a year-on-year drop or lagged behind the plans, they outperformed expectations with improved quality and efficiency.

In the first half of 2025, the Group's revenue amounted to RMB138,109 million (the first half of 2024: RMB169,121 million (restated)), representing a year-on-year decrease of 18.3%; profit before income tax amounted to RMB40,013 million (the first half of 2024: RMB44,971 million (restated)), representing a year-on-year decrease of 11.0%. The profit for the period attributable to equity holders of the Company was RMB26,706 million (the first half of 2024: RMB31,356 million (restated)), and basic earnings per share was RMB1.344 per share (the first half of 2024: RMB1.578 per share (restated)), representing a year-on-year decrease of 14.8%.

The status of completion of 2025 business targets of the Group is as follows:

Project	Unit	Targets of 2025	Completion in the first half of 2025	Percentage of Completion %
Commercial coal production	100 million tonnes	3,348	1.654	49.4
Coal sales volume	100 million tonnes	4,659	2.049	44.0
Power generation	100 million kWh	2,271	987.8	43.5
Revenue	RMB100 million	3,200	1,381.09	43.2
Cost of sales	RMB100 million	2,300	943.74	41.0
Selling expenses, general and administrative expenses, R&D costs and net finance costs	RMB100 million	145	63.14	43.5
Change in unit production cost of self-produced coal	/	Year-on-year increase of approximately 6%	Year-on-year decrease of 3.9%	/

*Note:* The 2025 business targets are subject to risks, uncertainties and assumptions. The annual actual outcome may differ materially from the targets. Such statements do not constitute substantial commitments to investors. Investors should be aware that undue reliance on or use of such information may lead to investment risks.

Major changes in the operating results of the Company during the Reporting Period, and events occurring in the Reporting Period that have or is expected to have a significant impact on the operating results of the Company:

☐ Applicable    ☒ Not applicable

## Section IV Management Discussion and Analysis (Continued)

### III. ANALYSIS ON CORE COMPETITIVENESS DURING THE REPORTING PERIOD

There was no substantial change in the core competitiveness of the Group during the Reporting Period.

The core competitiveness of the Group mainly includes: (1) the vertically integrated business model covering coal, power, railway, port, shipping and coal chemical operations; (2) high-quality and abundant coal resources; (3) a management team with the dedication to the principal business of the Company and an advanced operation philosophy; (4) leading industrial technologies and technological innovation capabilities in China and overseas in areas including green coal mining, clean coal-fired power generation, heavy-haul railway transportation and smart port operation.

### IV. MAJOR OPERATION RESULTS DURING THE REPORTING PERIOD

#### (I) Analysis on Principal Business

##### 1. Analysis on Changes in the Major Items in the Consolidated Statement of Profit or Loss and Other Comprehensive Income and Condensed Consolidated Statement of Cash Flows

Unit: RMB million

Item	The first half of 2025	The first half of 2024 (restated)	Change %
Revenue	138,109	169,121	(18.3)
Cost of sales	(94,374)	(118,908)	(20.6)
Research and development costs	(727)	(981)	(25.9)
Other gains and losses	408	(147)	(377.6)
Other expenses	8	(1,281)	(100.6)
Share of results of associates	1,765	2,007	(12.1)
Net cash generated from operating activities	45,794	51,890	(11.7)
Net cash used in investing activities	(19,557)	(44,051)	(55.6)
Net cash used in financing activities	(12,833)	(2,403)	434.0

#### (1) Reasons for the changes in revenue

The revenue of the Group in the first half of 2025 recorded a year-on-year decrease of 18.3%. The main reasons for the decrease are:

- ① Affected by the supply and demand situation of the coal market, sales and average selling price of coal of the Group decreased by 10.9% and 12.9%, respectively, resulting in a decrease in the sales revenue of coal as compared with the same period of last year.

## Section IV Management Discussion and Analysis (Continued)

- ② Electricity sales and average electricity selling price of the Group decreased by 7.3% and 4.2%, respectively, resulting in a decrease in revenue from power sales as compared with the same period of last year.

Major operating indicators	Unit	The first half of 2025	The first half of 2024 (restated)	Change %
<b>(I) Coal</b>				
1. Commercial coal production	Million tonnes	165.4	168.2	(1.7)
2. Coal sales	Million tonnes	204.9	230.0	(10.9)
Of which: Sales of self-produced coal	Million tonnes	161.9	167.6	(3.4)
Sales of purchased coal	Million tonnes	43.0	62.4	(31.1)
<b>(II) Transportation</b>				
1. Transportation turnover of self-owned railway	Billion tonne km	152.8	161.4	(5.3)
2. Loading volume at Huanghua Port	Million tonnes	107.6	110.0	(2.2)
3. Loading volume at Tianjin Coal Dock	Million tonnes	21.8	21.9	(0.5)
4. Shipping volume	Million tonnes	49.9	65.5	(23.8)
5. Shipment turnover	Billion tonne nautical miles	52.5	75.0	(30.0)
<b>(III) Power Generation</b>				
1. Gross power generation	Billion kWh	98.78	106.65	(7.4)
2. Total power output dispatch	Billion kWh	92.91	100.25	(7.3)
<b>(IV) Coal chemical</b>				
1. Sales of polyethylene	Thousand tonnes	184.0	148.2	24.2
2. Sales of polypropylene	Thousand tonnes	170.6	139.2	22.6

*Note:* As of the end of the Reporting Period, the Company completed the acquisition of 100% equity interest in Hangjin Energy held by China Energy. The Group's major operating indicators for the first half of 2025 include the relevant data of Hangjin Energy. To ensure the comparability of business data, the Group has made retrospective adjustments to the major operating indicators for the same period of the previous year (the same applies hereinafter).

## Section IV Management Discussion and Analysis (Continued)

### (2) Reasons for the changes in cost of sales

Breakdown of cost items	The first half of 2025		The first half of 2024 (restated)		Change of the amount %
	Amount	Percentage	Amount	Percentage	
	RMB million	%	RMB million	%	
Cost of purchased coal	16,641	17.6	32,105	27.0	(48.2)
Raw materials, fuel and power	15,695	16.6	17,679	14.9	(11.2)
Personnel expenses	16,754	17.8	17,652	14.8	(5.1)
Repair and maintenance	4,876	5.2	5,899	5.0	(17.3)
Depreciation and amortisation	10,203	10.8	9,926	8.3	2.8
Transportation charges	7,543	8.0	9,385	7.9	(19.6)
Tax and surcharge	7,979	8.5	9,078	7.6	(12.1)
Others	14,683	15.5	17,184	14.5	(14.6)
<b>Total cost of sales</b>	<b>94,374</b>	<b>100.0</b>	<b>118,908</b>	<b>100.0</b>	<b>(20.6)</b>

In the first half of 2025, the Group's cost of sales represented a year-on-year decrease of 20.6%, of which:

- ① the main reason for the year-on-year decrease in the cost of purchased coal: the decrease in sales volume and price of purchased coal leads to a decrease in procurement cost.
- ② the main reasons for the year-on-year decrease in the cost of raw materials, fuel and power: the decrease in power output dispatch and the decrease in coal purchase price lead to a decrease in the cost of coal purchase; the decrease in coal mine stripping fee and material consumption.
- ③ the main reason for the year-on-year decrease in repair and maintenance costs: the decrease in repairs and maintenance costs in segments including coal and railway affected by the maintenance schedule.
- ④ the main reason for the year-on-year decrease in transportation charges: the decrease in external rail transportation charges, vessel leasing fees and others.
- ⑤ the main reason for the year-on-year decrease in tax and surcharges: the year-on-year decrease in resource taxes as a result of the decrease in income from the sale of self-produced coal.
- ⑥ the main reasons for the year-on-year decrease in other costs: the decrease in waterway dredging fee of ports and other business cost.



## Section IV Management Discussion and Analysis (Continued)

### **(3) Other items of income statement**

- ① The main reason for the year-on-year decrease in R&D costs: mainly affected by R&D investment and progress.
- ② Other gains and losses during the Reporting Period were aggregated as gains, which is mainly due to: the gains arising from the transfer of equity interests in China Energy (Mianzhu) Hydropower Co., Ltd. (國能(綿竹)水電有限公司) held by Sichuan Energy, a subsidiary of the Company, and income generated from the Company's structured deposit products, etc. For the same period last year, other gains and losses were aggregated as a loss, mainly due to the provision for asset impairment loss for the Yannan Mine of Hangjin Energy.
- ③ The main reason for the year-on-year change in other expenses: in the same period of last year, certain coal subsidiaries of the Group made donations to the Inner Mongolia Ecological Comprehensive Treatment Fund, which did not occur during the Reporting Period.
- ④ The main reason for the year-on-year decrease of the share of results of associates: the decrease in the Company's investment income from power generation associates.



## Section IV Management Discussion and Analysis (Continued)

### **(4) Items of cash flow statement**

The Group formulated capital management policies that aimed to achieve maximized interests for the shareholders and maintained a sound capital structure while reducing the costs of capital under the premise of safeguarding the operation on an on-going basis and capital expenditure, and made investments in accordance with the policy of the Company.

- ① Net cash generated from operating activities: net cash inflow of RMB45,794 million in the first half of 2025 (net cash inflow in the first half of 2024 of RMB51,890 million (restated)), representing a year-on-year decrease of 11.7%. It was mainly due to a year-on-year decrease in the Group's income from coal, power and other operations.
- ② Net cash used in investing activities: net cash outflow in the first half of 2025 was RMB19,557 million (net outflow in the first half of 2024: RMB44,051 million (restated)), representing a year-on-year decrease of 55.6%, which was mainly due to the Company's recovery of a high amount due under the structured deposit products and greater increase in new time deposits in the same period last year.
- ③ Net cash used in financing activities: net cash outflow of RMB12,833 million in the first half of 2025 (net outflow of RMB2,403 million in the first half of 2024 (restated)), representing a year-on-year increase of 434.0%, which was mainly due to the increase in repayments of debts by the Group during the Reporting Period.

## Section IV Management Discussion and Analysis (Continued)

### (5) *Research and development costs*

Expensed research and development expenditure in the period ( <i>RMB million</i> )	727
Capitalised research and development expenditure in the period ( <i>RMB million</i> )	486
Total research and development expenditure ( <i>RMB million</i> )	1,213
Ratio of capitalised research and development expenditure (%)	40.1
Percentage of total research and development expenditure to revenue (%)	0.9
Number of research and development personnel in the Company ( <i>number of person</i> )	4,184
Ratio of research and development personnel to the total number of persons in the Company (%)	4.7

In the first half of 2025, the research and development expenditure of the Group amounted to RMB1,213 million (the first half of 2024: RMB1,338 million (restated)), representing a year-on-year decrease of 9.3%. During the Reporting Period, the R&D investment was mainly used for construction of smart mines (including key technological studies on unmanned transportation operating system at open-cut mines, research on key technologies of intelligent and efficient production for coal mines, and key technological studies on intelligent gas inspection robots for coal mines), research on roadmap of mining technologies for Xinjie Taigemiao Mine, the research on key technologies of diversified synergistic supply of high-efficiency and low-carbon thermal power and comprehensive energy, research on cascade utilisation of seawater desalination extraction steam across all operating conditions of thermal power units, construction of smart power plants, research on technologies and equipment for full-range polishing of railroad switch, research and application demonstration of formation navigation technologies for inland vessels, and research, development and application of new resin material technology.

## Section IV Management Discussion and Analysis (Continued)

### 2. Explanation on Material Changes in the Business Type, Composition of Profit or Source of Profit of the Company

The major business model of the Group is the integrated coal industry chain: i.e. coal production → coal transportation (railway, port and shipping) → conversion of coal (power generation and coal chemical), and there are business intercourses between each segment. In the first half of 2025, the percentages of profit before income tax (before elimination on consolidation) of coal, power, transportation and coal chemical segments of the Group were 63%, 14%, 23% and 0%, respectively (the first half of 2024: 66%, 13%, 21% and 0% (restated)).

During the Reporting Period, there was no material change in the type of business, profit composition or source of profit of the Company.

### (II) Explanation on Significant Change of Profit Caused by Non-principal Business

☐ Applicable    ☒ Not applicable

## Section IV Management Discussion and Analysis (Continued)

### (III) Analysis on Assets and Liabilities

#### 1. Analysis on Changes in the Major Items in the Consolidated Statement of Financial Position

Item	As at 30 June 2025		As at 31 December 2024 (restated)		Change of the amount %	Main reasons for changes
	Amount RMB million	Percentage of total assets %	Amount RMB million	Percentage of total assets %		
Property, plant and equipment	293,410	42.8	298,358	44.4	(1.7)	Provision for depreciation, etc.
Construction in progress	35,918	5.2	27,899	4.2	28.7	Continued investment in power generation and coal projects under construction
Interests in associates	61,775	9.0	59,906	8.9	3.1	Recognition of investment income from associates
Other non-current assets	34,743	5.1	33,057	4.9	5.1	Increase in prepaid expenses for large engineering equipment
Inventories	13,243	1.9	12,666	1.9	4.6	Increase in coal inventories, etc.
Accounts and bills receivables	16,547	2.4	15,605	2.3	6.0	Increase in receivables from sales of coal; increase in sales bill settlement
Financial assets at fair value through profit or loss	7,103	1.0	17,302	2.6	(58.9)	Decrease in the structured deposit products held by the Company
Financial assets at fair value through other comprehensive income	403	0.1	1,174	0.2	(65.7)	Decrease in notes receivable scheduled for discounting or endorsement
Restricted bank deposits	16,924	2.5	14,280	2.1	18.5	The increase in the balance of the special account for the mine geographical environment treatment and restoration fund
Time deposits with original maturity over three months	64,872	9.5	63,152	9.4	2.7	The increase in time deposits
Cash and cash equivalents	79,785	11.6	66,413	9.9	20.1	Net cash generated from operating activities during the Reporting Period
Short-term borrowings	3,006	0.4	14,021	2.1	(78.6)	Maturity repayment of certain short-term borrowings

## Section IV Management Discussion and Analysis (Continued)

Item	As at 30 June 2025		As at 31 December 2024 (restated)		Change of the amount %	Main reasons for changes
	Amount RMB million	Percentage of total assets %	Amount RMB million	Percentage of total assets %		
Accounts and bills payables	31,766	4.6	38,961	5.8	(18.5)	decrease in payable for materials purchases and payable for construction, etc.
Accrued expenses and other payables	102,550	14.9	35,177	5.2	191.5	Increase in dividends payable. Dividends payable as at the end of the Reporting Period mainly represented the final dividend for 2024 of the Company and the dividend payable by subsidiaries to minority shareholders. Due to the provision for staff wages during the Reporting Period, the accrued staff wages increased. As at the end of the Reporting Period, the accrued staff wages decreased by 9.6% as compared to RMB16,596 million (restated) as at the end of the same period last year
Current portion of bonds	0	0.0	3,020	0.4	(100.0)	The USD debentures payable of the Group were due and paid off in January 2025
Income tax payable	2,516	0.4	3,646	0.5	(31.0)	Decrease in profit before tax
long-term borrowings	32,423	4.7	31,682	4.7	2.3	Increase in long-term borrowings of the Group to advance construction of coal, electricity and other projects
Long-term liabilities	15,874	2.3	21,075	3.1	(24.7)	Long-term payables for mining rights for certain coal subsidiaries and branches of the Group

## Section IV Management Discussion and Analysis (Continued)

### 2. Explanation on Offshore Assets

As of 30 June 2025, the total offshore assets of the Group amounted to RMB29,707 million, representing 4.3% of total assets, which were mainly composed of the power generation assets in Indonesia.

### 3. Restrictions on Main Assets as at the End of the Reporting Period

None of the Group's main assets are subject to judicial seizure or freezing orders.

As of 30 June 2025, the balance of the restricted assets of the Group was RMB17,045 million. Of these, the fund in the bank deposit of the Group subject to restrictions amounted to RMB16,924 million, mainly comprising the mine geographical environment governance recovery fund of coal mines of coal mine enterprises, loan deposits, funds for transformation and development, security deposits for bank acceptance bills and litigation freezing deposits; other restricted assets were RMB121 million, mainly consisted of fixed assets acquired through finance leases.

## (IV) Operation Results by Business Segment

### 1. Coal Segment

#### (1) *Production, operation and construction*

In the first half of 2025, the Group maintained a high-quality development of the coal business by coordinating the safety of coal production as well as improving quality and efficiency. The Group has made solid progress in carrying out the three-year action to tackle fundamental problems in safe production, thereby maintaining a stable safety production performance and high production of commercial coal. The Group has stabilised the quality of thermal coal and increased the production of specialty coal. The Group has enhanced the alignment level between coal products and market demand, thereby effectively improving economic benefits. In the first half of the year, the Group's commercial coal production was 165.4 million tonnes (the first half of 2024: 168.2 million tonnes (restated)), representing a year-on-year decrease of 1.7%. The total tunnelling length of the underground mines was 237,000 metres (the first half of 2024: 195,000 metres (restated)), of which 230,000 metres was completed in the Shendong Mine (the first half of 2024: 182,000 metres).

The Group has accelerated the construction of coal projects. The Group has completed preliminary procedures in relation to environmental impact assessment, forest and grass and construction land before the construction for Xinjie No. 1 Mine and No. 2 Mine. The Group has continuously optimised design proposals, strengthening application of technology and innovation, and efficiently promoting constructions of shafts, wellbores and others. The construction of vent shaft, transmission lines and substations in the northern side of the coal mine project of Tarangaole mine of Hangjin Energy has been completed, when the construction of roadway, shafts and wellbores will be carried out as planned.

## Section IV Management Discussion and Analysis (Continued)

The Group has deeply promoted the development of intelligent mines. As at the end of the Reporting Period, the Group has built 7 advanced intelligent coal mines including Daliuta Colliery and Heidaigou Open-cut Mine that were listed among model intelligent coal mines in China (國家智能化示範煤礦名錄), 21 intelligent coal preparation plants including Zhunge'er Energy coal preparation plant that was listed among model intelligent coal preparation plants in China (國家智能化示範選煤廠名錄), 37 intelligent underground coal mining working faces and 65 intelligent tunnelling working faces. The Group has equipped 404 sets of unmanned production equipment in open-cut coal mines. Also, the Group had developed and applied an aggregate of over 350 coal mining robots in five categories, namely tunnelling, mining, transportation, safety control and rescue.

### (2) Sales of coal

The coal sold by the Group is primarily produced from its self-owned coal mines. In order to fulfil needs of customers and adequately make use of railway transportation, the Group also purchases the coal from third parties in the surrounding area of the self-owned mines and along railway lines for blending into various types and grades of coal products, which are then centrally sold to external customers. The Group implemented specialized division management. In particular, production enterprises are responsible for production of coal, transportation enterprises of the Company are mainly responsible for transportation of coal, and sales subsidiaries of the Company is mainly responsible for sales of coal. Customers span across multiple industries including power, metallurgy, chemical engineering and construction materials

In the first half of 2025, the Group actively responded to changes in the supply and demand pattern of the coal market, while adhering to sales model transformation driven by innovation. The Group precisely leveraged the core competitiveness in terms of self-produced coal with consistent quality and outstanding record of order fulfilment for supply. By combining it with coal purchased, a resource that can be flexibly deployed by its nature, the Group devised targeted and differentiated marketing policies, stabilizing fundamentals for consistent sales of coal. The coal sales volume of the Group reached 204.9 million tonnes (the first half of 2024: 230.0 million tonnes (restated)), representing a year-on-year decrease of 10.9%, among which, the sales volume of purchased coal was 43.0 million tonnes (the first half of 2024: 62.4 million tonnes (restated)), representing a year-on-year decrease of 31.1%. The sales volume for the top five domestic coal customers was 82.9 million tonnes, accounting for 40.8% of the domestic sales volume. In particular, the coal sold to China Energy Group, the largest customer, was 72.6 million tonnes, representing 35.8% of the domestic sales volume. The top five domestic coal customers primarily consist of companies in the power generation and coal trading sectors.

In the first half of 2025, the average coal sales price of the Group was RMB493/tonne (exclusive of tax, same below) (the first half of 2024: RMB566/tonne (restated)), representing a year-on-year decrease of 12.9%.

## Section IV Management Discussion and Analysis (Continued)

The coal sales of the Group are set out below:

### ① By types of sources of coal

	The first half of 2025			The first half of 2024 (restated)			Change	
	Percentage to total sales		Price (exclusive of tax)	Percentage to total sales		Price (exclusive of tax)	Sales (exclusive of tax)	
	Sales volume	sales volume		Sales volume	sales volume		Sales volume	
	Million tonnes	%	RMB/tonne	Million tonnes	%	RMB/tonne	%	%
1. Self-produced coal	161.9	79.0	478	167.6	72.9	527	(3.4)	(9.3)
2. Purchased coal	43.0	21.0	547	62.4	27.1	670	(31.1)	(18.4)
<b>Total sales volume/ average price (exclusive of tax)</b>	<b>204.9</b>	<b>100.0</b>	<b>493</b>	<b>230.0</b>	<b>100.0</b>	<b>566</b>	<b>(10.9)</b>	<b>(12.9)</b>

### ② By contract pricing mechanism

	The first half of 2025			The first half of 2024 (restated)			Change	
	Percentage to total sales		Price (exclusive of tax)	Percentage to total sales		Price (exclusive of tax)	Sales (exclusive of tax)	
	Sales volume	sales volume		Sales volume	sales volume		Sales volume	
	Million tonnes	%	RMB/tonne	Million tonnes	%	RMB/tonne	%	%
I. Sales through Trading Group	197.3	96.3	503	217.5	94.6	581	(9.3)	(13.4)
1. Annual long-term contract	113.7	55.5	461	125.0	54.3	490	(9.0)	(5.9)
2. Monthly long-term contract	75.3	36.7	563	72.8	31.7	725	3.4	(22.3)
3. Spot commodity	8.3	4.1	544	19.7	8.6	618	(57.9)	(12.0)
II. Direct sales at the coal mine pit	7.6	3.7	213	12.5	5.4	313	(39.2)	(31.9)
<b>Total sales volume/ average price (exclusive of tax)</b>	<b>204.9</b>	<b>100.0</b>	<b>493</b>	<b>230.0</b>	<b>100.0</b>	<b>566</b>	<b>(10.9)</b>	<b>(12.9)</b>

Note: The above is a summary of the sales of the coal products with different calorific value of the Group, including thermal coal and other coals.



## Section IV Management Discussion and Analysis (Continued)

### ③ By internal and external customers

	The first half of 2025			The first half of 2024 (restated)			Change	
	Sales volume <i>Million tonnes</i>	Percentage to total sales <i>%</i>	Price (exclusive of tax) <i>RMB/tonne</i>	Sales volume <i>Million tonnes</i>	Percentage to total sales <i>%</i>	Price (exclusive of tax) <i>RMB/tonne</i>	Sales volume <i>%</i>	Price (exclusive of tax) <i>%</i>
1. Sales to external customers	168.7	82.4	503	193.0	83.9	576	(12.6)	(12.7)
2. Sales to internal power segment	33.7	16.4	451	34.9	15.2	516	(3.4)	(12.6)
3. Sales to internal coal chemical segment	2.5	1.2	407	2.1	0.9	425	19.0	(4.2)
<b>Total sales volume/ average price (exclusive of tax)</b>	<b>204.9</b>	<b>100.0</b>	<b>493</b>	<b>230.0</b>	<b>100.0</b>	<b>566</b>	<b>(10.9)</b>	<b>(12.9)</b>

### ④ By sales regions

	The first half of 2025			The first half of 2024 (restated)			Change	
	Sales volume <i>Million tonnes</i>	Percentage to total sales <i>%</i>	Price (exclusive of tax) <i>RMB/tonne</i>	Sales volume <i>Million tonnes</i>	Percentage to total sales <i>%</i>	Price (exclusive of tax) <i>RMB/tonne</i>	Sales volume <i>%</i>	Price (exclusive of tax) <i>%</i>
1. Domestic sales	203.0	99.1	492	225.8	98.2	565	(10.1)	(12.9)
Of which: imported coal	2.2	1.1	493	2.6	1.1	652	(15.4)	(24.4)
2. Export and overseas sales	1.9	0.9	558	4.2	1.8	635	(54.8)	(12.1)
<b>Total sales volume/ average price (exclusive of tax)</b>	<b>204.9</b>	<b>100.0</b>	<b>493</b>	<b>230.0</b>	<b>100.0</b>	<b>566</b>	<b>(10.9)</b>	<b>(12.9)</b>

## Section IV Management Discussion and Analysis (Continued)

### (3) Coal resources

As at 30 June 2025, under the PRC Standard, the Group had coal reserves amounting to 41.58 billion tonnes, representing an increase of 7.22 billion tonnes as compared with that of the end of 2024; and recoverable coal reserve amounting to 17.45 billion tonnes, representing an increase of 2.36 billion tonnes as compared with that of the end of 2024. The Group's marketable coal reserve amounted to 11.13 billion tonnes under the JORC Standard, representing an increase of 0.62 billion tonnes as compared with that of the end of 2024. The Group's coal resources utilisation amounted to 0.16 billion tonnes in the first half of 2025, with an increase of 7.38 billion tonnes in coal reserves. The increase in coal reserves was due to: the acquisition of Hangjin Energy (including Dayan Mining Area and Tarangaole Mining Area) by the Company resulted in an increase of 3.82 billion tonnes of resources; the verified resource reserves of Xinjie Taigemiao Mining Area increased by 3.49 billion tonnes; the scope of mining rights of Cuncaota Coal Mine changed, obtaining 0.07 billion tonnes of deep resources.

In the first half of 2025, the Group's coal exploration expenses (which were incurred before the conclusion of feasibility study and were related to exploration and evaluation of coal resources) amounted to RMB0.54 billion (the first half of 2024: RMB0.23 billion), which was mainly used for the exploration expenses of Xinjie Taigemiao Mines; the Group's relevant capital expenditure of coal mine development and exploration amounted to RMB1.49 billion (the first half of 2024: RMB5.00 billion), mainly for construction works of various mines, acquisition of land use rights and other expenditures.

*Unit: 100 million tonnes*

Mines	Coal reserve (under the PRC Standard)	Recoverable reserve (under the PRC Standard)	Proved reserve (under the PRC Standard)	Trusted reserve (under the PRC Standard)	Marketable coal reserve (under the JORC Standard)
Shandong Mines	157.7	89.5	18.7	36.3	64.5
Zhunge'er Mines	40.0	28.9	9.0	9.6	20.9
Shengli Mines	22.2	10.0	2.1	5.4	1.7
Dayan Mines	17.7	10.2	3.3	5.6	1.3
Baorixile Mines	12.3	7.4	1.4	4.1	6.9
Baotou Mines	0.4	0.3	0.1	0.0	0.1
Xinjie Taigemiao Mines	145.0	14.0	6.2	4.5	9.4
Tarangaole Mines	20.5	14.2	5.0	3.0	6.5
<b>Total</b>	<b>415.8</b>	<b>174.5</b>	<b>45.8</b>	<b>68.5</b>	<b>111.3</b>

Notes: 1. Trusted reserve and proved reserve are calculated based on the Classifications for Mineral Resources and Mineral Reserves (GB/T 17766-2020).

2. The trusted reserve of Baotou Mines under the PRC Standard is 0.97 million tonnes.

## Section IV Management Discussion and Analysis (Continued)

Characteristics of the commercial coal produced in the Group's major mines are as follows:

Mines	Major types of coal	Calorific value of major commercial coal product kcal/kg	Sulphur content Average, %	Ash content Average, %
Shendong Mines	Long flame coal/ non-caking coal	4,717-5,944	0.2-0.9	9.1-21.2
Zhunge'er Mines	Long flame coal	4,480-4,777	0.5-0.6	25.5-28.9
Shengli Mines	Lignite	3,008	1.2	23.6
Baorixile Mines	Lignite	3,516	0.2	13.9
Baotou Mines	Long flame coal/ non-caking coal	3,996-4,530	0.2-0.6	13.2-20.2
Dayan Mines	Lignite	2,901-3,869	0.2-0.5	15.6-40.1

*Note:* The average calorific value, sulphur content and ash content of major commercial coal products produced by coal mine in each mine site may be inconsistent with characteristics of the commercial coal products produced by individual coal mine and those of the commercial coal products sold by the Company due to storage conditions and production process.

### (4) Operating results

- ① The operating results of the coal segment of the Group before elimination on consolidation

		The first half of 2025	The first half of 2024 (restated)	Change %	Main reasons for changes
Revenue	RMB million	103,903	134,556	(22.8)	Decrease in sales volume and average sales price of coal
Cost of sales	RMB million	(76,685)	(101,340)	(24.3)	Decrease in sales volume and purchase price of purchased coal; decrease in sales volume and unit production cost of self-produced coal
Gross profit margin	%	26.2	24.7	Increased by 1.5 percentage points	
Profit before income tax	RMB million	23,655	27,835	(15.0)	

## Section IV Management Discussion and Analysis (Continued)

- ② The gross profit from the sales of coal products of the Group by regions before elimination on consolidation

	The first half of 2025				The first half of 2024 (restated)			
	Sales	Sales	Gross	Gross	Sales	Sales	Gross	Gross
	revenue	cost	profit	profit	revenue	cost	profit	profit
	RMB million	RMB million	RMB million	margin %	RMB million	RMB million	RMB million	margin %
Domestic	99,920	(66,587)	33,333	33.4	127,548	(86,873)	40,675	31.9
Export and overseas	1,046	(1,037)	9	0.9	2,659	(2,636)	23	0.9
Total	100,966	(67,624)	33,342	33.0	130,207	(89,509)	40,698	31.3

- ③ The gross profit from sales of coal products of the Group by coal source before elimination on consolidation

Coal source	The first half of 2025				The first half of 2024 (restated)			
	Sales	Sales	Gross	Gross	Sales	Sales	Gross	Gross
	revenue	cost	profit	profit	revenue	cost	profit	profit
	RMB million	RMB million	RMB million	margin %	RMB million	RMB million	RMB million	margin %
Self-produced coal	77,434	(44,490)	32,944	42.5	88,383	(48,501)	39,882	45.1
Purchased coal	23,532	(23,134)	398	1.7	41,824	(41,008)	816	2.0
Total	100,966	(67,624)	33,342	33.0	130,207	(89,509)	40,698	31.3

The sales cost of coal includes the purchase cost of coal, as well as the transportation and port charges incurred to realise the sales.

## Section IV Management Discussion and Analysis (Continued)

### ④ Unit production cost of self-produced coal

Unit: RMB/tonne

	The first half of 2025	The first half of 2024 (restated)	Change %	Main reasons for changes
Unit production cost of self-produced coal	166.3	173.0	(3.9)	
Raw materials, fuel and power	27.7	30.6	(9.5)	Decrease in coal mine stripping fee and material consumption
Personnel expenses	55.1	58.0	(5.0)	
Repair and maintenance	9.3	10.5	(11.4)	Due to the overhaul plan
Depreciation and amortisation	20.4	19.6	4.1	
Other costs	53.8	54.3	(0.9)	

Other costs consist of the following three components: (1) expenses directly related to production, including expenses for coal washing, selecting and processing, and mining engineering expenses, etc., accounting for 63%; (2) auxiliary production expenses, accounting for 22%; and (3) land requisition and surface subsidence compensation, environmental protection expenses, tax, etc., accounting for 15%.

## Section IV Management Discussion and Analysis (Continued)

### 2. Power Segment

#### (1) *Production and operation*

In the first half of 2025, the Group continued to strengthen the reliability management of our power generating units and fully realised the securing effect of coal, thereby effectively realising a stable supply of power and heat. The Group improved the marketing model by formulating the power generation strategy with “one factory and one policy” to make all efforts in increasing electricity generation and electricity sales prices. In the first half of the year, the power generation amounted to 98.78 billion kWh (the first half of 2024: 106.65 billion kWh (restated)), representing a year-on-year decrease of 7.4%; and the total power output dispatch amounted to 92.91 billion kWh (the first half of 2024: 100.25 billion kWh (restated)), representing a year-on-year decrease of 7.3%, of which market-oriented transaction electricity amounted to 90.40 billion kWh, accounting for approximately 97.3% of the total power output dispatch; average electricity sales price was RMB386/MWh (the first half of 2024: RMB403/MWh (restated)), representing a year-on-year decrease of 4.2%.

The Group implemented the value creation actions in depth. The Group established the benchmark of “focusing on principal and profit” to increase trading volume in the electricity market. The Group actively strived for revenue from capacity price and ancillary services. In the first half of the year, the Group derived revenue from capacity price of RMB2.53 billion in total (inclusive of tax), representing an average acquisition rate of 99.0% for capacity price. The Group realised revenue from ancillary services (including the “Two Rules”, peak shaving, frequency modulation and backup power) of RMB320 million in total (inclusive of tax). The Group accelerated the low-carbon transformation of coal power with a focus on the “three simultaneous reforms linkages (三改聯動)”, realising standard coal consumption for power supply of 291g/kWh of the coal-fired power generating units (excluding coal gangue) in the first half of the year. The Group accelerated the construction of low-carbon and clean coal-fired power generators, and orderly promoted the construction of projects including Jiujiang Power Plant Phase II and Beihai Power Plant Phase II.

The Group continued to promote the investment in renewable energy projects and industry funds. In the first half of 2025, the Group’s increased installed capacity of photovoltaic power generation for external commercial operation located in provinces such as Guangdong Province and Fujian Province was 215 MW. The Industry Investment Fund established by the Group has been operating smoothly. As of the end of the first half of 2025, it has accumulated investments and acquisitions in renewable energy such as photovoltaic and wind power generation with a total installed capacity of 6,887 MW.

## Section IV Management Discussion and Analysis (Continued)

### (2) Power output dispatch and price of electricity sold

Power type/Location	Gross power generation <i>billion kWh</i>			Total power output dispatch <i>billion kWh</i>			Price of electricity sold <i>RMB/MWh</i>		
	The first half of 2025	The first half of 2024 (restated)	Change %	The first half of 2025	The first half of 2024 (restated)	Change %	The first half of 2025	The first half of 2024 (restated)	Change %
<b>(I) Coal-fired power</b>	<b>95.11</b>	104.41	(8.9)	<b>89.31</b>	98.05	(8.9)	<b>380</b>	401	(5.2)
Guangdong	18.36	21.63	(15.1)	17.32	20.47	(15.4)	348	395	(11.9)
Shaanxi	14.32	16.02	(10.6)	13.12	14.71	(10.8)	320	338	(5.3)
Fujian	10.47	11.37	(7.9)	10.01	10.87	(7.9)	390	420	(7.1)
Hebei	10.24	11.45	(10.6)	9.65	10.76	(10.3)	403	404	(0.2)
Inner Mongolia	8.19	9.55	(14.2)	7.46	8.71	(14.4)	348	324	7.4
Sichuan	6.86	8.26	(16.9)	6.50	7.82	(16.9)	416	453	(8.2)
Hunan	6.06	5.42	11.8	5.81	5.18	12.2	472	498	(5.2)
Jiangxi	5.49	5.25	4.6	5.21	4.98	4.6	408	433	(5.8)
Chongqing	5.44	4.31	26.2	5.19	4.11	26.3	413	432	(4.4)
Shandong	3.69	4.44	(16.9)	3.46	4.19	(17.4)	406	399	1.8
Guangxi	3.26	3.90	(16.4)	3.10	3.69	(16.0)	377	459	(17.9)
Henan	2.02	2.21	(8.6)	1.87	2.05	(8.8)	403	405	(0.5)
Indonesia (overseas)	0.71	0.60	18.3	0.61	0.51	19.6	483	500	(3.4)
<b>(II) Gas-fired power</b>	<b>2.93</b>	1.64	78.7	<b>2.87</b>	1.60	79.4	<b>587</b>	557	5.4
Beijing	1.89	1.64	15.2	1.85	1.60	15.6	557	557	0.0
Guangdong	1.04	/	/	1.02	/	/	641	/	/
<b>(III) Hydropower</b>	<b>0.17</b>	0.26	(34.6)	<b>0.16</b>	0.26	(38.5)	<b>269</b>	259	3.9
Sichuan	0.17	0.26	(34.6)	0.16	0.26	(38.5)	269	259	3.9
<b>(IV) Photovoltaic power</b>	<b>0.57</b>	0.34	67.6	<b>0.57</b>	0.34	67.6	<b>314</b>	292	7.5
Inner Mongolia	0.13	0.14	(7.1)	0.13	0.14	(7.1)	149	210	(29.0)
Fujian	0.13	0.05	160.0	0.13	0.05	160.0	386	425	(9.2)
Guangdong	0.10	0.02	400.0	0.10	0.02	400.0	429	477	(10.1)
Shaanxi	0.08	0.10	(20.0)	0.08	0.10	(20.0)	275	260	5.8
Jiangxi	0.08	0.01	700.0	0.08	0.01	700.0	344	554	(37.9)
Shandong	0.04	0.01	300.0	0.04	0.01	300.0	335	370	(9.5)
Hebei	0.01	0.01	0.0	0.01	0.01	0.0	303	296	2.4
Henan	0.00	0.00	/	0.00	0.00	/	384	575	(33.2)
Sichuan	0.00	/	/	0.00	0.00	/	494	/	/
<b>Total</b>	<b>98.78</b>	106.65	(7.4)	<b>92.91</b>	100.25	(7.3)	<b>386</b>	403	(4.2)

Note: In the first half of 2025, both the power generation and output dispatch of the photovoltaic power stations of the Group in Henan Province were 2.01 million kWh (in the first half of 2024: 2.07 million kWh), while both the power generation and output dispatch of the photovoltaic power stations in Sichuan Province were 0.39 million kWh.

## Section IV Management Discussion and Analysis (Continued)

### (3) Installed capacity

At the end of the Reporting Period, the total installed capacity of the Group's commercial operation of power generating units was 47,632 MW, of which, the total installed capacity of coal-fired power generating units was 44,384 MW, accounting for 93.2% of the total installed capacity of the Group. During the Reporting Period, the Group completed the acquisition of 100% equity interests in Hangjin Energy, and the Group's installed capacity of coal-fired power generating units increased 1,200MW accordingly (in order to maintain the comparability of business data, the total installed capacity of the Group as at 31 December 2024 has been retrospectively adjusted to include the installed capacity of Hangjin Energy). The installed capacity of hydropower decreased by 47 MW, which was due to shutdown and transfer of certain hydropower stations of China Energy Sichuan Energy Co., Ltd., a subsidiary of the Company. The installed capacity of photovoltaic power generation for external commercial operation increased by 215 MW, mainly due to the commencement of operation of the photovoltaic projects of the Group located in provinces such as Guangdong and Fujian.

Unit: MW

<b>Power type</b>	Total installed capacity as at 31 December 2024 (restated)	Installed capacity increased/ (decreased) during the Reporting Period	<b>Total installed capacity as at 30 June 2025</b>
Coal-fired power	44,384	/	<b>44,384</b>
Gas-fired power	2,194	/	<b>2,194</b>
Hydropower	125	(47)	<b>78</b>
Photovoltaic power	761	215	<b>976</b>
<b>Total</b>	<b>47,464</b>	<b>168</b>	<b>47,632</b>



## Section IV Management Discussion and Analysis (Continued)

### (4) Utilisation rate of power generation equipment

In the first half of 2025, the average utilisation hours of the Group's coal-fired generating units were 2,143 hours, representing a decrease of 207 hours as compared with 2,350 hours (restated) in the same period of last year, and 87 hours higher than the average utilisation hours of coal-fired power generation equipment of 6,000 kW and above, which were 2,056 hours<sup>1</sup> in the PRC.

Power type	Average utilisation hours (Hours)			Power consumption ratio of power plant (%)		
	The first half of 2025	The first half of 2024 (restated)	Change %	The first half of 2025	The first half of 2024 (restated)	Change
Coal-fired power	2,143	2,350	(8.8)	5.11	5.23	Decreased by 0.12 percentage point
Gas-fired power	1,338	1,725	(22.4)	1.66	1.42	Increased by 0.24 percentage point
Hydropower	2,049	2,099	(2.4)	0.44	0.77	Decreased by 0.33 percentage point
Photovoltaic power	653	717	(8.9)	0.75	1.01	Decreased by 0.26 percentage point
<b>Weighted average</b>	<b>2,078</b>	<b>2,319</b>	<b>(10.4)</b>	<b>4.98</b>	<b>5.15</b>	<b>Decreased by 0.17 percentage point</b>

<sup>1</sup> Source: China Electricity Council

## Section IV Management Discussion and Analysis (Continued)

### (5) Operation results of the power sales business

In the first half of 2025, the principal operation model of Shandong Power Sales Company is to earn profit through the price difference between the purchase and sales of electricity; it mainly engages in providing value-added services such as procurement and sales of power, cross-province transactions, power equipment management, green power trading and power demand-side response agency. During the Reporting Period, the agent power output dispatch was 3.35 billion kWh from the power plants not owned by the Group, with the corresponding revenue from power sales and power sales cost amounting to RMB1,037 million and RMB1,031 million, respectively.

Province of the company engaged in power sales	Power output dispatch		Average price of electricity sold (exclusive of tax)		Unit cost of power purchase (exclusive of tax)	
	<i>Billion kWh</i>		<i>RMB/MWh</i>		<i>RMB/MWh</i>	
	The first half of 2025	The first half of 2024	The first half of 2025	The first half of 2024	The first half of 2025	The first half of 2024
Shandong	3.35	5.53	309.4	316.2	307.6	314.6

## Section IV Management Discussion and Analysis (Continued)

### (6) Capital expenditure

In the first half of 2025, the total capital expenditure of the power generation segment was RMB8,696 million, mainly for the following projects:

No.	Name of project	The contribution amount for the Reporting Period <i>RMB million</i>	Percentage of accumulated investment in project to the total budget as of the end of the Reporting Period <i>%</i>	Stage of the project as of the end of the Reporting Period
1	Guangdong Qingyuan Power Plant Phase II Expansion Project (2x1,000MW)	2,295	49	Under construction
2	Jiangxi Jiujiang Power Plant Phase II Expansion Project (2x1,000MW)	1,855	64	Under construction
3	Guangxi Beihai Power Plant Phase II Expansion Project (2x1,000MW)	1,459	51	Under construction
4	Hebei Cangdong Power Plant Phase III Expansion Project (2 x 660 MW)	357	11	Under construction
5	Hebei Dingzhou Power Plant Phase III Expansion Thermal Power Project (2 x 660 MW)	222	7	Under construction

## Section IV Management Discussion and Analysis (Continued)

### (7) Operation results

- ① The operation results of the power generation segment of the Group before elimination on consolidation

		The first half of 2025	The first half of 2024 (restated)	Change %	Main reasons for changes
Revenue	RMB million	40,539	45,169	(10.3)	Decrease in power output dispatch and the average price of power sales
Cost of sales	RMB million	(34,205)	(38,232)	(10.5)	Decrease in power output dispatch and decrease in coal purchase cost
Gross profit margin	%	15.6	15.4	Increased by 0.2 percentage point	
Profit before income tax	RMB million	5,351	5,561	(3.8)	

- ② Revenue from and cost of the power sales of the Group before elimination on consolidation

Unit: RMB million

Power type	Revenue from power sales (including heat sales)			Cost of power sales (including heat sales)			Percentage of total cost of electricity sold in the first half of 2024 (restated) %	Change in the first half of 2025 compared to the first half of 2024 %
	The first half of 2025	The first half of 2024 (restated)	Change %	The first half of 2025	Percentage of total cost of electricity sold in the first half of 2025 %	The first half of 2024 (restated)		
Coal-fired power	35,467	40,831	(13.1)	30,079	94.0	34,851	97.0	(13.7)
Gas-fired power	1,820	1,080	68.5	1,758	5.5	965	2.7	82.2
Hydro power	44	67	(34.3)	48	0.2	54	0.1	(11.1)
Photovoltaic power	178	99	79.8	83	0.3	55	0.2	50.9
Total	37,509	42,077	(10.9)	31,968	100.0	35,925	100.0	(11.0)

The Group's cost of power sales (including heat sales) mainly consists of costs such as raw materials, fuel and power, labour costs, repairs and maintenance, depreciation and amortisation. In the first half of 2025, the Group's unit cost of electricity sold was RMB344.1/MWh (the first half of 2024: RMB358.4/MWh (restated)), representing a year-on-year decrease of 4.0%, mainly due to the decrease in coal purchase price.

## Section IV Management Discussion and Analysis (Continued)

- ③ Cost of power sales of coal-fired power plants of the Group before elimination on consolidation

	The first half of 2025		The first half of 2024 (restated)		Change in cost
	Costs	Percentage	Costs	Percentage	
	RMB million	%	RMB million	%	%
Raw material, fuel and power	21,697	72.1	26,518	76.1	(18.2)
Personnel expenses	2,616	8.7	2,801	8.0	(6.6)
Repairs and maintenance	722	2.4	751	2.2	(3.9)
Depreciation and amortisation	3,436	11.4	3,387	9.7	1.4
Other	1,608	5.4	1,394	4.0	15.4
<b>Total cost of power sales of coal-fired power plant</b>	<b>30,079</b>	<b>100.0</b>	<b>34,851</b>	<b>100.0</b>	<b>(13.7)</b>

In the first half of 2025, the cost of power sales of the Group's coal-fired power plants decreased by 13.7% year-on-year. Among them, the year-on-year decrease of 18.2% in the costs of raw material, fuel and power was mainly due to the decrease in coal purchase price.

In the first half of 2025, the power generation segment consumed a total of 33.2 million tonnes of coal sold by the Group (the first half of 2024: 35.8 million tonnes (restated)), representing a year-on-year decrease of 7.3%, accounting for 76.0% of the total coal consumption of 43.7 million tonnes in the power generation segment.

### 3. Railway Segment

#### (1) Production and operations

In the first half of 2025, the railway segment of the Group assumed primary responsibility for safeguarding the energy supply. Focusing on its core competitive advantages—"fast loading to waterways, low freight rates and quick turnaround"—the segment continued to refine and strengthen the "first mile" of the transport value chain and worked tirelessly to maintain integrated, high-efficiency operations. The Group expanded large-scale operations of 20,000-tonne unit trains and normalised the running of 30,000-tonne heavy-haul trains, further boosting rail-transport efficiency. By improving the coordination of technical inspections, locomotive power and wagon flows, the Group realised seamless alignment between transport resources and unloading demand at line-side stations, effectively opening up the "last mile" in ensuring a stable energy supply. In the first half of 2025, the transportation turnover of self-owned railway was 152.8 billion tonne kms (the first half of 2024: 161.4 billion tonne kms), representing a year-on-year decrease of 5.3%; the transportation of non-coal cargo of self-owned railways, such as metal ores and chemicals, amounted to approximately 13.1 million tonnes (the first half of 2024: 12.2 million tonnes), representing a year-on-year increase of 7.4%, of which the reverse-direction transportation of goods reached 9.7 million tonnes.

## Section IV Management Discussion and Analysis (Continued)

The Group adhered to a strategy of rail-transport diversification, green development and digital-intelligent transformation. Non-coal cargo sourcing was intensified: new businesses were launched for fuel-oil transport from Dongying Port to Luqing Petrochemical and glass-fibre transport from Erdao River to Datong East; new container corridors were opened for soda ash, fertiliser and PVC; and reverse-direction capacity was coordinated to secure iron-ore deliveries for key customers. The Group advanced “zero-carbon station” initiatives, achieving solid-waste reduction and resource recovery while applying green, innovative technologies to minimise environmental impact and maximise resource utilisation. Centred on the goal of “smart heavy-haul”, the Group drove successive upgrades of “smart transport”. New-generation intelligent heavy-haul electric locomotives, an intelligent heavy-haul comprehensive inspection vehicle and an intelligent shunting system for heavy-haul railways were all been successfully developed, boosting overall rail-transport capacity.

### (2) Operating results

The operating results of the Group’s railway segment before elimination on consolidation are as follows:

		The first half of 2025	The first half of 2024	Change %	Main reasons for changes
Revenue	RMB million	21,433	22,442	(4.5)	Decrease in turnover of self-owned transportation railway
Cost of sales	RMB million	(12,749)	(14,004)	(9.0)	Decrease in transportation turnover self-owned railway; decrease of repairs and maintenance, etc.
Gross margin	%	40.5	37.6	Increased by 2.9 percentage point	
Profit before income tax	RMB million	7,259	7,141	1.7	

In the first half of 2025, the unit transportation cost in the railway segment was RMB0.080/tonne km (the first half of 2024: RMB0.083/tonne km), representing a year-on-year decrease of 3.6%, which was mainly attributable to the year-on-year decrease in repair and maintenance costs.

## Section IV Management Discussion and Analysis (Continued)

### 4. Port segment

#### (1) Production and operations

In the first half of 2025, the port segment of the Group continued to optimise port functional layouts, refine the collection-and-distribution system, and effectively enhance vessel navigation efficiency. The coal loading volume of Huanghua Port reached 107.6 million tonnes (the first half of 2024: 110.0 million tonnes), continuing to rank first among coal ports in China; Tianjin Coal Dock achieved a coal loading volume of 21.8 million tonnes (the first half of 2024: 21.9 million tonnes), representing a year-on-year decrease of 0.5%. The port segment of the Group handled 7.2 million tonnes of non-coal cargo, including oil products and ore (the first half of 2024: 6.8 million tonnes), representing a year-on-year increase of 5.9%.

The Group continued to press ahead with building multi-functional, integrated and modern ports. Huanghua Port Administration applied a “one vessel, one plan” strategy for key ships, flexibly adjusted coal stockpiling and loading progress, achieved routine two-way navigation for 70,000-tonne heavy-load vessels. Tianjin Harbour Administration, driven by innovation, enabled one-click execution of stockpile reclaiming lines and integrated production-scheduling data through an intelligent auxiliary module, markedly improving operating efficiency. Zhuhai Harbour Administration, by planning yard usage scientifically and optimising marketing policies, set record single-vessel trans-shipment efficiency for 70,000-tonne and 150,000-tonne customer ships, maintaining industry-leading terminal performance. Meanwhile, construction of major projects – Huanghua Port (coal port area) Phase V Project and Oil Terminal Project, and the Zhuhai Gaolan Port Bulk Cargo Terminal Project – advanced in an orderly manner.

#### (2) Operation results

The operation results of the port segment of the Group before eliminations on consolidation are as follows:

		The first half of 2025	The first half of 2024	Change %	Main reasons for changes
Revenue	RMB million	3,464	3,443	0.6	
Cost of sales	RMB million	(1,856)	(1,952)	(4.9)	Decrease in fees for waterway dredging and others
Gross margin	%	46.4	43.3	Increased by 3.1 percentage point	
Profit before income tax	RMB million	1,355	1,231	10.1	

## Section IV Management Discussion and Analysis (Continued)

### 5. Shipping segment

#### (1) Production and operations

In the first half of 2025, the Group's shipping segment strengthened refined management of its self-owned vessels, maintained smooth and efficient integrated transport. The Group stepped up efforts to develop market cargo sources, and recorded year-on-year growth in non-coal transportation volume. In the first half of the year, the shipping volume was 49.9 million tonnes (the first half of 2024: 65.5 million tonnes), representing a year-on-year decrease of 23.8%. Among them, the shipping volume for non-coal transportation including ore was 3.7 million tonnes (the first half of 2024: 0.6 million tonnes), representing a year-on-year increase of 516.7%.

#### (2) Operation results

The operation results of the shipping segment of the Group before elimination on consolidation are as follows:

		The first half of 2025	The first half of 2024	Change %	Main reasons for changes
Revenue	RMB million	1,642	2,488	(34.0)	Decrease in shipment turnover
Cost of sales	RMB million	(1,466)	(2,244)	(34.7)	Decrease in shipment turnover; Decrease in vessel leasing fees and others
Gross margin	%	10.7	9.8	Increased by 0.9 percentage point	
Profit before income tax	RMB million	116	224	(48.2)	

In the first half of 2025, the unit transportation cost of the shipping segment was RMB0.028/tonne nautical mile (the first half of 2024: RMB0.030/tonne nautical mile), representing a year-on-year decrease of 6.7%, mainly due to decrease in vessel leasing fees and others.



## Section IV Management Discussion and Analysis (Continued)

### 6. Coal Chemical Segment

#### (1) Production and operations

The coal chemical segment of the Group comprises the coal-to-olefins project of Baotou Coal Chemical, the main products of which include polyethylene (with production capacity of approximately 300,000 tonnes per year), polypropylene (with production capacity of approximately 300,000 tonnes per year) and a small number of by-products (including industrial sulphur, mixed C5, industrial propane, mixed C4, industrial methanol, fine methanol and others). The Coal-to-Olefins Upgrading Demonstration Project (with production capacity of 750,000 tonnes/year) advanced in an orderly manner.

In the first half of 2025, the Group's coal chemical segment sharpened its market operations, established an internal market-oriented operating system, and launched management-improvement initiatives that yielded tangible results in boosting revenue, cutting costs and enhancing efficiency. Upholding a green-development philosophy, it carried out low-carbon process upgrades, circular-economy practices and digital integration, achieving a 100% wastewater reuse rate, a year-on-year decrease of 3% in sulfur dioxide emission and a 48.7% overall utilisation rate of general industrial solid waste.

In the first half of 2025, the Group's sales volume of polyolefin products amounted to 354.6 thousand tonnes (the first half of 2024: 287.4 thousand tonnes), representing a year-on-year increase of 23.4%, as detailed below:

	The first half of 2025		The first half of 2024		Change	
	Sales volume	Price	Sales volume	Price	Sales volume	Price
	Thousand tonnes	RMB/tonne	Thousand tonnes	RMB/tonne	%	%
Polyethylene	184.0	6,231	148.2	6,585	24.2	(5.4)
Polypropylene	170.6	5,702	139.2	5,863	22.6	(2.7)

## Section IV Management Discussion and Analysis (Continued)

### (2) Operation results

The operation results of the Group's coal chemical segment before elimination on consolidation are as follows:

		The first half of 2025	The first half of 2024	Change %	Main reasons for changes
Revenue	RMB million	2,919	2,538	15.0	Coal-to-olefin production equipment was overhauled as planned during the same period last year, and the production and sales volume of polyolefin products were lower
Cost of sales	RMB million	(2,773)	(2,442)	13.6	Ditto
Gross margin	%	5.0	3.8	Increased by 1.2 percentage point	
Profit before income tax	RMB million	79	4	1,875.0	

### (3) Unit production cost of main products

	The first half of 2025		The first half of 2024		Change	
	Unit production Output	Unit production Cost	Unit production Output	Unit production Cost	Unit production Output	Unit production Cost
	Thousand tonnes	RMB/tonne	Thousand tonnes	RMB/tonne	%	%
Polyethylene	181.7	5,493	148.1	5,944	22.7	(7.6)
Polypropylene	168.1	5,330	139.0	5,737	20.9	(7.1)

In the first half of 2025, the coal chemical segment consumed a total of 2.5 million tonnes of coal (the first half of 2024: 2.1 million tonnes), representing a year-on-year increase of 19.0%. Coal consumed in the coal chemical segment is all coal sold by the Group.

## Section IV Management Discussion and Analysis (Continued)

### (V) Operations by Region

Unit: RMB million

	The first half of 2025	The first half of 2024 (restated)	Change %
Revenue from external transactions in domestic markets	134,009	163,473	(18.0)
Revenue from external transactions from overseas markets	4,100	5,648	(27.4)
<b>Total</b>	<b>138,109</b>	<b>169,121</b>	<b>(18.3)</b>

*Note:* The revenue from external transactions is divided by the location of customers receiving services and purchasing products.

The Group is mainly engaged in the production and sales of coal and electricity, railway, port and fleet transportation, and coal-to-olefins business in the PRC. In the first half of 2025, revenue from external transactions from the domestic market accounted for 97.0% of the Group's total revenue; revenue from external transactions from overseas markets recorded a year-on-year decrease of 27.4%, mainly due to the decrease in revenue from overseas coal sales as a result of the decrease in coal prices.

In the first half of 2025, the Group's overseas project operation was stable. The EMM in South Sumatra, Indonesia, have operated for 13 consecutive years without an unplanned outage, maintaining the highest reliability level on the regional grid; the Java units in Indonesia continue to deliver solid economic returns, with market share remaining at the regional forefront. Construction of the South Sumatra No. 1 Project in Indonesia is progressing as planned, and Units 1 and 2 were commissioned in July 2025 and August 2025, respectively. The Penn shale gas project in the United States is performing well, with a gas production of 53 million cubic meters (attributable gas volume) in the first half of the year.

## Section IV Management Discussion and Analysis (Continued)

### (VI) Analysis on Investments

#### 1. Overall Analysis of External Equity Investments

In the first half of 2025, the Company's made additional equity investment in Hangjin Energy amounting to RMB11,218 million and other additional equity investment amounting to RMB3,918 million, which primarily financed the Company's capital increase in relevant coal, power generation, transportation and coal chemical subsidiaries to advance project construction.

#### 2. Material Investment in Equity Interest

☐ Applicable ☒ Not applicable

#### 3. Material Investment in Non-Equity Interest

☐ Applicable ☒ Not applicable

## Section IV Management Discussion and Analysis (Continued)

### 4. Financial assets at Fair Value

The financial assets at fair value held by the Group were mainly structured deposit products held by the Company, non-trading equity investments that have no significant impact on the investees and bank acceptance bills that are planned to be discounted or endorsed. For details, please refer to “Fair Value Measurement of Financial Instruments” in the notes to the financial statements in this report.

*Unit: RMB million*

Category of assets	At the beginning of the period	Gains and losses from fair value changes for the period	Cumulative changes in fair value included in equity	Impairment provided for the period	Amount of purchase for the period	Amount of disposal/redemption for the period	Other changes	At the end of the period
Financial assets at fair value through profit and loss (current assets)	17,302	8	/	/	30,400	(40,607)	/	7,103
Investments in equity instruments at fair value through other comprehensive income	2,787	/	26	/	/	/	/	2,813
Financial assets at fair value through other comprehensive income	1,174	/	/	/	/	/	(771)	403
Financial assets at fair value through profit and loss (non-current assets)	60	/	/	/	/	/	/	60
<b>Total</b>	<b>21,323</b>	<b>8</b>	<b>26</b>	<b>/</b>	<b>30,400</b>	<b>(40,607)</b>	<b>(771)</b>	<b>10,379</b>

## Section IV Management Discussion and Analysis (Continued)

### 5. Completion of Capital Expenditure Plan for 2025

Unit: RMB100 million

	Plan for 2025	Completed in the first half of 2025
Coal segment	96.81	41.35
Power segment	174.11	86.96
Transportation segment	81.66	14.35
Including: railway segment	47.58	11.36
port segment	34.07	2.87
shipping segment	0.01	0.12
Coal chemical segment	54.46	4.76
Others	10.89	0.04
<b>Total</b>	<b>417.93</b>	<b>147.46</b>

In the first half of 2025, total capital expenditure of the Group amounted to RMB14.746 billion. It was mainly used for the construction of projects of Xinjie No. 1 Mine and No. 2 Mine in Taigemiao Area of Xinjie Mining Area and Tarangaole Mine of Hangjin Energy, the purchase of coal mine equipment and technological upgrades, the construction of thermal power projects such as Jiangxi Jiujiang Power Plant Phase II, Guangdong Qingyuan Power Plant Phase II and Guangxi Beihai Power Plant Phase II, the construction of Dongyue railway and railway capacity expansion, the construction of the Huanghua Port (coal port area) Phase V Project, Zhuhai Gaolan Port Area China Energy Bulk Cargo Terminal Project and the construction of Coal Chemical Coal-to-Olefins Upgrading Demonstration Project.

The Group's capital expenditure plan may be subject to change in response to the development of business plans (including potential acquisitions), the progress of capital projects, market conditions, the outlook for the future business environment and the obtaining of necessary permits and approvals. Subject to requirements under the law, the Company shall not assume any obligation to update the information on the capital expenditure plan. The Company intends to fund its capital expenditures through cash generated from operating activities, short-term and long-term loans, and other debt and equity financing.

### (VII) Disposal of Material Assets and Equity Interest

☐ Applicable    ☒ Not applicable

## Section IV Management Discussion and Analysis (Continued)

### (VIII) Analysis of Major Holding and Associated Companies

#### 1. Major Subsidiaries

Unit: RMB million

No.	Company	Principal activities	Registered capital	Total assets	Net assets	Net profit attributable to the equity holders of the parent company			
			As at 30 June 2025			The first half of 2025	The first half of 2024	Change %	Main reasons for changes
1	Shendong Coal	Mining, processing and sales of coal	4,989	36,069	30,463	4,126	5,537	(25.5)	Decrease in sales and average sales price of coal
2	Shuohuang Railway	Railway transportation	15,231	48,910	33,975	3,419	3,416	0.1	
3	Baorixile Energy	Mining, processing and sales of coal	1,169	17,772	13,127	1,621	1,668	(2.8)	
4	Jinjie Energy	Coal mining, processing and sales, power generation business	3,802	24,675	22,173	1,569	2,158	(27.3)	Decrease in the average coal sales price of; decrease in power output dispatch and average price of power sales
5	Zhunge'er Energy	Coal mining, processing and sales	7,102	58,342	14,893	1,479	1,367	8.2	
6	Huanghua Harbour Administration	Harbour operation	6,790	13,864	12,418	851	846	0.6	
7	Railway Equipment	Locomotive and vehicle maintenance for railway, railway transportation	6,300	20,540	11,539	793	882	(10.1)	Increase in maintenance costs of locomotive for railway
8	Beidian Shengli	Coal mining, processing and sales	2,925	18,297	11,983	791	1,073	(26.3)	Decrease in sales and average sales price of coal
9	Shendong Power	Power generation business	3,024	29,880	23,827	481	426	12.9	Decrease in coal purchase price
10	Sichuan Energy	Power generation business	3,102	10,690	5,439	603	545	10.6	Due to the transfer of equity interests in China Energy (Mianzhu) Hydropower Co., Ltd. (國能(綿竹)水電有限公司)
11	Yulin Energy	Coal mining, processing and sales	2,420	8,133	5,101	587	603	(2.7)	
12	Pembangkitan Jawa	Power generation business	2,540	15,225	8,342	520	456	14.0	Increase in power output dispatch
13	Baotou Energy	Coal mining, processing and sales	2,633	14,718	9,910	488	559	(12.7)	Decrease in sales and average sales price of coal
14	Trading Group	Wholesale operation and shipping agency services for coal	7,789	30,945	15,857	401	859	(53.3)	Decrease in sales and average sales price of coal
15	Xinshuo Railway	Railway transportation	10,888	25,923	14,890	338	576	(41.3)	Decrease in railway transportation turnover

Notes: 1. The financial information of the major subsidiaries disclosed in the above table was prepared in accordance with the China Accounting Standards for Business Enterprises. The data has not been audited or reviewed.

2. In the first half of 2025, the revenue of Shendong Coal was RMB32,541 million and the operating profit was RMB5,015 million; in the first half of 2025, the revenue of Shuohuang Railway was RMB11,134 million and the operating profit was RMB4,598 million.

## Section IV Management Discussion and Analysis (Continued)

### 2. Major Companies in Which the Company has Invested

The Company did not have investment income from a single investee company with an amount exceeding 10% of the Company's net profit attributable to the equity holders of the Company.

Please refer to the section headed "Significant Events" of this report for details of the Finance Company.

### 3. Acquisition and disposal of subsidiaries during the Reporting Period

Name of the company	Ways of acquiring and disposing subsidiaries during the Reporting Period	Impacts on production, operation and results as a whole
Hangjin Energy	The subsidiary was acquired by way of business combination under common control. In February 2025, the Company completed the acquisition of 100% equity interest in Hangjin Energy held by China National Energy Corporation, and Hangjin Energy was included in the financial statements of the Company.	<p>The Group's capabilities in ensuring energy supply and enhancing coordinated operation level in east Inner Mongolia were improved by promoting reduced compensation among peers and increasing coal resources, thereby consolidating integrated core competitiveness and long-term profitability. In the first half of 2025, Hangjin Energy realized a net loss attributable to shareholders of the parent company of RMB54 million under China Accounting Standards for Business Enterprises.</p> <p>Such event has no significant impact on the overall production, operation and results of the Group.</p>
China Energy (Mianzhu) Hydropower Co., Ltd. (國能(綿竹)水電有限公司)	The subsidiary was disposed off by way of equity transfer. In April 2025, the equity transfer of the equity interests in China Energy (Mianzhu) Hydropower Co., Ltd. (國能(綿竹)水電有限公司) held by Sichuan Energy, a subsidiary of the Company, was completed, with a gain of RMB237 million recognized for the equity transfer. China Energy (Mianzhu) Hydropower Co., Ltd. (國能(綿竹)水電有限公司) was no longer included in the consolidated financial statements of the Company.	<p>Such event has no significant impact on the overall production, operation and results of the Group.</p>



## Section IV Management Discussion and Analysis (Continued)

### (IX) Structured Entities Controlled by the Company

☐ Applicable ☒ Not applicable

### (X) Contingent Liabilities

Details of the Group's contingent liabilities are set out in the "Commitments and Contingent Liabilities" in the notes to the financial statements in this report.

### (XI) Subsequent Events

On 15 August 2025, the twelfth meeting of the sixth session of the Board of the Company approved the Proposal on Share Issuance and Cash Payment by China Shenhua for Acquisition of Assets and Raising Supporting Funds and Connected Transactions (《中國神華發行股份及支付現金購買資產並募集配套資金暨關聯交易預案》), pursuant to which the Company intends to issue A shares and by way of cash payment to acquire coal and coal power at mine pit from China Energy as well as equity interests in relevant targets such as coal-to-liquids, coal-to-gas and coal chemical companies, and will issue A shares to raise supporting funds. (for details, please refer to the Company's H Share announcement dated 15 August 2025 and A Share announcement dated 16 August 2025). As of the date of disclosure of this report, the audit, valuation and other relevant work in respect of this transaction have not yet been completed. The transaction is subject to completion of the Company's internal decision-making procedures and approval, review or registration consent from the competent regulatory authorities prior to its official implementation.

## V. IMPLEMENTATION OF THE ACTION PLAN OF "ENHANCE QUALITY, IMPROVE EFFICIENCY AND FOCUS ON RETURN" FOR 2025

On 20 June 2025, the tenth meeting of the sixth session of the Board of the Company considered and approved the action plan of "Enhance Quality, Improve Efficiency and Focus on Return" for 2025. As of the date of disclosure of this report, the implementation of the action plan is as follows.

### 1. Business operation

The Group has strengthened energy supply, and has kept its production and operation in a steady and orderly manner. The Group actively responded to market changes and tapped internal potential of cost reduction, thereby achieving a year-on-year increase in the gross profit margin across all segments. (See "Major operation results during the Reporting Period" in this section.)

### 2. Cash Dividend

The Group adhered to the policy on shareholder return that is based on good faith for amicable relationship, and further improved the profit distribution policy. As approved by the general meeting of the Company, the final dividend in cash for 2024 was RMB2.26 per share (inclusive of tax), representing 76.5% of the net profit attributable to shareholders of the Company. As of the date of disclosure of this report, the final dividend for 2024 has been fully paid. The Company formulated its shareholder return plan for 2025-2027, by which the annual profit distribution in the form of cash dividends for 2025-2027 shall be no less than 65% of the net profit realised and attributable to shareholders of the Company for each year, subject to the Articles of Association. The Company may also consider the payment of interim dividend when appropriate. The Board of the Company proposed the payment of an interim dividend of RMB0.98 per share (inclusive of tax) for the year 2025 to all shareholders of the Company, which is subject to the approval at the general meeting of the Company.

## Section IV Management Discussion and Analysis (Continued)

### 3. Capital operation

The Group has performed its non-competition undertaking and promoted the asset injection. In February 2025, the Company completed acquisitions of 100% equity interest in Hangjin Energy, further improving the capacity for energy supply and coordinated operations of the Group. The Group commenced the acquisition of assets of coal, coal power at the mine pit and coal-to-liquids, coal-to-gas and chemical processing of coal held by China Energy, thereby further improving the quality of the Company, reducing connected transactions and attracting premium resources to the Company.

### 4. Corporate governance

The Group improved the system of corporate governance by promoting the reform of the Supervisory Committee. The Group abolished the Supervisory Committee and amended and improved the Articles of Association, the Rules of Procedure of General Meeting and the Rules of Procedure of the Board and the rules of procedure of the five special committees of the Board in a systematic manner, in accordance with the PRC Company Law, strengthening and optimizing the responsibilities of the Audit and Risk Management Committee.

### 5. Market value management

The Company continues to improve the market value management system through the establishment of rules and regulations. The Board of the Company considered and approved the “Market Value Management System of China Shenhua Energy Company Limited”, which clarifies basic principles, organisations, main methods, monitoring and warning mechanism as well as emergency measures, etc. The Company also formulated the “Implementation Plan for Market Value Management of China Shenhua Energy Company Limited for the Year 2025” (《中國神華 2025 年度市值管理工作實施方案》), which clarifies overall requirements, main tasks, protective measures and indicators of effectiveness evaluation for the market value management of the Company in the year 2025. The Company organised regular meetings for market value management on a quarterly basis, carried out special training programs and analysed the effectiveness of market value management of the Company on the statistics.

## Section IV Management Discussion and Analysis (Continued)

### 6. Investor Relations Management

The Company strengthened communications and exchanges with investors by delivering value of the Company across multiple dimensions by various methods. The Group actively responded to needs of the investors by refining details of its regular reports with specific focus. The Company held results briefings for the year 2024 and the first quarter of 2025 as well as conferences with analysts in a high-quality manner. The Group launched the “Strong Resilience + High Return” 2025 Spring Investors Roadshow in Beijing, Shanghai and Shenzhen, and actively joined investor communication events held by securities firms. In the first half of the year, the Company held 126 conferences for various investors, with approximately 1,800 communications with investors.

## VI. POSSIBLE RISKS AND COUNTERMEASURES

The major risks facing the Company are mainly risks in safety and environmental protection, compliance, project management, market competition, investment, integrated operations, policy and international operations (please refer to the Company’s 2024 Annual Report for details), while no new risk factor was added during the Reporting Period.

The Company has established a closed-loop risk management system, which includes risk identification at the beginning of the year, quarterly risk monitoring, dynamic risk assessment, routine inspections and early warning, as well as year-end supervision and evaluation. This system provides strong support for improving decision-making processes, refining internal control systems and enhancing risk management standards. The Board and the Audit and Risk Management Committee of the Company believe that such mechanism is capable of assessing the effectiveness of operation of the Company’s risk management.

During the Reporting Period, the Company has adopted the following measures in response to major risks:

1. In safety and environmental protection, the Company strictly implemented safety production responsibilities and continuously improved and refined the workplace safety responsibility system. The Company deepened the three-year action to tackle fundamental problems in safe production, and further implemented the dual prevention mechanisms of safety risk classification control and hidden danger investigation and treatment. The Company adopted strict controls on major safety risks, comprehensively strengthened on-site safety management, and carried out investigation and rectification of hidden dangers earnestly, enhanced safety education and training programs, and improved the safety capability of all employees. It intensified efforts in pollution prevention and control, actively carried out projects for comprehensive review on ecological protection of the Yellow River basin, and made every effort to improve the ability to prevent ecological environmental risks.

## Section IV Management Discussion and Analysis (Continued)

2. In compliance management, the Company continuously optimised its legal compliance risk prevention system, ensuring the regulatory adherence, legality, and adaptability of its systems. The Company enhanced its legal compliance system management by implementing “standardised contract templates for major business types”, conducted tiered and categorised compliance risk identification, early warning, and response measures, identified, assessed and provided early warnings in a dynamic manner, and ensured legal supporting services for major capital operation and key development projects. The Company promoted a “tiered supervision mechanism” for major cases, and enhanced the prevention and response capabilities for significant legal cases, aiming to mitigate contract signing risks from the source.
3. In engineering project management, the Company improved the infrastructure construction management system, carried out the management of important aspects such as project design, commencement, implementation, completion acceptance, handover and commissioning. The Company adopted controls on project cost from the source by strengthening studies and research on economy and technologies, optimising investment decisions in a rational manner and other measures. The Company strictly implemented plans of targets and node control for construction, and strengthened evaluation on projects, thereby ensuring progress management on key projects. The Company took solid steps in commencing rectification of outsourcing activities by comprehensively strengthening safety management of high-risk operations and infrastructure construction, and ensured that major projects were completed on schedule and put into production with high quality.
4. In marketing and sales, the Company strengthened the research on macroeconomic conditions, further improved the market analysis system and enhanced the market-driven approach, thereby improving the accuracy of coal market prediction. The Company formulated coal purchase and sales mechanism and price policy by region and by time, optimised the structure of coal products, and continued to enhance the brand advantage. The Company accelerated the establishment of a new energy system, actively carried out the construction of supportive coal power supply, and refined the strategies for power trading. The Company vigorously promoted the joint operation of coal-fired power and new energy power generation by emphasising the leading role of investment in new energy sources and low-carbon development fund to continuously enhance the Company’s green finance capacity. The Company strengthened and coordinated operation among coal, power, transportation segments, thereby realising sharing and optimal deployment of resources.
5. In investment management, the Company closely combined the macroeconomic situation, industry trends and its core advantage in formulating comprehensive investment strategies. With a particular focus on risk control for major projects, the Company continued to focus on investment plans, expanded effective investment, and reasonably controlled the pace of project investment. The Company closely monitored policy developments and changes, and captured key information including policies and regulations on investment in and demand and supply situation of the industry. The Company was deeply involved in formulation of industry standards, strengthened its participation in industry exchange activities and continued to refine the investment risk prevention and control system.

## Section IV Management Discussion and Analysis (Continued)

6. In integrated operation management, the Company continued to strengthen core advantages of integrated operation, focused on the comprehensive coordination and balance of integrated operations, strengthened industrial synergy, strengthened scientific scheduling, plan management and performance evaluation, thereby improving the integrated operation management system and its risk control capability for integrated operation. The Company optimised the layout of coal and power industries and accelerated the implementation of new energy projects, thereby continuously enhancing the resilience of integrated industrial chain, value chain and supply chain.
7. In policy research, the Company strengthened the research on the country's latest industrial policies and industrial regulations, strengthened policy coordination, and promoted the continuation of resources, increase of reserves and production, licence application and verification of production capacity. The Company steadily promoted the goal of carbon peak and carbon neutrality, reasonably matched the investment scale of each segment, solidly promoted the clean and efficient use of coal. The Company improved the policy risk assessment mechanism to reduce the losses arising from changes in policies, strengthened the policy monitoring and early warning system, and captured policy trends in real time to enhance the ability to withstand policy risks.
8. In international operation, the Company enhanced its study and judgement on international situation and improved its planning for internationalization strategy. As an active response to the advocacy for the Belt and Road Initiative, the Company organised research on overseas project opportunities in coal, new energy and transportation, centering on the acquisition of premium overseas resources, thereby deepening and expanding international energy cooperation. The Company strengthened overseas risk screening, regularly monitored overseas public security, and legal compliance and other relevant risks, and took multiple measures to prevent and resolve risks. The Company strengthened cultivation and introduction of interdisciplinary talents, actively and steadily implemented the "Going Global" strategy in accordance with the requirements of coordinating the overall domestic and international situations.

Investors should be aware that although the Company has assessed major risks and adopted relevant countermeasures, there is no absolute guarantee that all adverse impact could be eliminated due to the limitation of various factors.

## Section V Corporate Governance, Environment and Society

### I. CORPORATE GOVERNANCE

The Company has established a relatively sound corporate governance structure and a smooth operating mechanism, and there are no material differences from the laws, administrative regulations and requirements of the China Securities Regulatory Commission regarding the governance of listed companies.

The Board is responsible for implementing good corporate governance of the Company. The Company has been in compliance with the requirements of corporate governance policies under the Corporate Governance Code as set out in Appendix C1 to the Hong Kong Listing Rules (the “Corporate Governance Code”) to establish its own system of corporate governance.

The convening, voting and disclosure procedures of Board meetings of the Company, rules of procedures of the Board and procedures for nomination and election of directors are in compliance with relevant requirements. Being a standing decision-making body of the Company, the Board is accountable to the shareholders’ general meeting, and exercises functions and powers in accordance with the requirements of Article 126 of the Articles of Association and relevant applicable regulatory requirements. Being a standing executive body of the Company, operating management comprising senior management including the Chief Executive Officer, is accountable to the Board and exercises functions and powers in accordance with the requirements of Article 160 of the Articles of Association and relevant applicable regulatory requirements. The Articles of Association set out the respective duties of the Chairman of the Board and the Chief Executive Officer in detail. The Chairman of the Board and the Chief Executive Officer of the Company are held by different personnel. On 24 March 2025, Mr. Lv Zhiren resigned as the Chairman of the Board and an executive director of the Company, and ceased to be the chairman and a member of the Strategy and Investment Committee, a member of the Nomination Committee and a member of the Remuneration and Assessment Committee of the Board. The resignation of Mr. Lv Zhiren did not result in the number of members of the Board of Directors of the Company falling below the statutory minimum number of directors. Upon the unanimous recommendation of the incumbent directors, Mr. Zhang Changyan, an executive director and the Chief Executive Officer, shall convene a meeting of the Board until a new chairman of the Board is elected. The Company has been actively conducting relevant works to fill the vacancy of the chairman of the Board as soon as practicable.

Upon his resignation, Mr. Lv Zhiren ceased to be the authorised representative of the Company under Rule 3.05 of the Hong Kong Listing Rules (the “Authorised Representative”). Mr. Zhang Changyan, an executive director, has been appointed as the Authorised Representative of the Company with effect from 24 March 2025 (see the Company’s H share announcement dated 24 March 2025 and the Company’s A share announcement dated 25 March 2025 for details). Upon Mr. Lv Zhiren’s resignation, the number of members of the Nomination Committee and the Remuneration and Assessment Committee of the Board fell below the number of members under the rules of procedures of the Nomination Committee and the Remuneration and Assessment Committee. On 25 April 2025, the Board of the Company resolved to appoint Mr.



## Section V Corporate Governance, Environment and Society (Continued)

Zhang Changyan as a member of the Nomination Committee and Mr. Wang Hong as a member of the Remuneration and Assessment Committee. The number of members of the Nomination Committee and the Remuneration and Assessment Committee of the Company reached the number of members under the rules of procedures of the Nomination Committee and the Remuneration and Assessment Committee under the Board. On 20 June 2025, the Board of the Company resolved to appoint Ms. Jiao Lei as a member of the Nomination Committee and Mr. Zhang Changyan resigned as a member of the Nomination Committee. The terms of these members of the board committees shall commence from the date of approval by the Board and up to the end of the term of the sixth session of the Board (see the Company's H share announcements dated 25 April and 20 June 2025 and the Company's A share announcements dated 26 April and 21 June 2025 for details). Saved as disclosed above, during the six months ended 30 June 2025, the Company has been in full compliance with various principles and the provisions of the Corporate Governance Code and most of the recommended best practices as specified therein. For the terms of functions and powers of the Board and the Board Committees under the Corporate Governance Code, please refer to the Articles of Association, Rules of Procedures of the Board and the Board Committees, which have been published on the websites of the stock exchanges where the Company is listed and on the Company's website.

The Board of the Company has established the board diversity policy for members of the Board, which was set out in the rules of procedures of the Nomination Committee of the Board of the Company and has been disclosed. When selecting the candidates in accordance with the board diversity policy of the Company, the Board will use a series of diversified criteria, including but not limited to gender, age, culture and educational background, race, skills, knowledge and professional experience, as the basis, and will take both the characteristics and role of the personnel into account. As at the end of the Reporting Period, the Board of the Company consisted of 7 directors, including 1 executive director, 2 non-executive directors, 3 independent non-executive directors and 1 employee director. Among them, there were 6 male directors and 1 female director who served as a member of the Nomination Committee and the Strategy and Investment Committee under the Board of the Company. Directors are from various domestic and overseas industries, and the composition of the members is diversified. The knowledge and professional expertise of each director are both specialised and complementary to each other in the overall structure of the Board, which is conducive to ensuring the soundness and prudence of the decision-making of the Board.

The Company has set up the Audit and Risk Management Committee in accordance with the Hong Kong Listing Rules. The Audit and Risk Management Committee comprised Dr. Chen Hanwen (chairman of the Audit and Risk Management Committee, with professional qualifications and experience in related fields such as accounting, audit and risk management), Dr. Yuen Kwok Keung and Mr. Wang Hong, all of whom are independent non-executive directors. The principal duties of the Audit and Risk Management Committee during the Reporting Period include: supervising and assessing the work of external auditors and proposing engagement or replacement of the external auditors; supervising and evaluating the internal audit work and taking charge of coordination of the internal and external audits; reviewing the financial information of

## Section V Corporate Governance, Environment and Society (Continued)

the Company and its disclosure; supervising and evaluating the internal control of the Company; and other duties under laws, regulations, the Articles of Association and the authorisation of the Board. During the Reporting Period, the Audit and Risk Management Committee performed its duties in strict compliance with the Rules of Procedures of the Audit and Risk Management Committee of the Board of Directors and the Work Procedures of the Audit and Risk Management Committee of the Board of Directors of the Company. On 21 August 2025, the Audit and Risk Management Committee reviewed the Group's interim financial statements for the six months ended 30 June 2025 and the financial information set out in this report, and agreed to submit the same to the Board of Directors for consideration.

The Company established the Independent Board Committee comprising Dr. Yuen Kwok Keung, Dr. Chen Hanwen and Mr. Wang Hong. During the Reporting Period, the Independent Board Committee convened three meetings in total, which considered the Proposal on the Acquisition of 100% Equity Interests in Hangjin Energy, the Proposal on Implementation of Continuing Connected Transactions Agreement of China Shenhua for 2024 and the Proposal on the 2024 Continuous Risk Assessment Report on China Energy Finance Co., Ltd. of China Shenhua Energy Company Limited, and issued opinions consenting to the submission for the consideration of the Board of Directors.

The securities transactions of the directors of the Company have been carried out in accordance with the "Model Code for Securities Transactions by Directors of Listed Issuers" (the "Model Code") set out in Appendix C3 to the Hong Kong Listing Rules. The Model Code is also applicable to the supervisors and senior management of the Company. The directors, supervisors and senior management of the Company have confirmed that they have fully complied with the Model Code and relevant policies of the Company during their respective terms of office in the first half of 2025.

As at the end of the Reporting Period, none of the directors, supervisors and senior management of the Company had any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

### II. CHANGES IN THE DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT MEMBERS OF THE COMPANY

Name	Position	Changes
Lv Zhiren	Chairman of the Board, executive director	Resignation



## Section V Corporate Governance, Environment and Society (Continued)

### III. EMPLOYEES

As at 30 June 2025, the total number of employees of the Group was 89,929. The details are as follows:

Number of current employees of the headquarters of the Company ( <i>number of persons</i> )	180
Number of current employees of the subsidiaries and branches of the Company ( <i>number of persons</i> )	89,749
Total number of current employees of the Group ( <i>number of persons</i> )	89,929
Number of retired employees in respect of which the Group bears cost <sup>Note</sup> ( <i>number of persons</i> )	33,105

Function	Number of persons
<b>Category of function</b>	
Operation and maintenance	55,141
Management and administration	15,523
Finance	1,548
Research and development	4,184
Technical support	8,238
Sales and marketing	638
Others	4,657
<b>Total</b>	<b>89,929</b>

Education Level	Number of persons
<b>Category of education level</b>	
Postgraduate and above	4,682
University graduate	40,996
College graduate	20,705
Specialised secondary school graduate	8,322
Graduate of technical school, high school and below	15,224
<b>Total</b>	<b>89,929</b>

*Note:* As at the end of the Reporting Period, the total number of retired employees for which the Group was required to bear expenses increased as compared with those at the end of 2024 was mainly due to the completion of acquisition of 100% equity interest in Hangjin Energy by the Company in February 2025, which led to the inclusion of Hangjin Energy in the scope of employee headcount statistics.

## Section V Corporate Governance, Environment and Society (Continued)

The Company has formulated a competitive remuneration policy that combines basic salary and performance assessment and is tilted in favour of front-line employees. For remuneration of the employees of the Group during the Reporting Period, see “Profit for the period” in notes to the financial statements of this report. The Company has established a multi-layered and multi-channel training system, providing employees with suitable training programs on occupational skills, work safety, group-based management and other aspects.

### IV. PROFIT DISTRIBUTION PLAN

#### (I) Proposal of Profit Distribution Plan for the First Half of the Year

##### 1. The 2025 Interim Profit Distribution Plan

The 2024 annual general meeting of the Company, held on 20 June 2025, approved the proposal regarding the Shareholder Return Plan for 2025-2027 of the Company (“Shareholder Return Plan”). In accordance with the provisions of the Articles of Association, the profit to be distributed in cash annually from 2025 to 2027 shall be no less than 65% of the net profit attributable to equity holders of the Company realised in the corresponding year and the Company may also implement interim profit distribution during such period after taking into comprehensive consideration of its operational performance and capital needs.

In accordance with the Shareholder Return Plan and considering the Company’s operational circumstances, the Board of the Company recommends distributing an interim dividend for the year of 2025 of RMB0.98 per share (inclusive of tax) to all shareholders based on the total issued share capital as at the record date the implementation of for the dividend distribution. Based on the Company’s total issued share capital of 19,868,519,955 shares as at 30 June 2025, the total dividend will amount to RMB19,471 million (inclusive of tax), representing 72.9% of the profit attributable to equity holders of the Company for the first half of 2025 under IFRS Accounting Standards, and 79.0% of the net profit attributable to the shareholders of the Company under Accounting Standards for Business Enterprises. The Company will convene the second extraordinary general meeting of 2025 on Friday, 24 October 2025 to consider the aforementioned dividend proposal.

## Section V Corporate Governance, Environment and Society (Continued)

The 2025 interim dividend will be denominated and declared in RMB, will be paid in RMB to holders of the Company's A shares (including holders of the Company's A shares through the Northbound Trading Link of the Shanghai-Hong Kong Stock Connect, hereinafter referred to as the "Northbound Shareholders"), and holders of the Company's H shares through the Southbound Trading Link (including Shanghai and Shenzhen markets, hereinafter referred to as the "Southbound Shareholders"). Dividends to holders of the Company's H shares, except the Southbound Shareholders, will be paid in HKD. The applicable exchange rate for dividend payments in HKD shall be the benchmark exchange rate between the RMB and HKD announced by the Bank of China on the first business day following the date of the general meeting approving the 2025 interim profit distribution plan.

In accordance with the preliminary arrangement of the interim profit distribution plan for year 2025 and the second extraordinary general meeting of 2025 of the Company, the interim dividend for the year 2025 for the Company's H shareholders is estimated to be distributed on or about 24 December 2025.

### **2. Dividend Distribution Arrangement for the Holders of the Company's A Shares**

Pursuant to the Articles of Association of the Company, as at the close of trading in the afternoon on Tuesday, 21 October 2025 on the Shanghai Stock Exchange, holders of the A shares of the Company and their proxies who are registered with the Shanghai Branch of China Securities Depository and Clearing Corporation Limited are entitled to attend the 2025 second extraordinary general meeting of the Company and vote at the meeting. In accordance with the relevant regulations of the Shanghai Branch of China Securities Depository and Clearing Corporation Limited and the market practice for A-share dividend distributions, the details regarding the distribution of the Company's 2025 interim dividend for holders of the A shares of the Company will be announced separately in an announcement on the implementation of the dividend distribution following the 2025 second extraordinary general meeting of the Company, to determine the record date, ex-dividend date, and dividend payment date for the 2025 interim dividend of holders of A shares.

## Section V Corporate Governance, Environment and Society (Continued)

### 3. Dividend Distribution Arrangement for the Holders of the Company's H Shares

The temporary closure of register of members of H shares is arranged as follows:

Temporary closure of the register of members					The Company's share registrar for H shares
No.	Corresponding rights	First day (inclusive)	Last day (inclusive)	The last day for registering members	
1	Attending and voting at the 2025 second extraordinary general meeting	Tuesday, 21 October 2025	Friday, 24 October 2025	4:30 p.m. on Monday, 20 October 2025	Computershare Hong Kong Investor Services Limited
2	Entitled to the 2025 interim dividend	Saturday, 1 November 2025	Friday, 7 November 2025	4:30 p.m. on Friday, 31 October 2025	Computershare Hong Kong Investor Services Limited

The Company shall, based on the registered address ("Registered Address") recorded in the register of members of H shares as at 7 November 2025, determine the residential status of the individual H shareholders entitled to receive the 2025 interim dividend of the Company, and withhold and pay individual income tax accordingly. If the residential status of the individual H shareholders is inconsistent with the Registered Address, such shareholders shall notify the Company's share registrar for H shares and provide the relevant supporting documents at or before 4:30 p.m. on 31 October 2025 at Computershare Hong Kong Investor Services Limited of 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, telephone (852) 2862 8555.

### (II) The Execution of or Adjustment to the Profit Distribution Plan During the Reporting Period

On 20 June 2025, the 2024 annual general meeting of the Company approved the distribution of the 2024 final dividend of RMB2.26 per share (inclusive of tax) to all shareholders, totaling RMB44,903 million (inclusive of tax). As at the date of disclosure of this report, the payment of the aforesaid dividends has been completed. The distribution of the 2024 final dividend meets the requirements of the resolutions of the general meeting of the Company.

## V. SHARE INCENTIVE SCHEME, EMPLOYEE STOCK OWNERSHIP PLAN OR OTHER EMPLOYEE INCENTIVE SCHEME OF THE COMPANY AND THEIR IMPACTS

☐ Applicable    ☒ Not applicable

## VI. ENVIRONMENTAL INFORMATION OF THE COMPANY AND ITS MAJOR SUBSIDIARIES INCLUDED ON THE LIST OF ENTERPRISES TO DISCLOSE ENVIRONMENTAL INFORMATION ACCORDING TO LAW

No.	Name of enterprise	Reference index for the report on disclosure of environmental information according to law
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1	China Energy Baotou Coal Chemical Co., Ltd.	http://111.56.142.62:40010/
2	Shuiquan Open-cut Mine of China Energy Baotou Energy Co., Ltd.	support-yfpl-web/web/viewRunner.
3	Explosive Plant of Shenhua Zhunge'er Energy Co., Ltd.	html ? viewId=ht
4	Ha'erwusu Open-cut Mine of China Shenhua Energy Company Limited	tp://111.56.142.62:40010/
5	Shenhua Zhunge'er Energy Co., Ltd.	support-yfpl-web/web/sps/views/yfpl/views/
6	Bu'ertai Colliery of China Energy Shendong Coal	yfplHomeNew/index.
7	Shangwan Coal Mine of China Energy Shendong Coal	js&cantonCode=150000
8	Bulianta Coal Mine of China Energy Shendong Coal	
9	Power Plant of Guoneng Yili Energy Co., Ltd.	
10	Wanli First Colliery of China Energy Baotou Energy Co., Ltd.	
11	Gangue Power Generation Branch of Shenhua Zhunge'er Energy Co., Ltd.	
12	Shenhua Bayannur Energy Co., Ltd.	
13	Shengli Power Plant of China Energy Beidian Shengli Energy Co., Ltd.	
14	China Energy Baorixile Energy Co., Ltd.	
15	Zani River Open-Pit Mine of Inner Mongolia Dayan Mining Industry Group Co., Ltd.	
16	Inner Mongolia Mengdong Energy Co., Ltd.	



## Section V Corporate Governance, Environment and Society (Continued)

No.	Name of enterprise	Reference index for the report on disclosure of environmental information according to law
17	China Energy Shaanxi Shenmu Power Co., Ltd.	<a href="http://113.140.66.227:11077/#/noLogin/index">http://113.140.66.227:11077/#/noLogin/index</a>
18	China Energy Jinjie Energy Co., Ltd.	
19	Daliuta Thermal Power Plant of Shenhua Shendong Power Co., Ltd.	
20	Dianta Power Plant of Shenhua Shendong Power Co., Ltd.	
21	Guojiawan Power Plant of Shenhua Shendong Power Co., Ltd.	
22	Daliuta Colliery of Shendong Coal Branch of China Shenhua Energy Company Limited	
23	Jinjie Coal Mine of Shendong Coal Branch of China Shenhua Energy Company Limited	
24	Yulin Vehicle Maintenance Branch of China Energy Railway Equipment Co., Ltd.	
25	China Energy Yudean Taishan Power Co., Ltd.	<a href="https://gdee.gd.gov.cn/gdeepub/front/dal/dal/newindex">https://gdee.gd.gov.cn/gdeepub/front/dal/dal/newindex</a>
26	China Energy (Huizhou) Thermal Power Co., Ltd.	
27	China Energy Qingyuan Power Generation Co., Ltd.	
28	China Energy Guangtou Liuzhou Power Generation Co., Ltd.	<a href="http://bqfq.sthjt.gxzf.gov.cn/GXHJXXPLOQYD/frontal/index.html#/home/overview">http://bqfq.sthjt.gxzf.gov.cn/GXHJXXPLOQYD/frontal/index.html#/home/overview</a>
29	China Energy Guangtou Beihai Power Generation Co., Ltd.	
30	China Energy Group Yongzhou Power Generation Co., Ltd.	<a href="https://222.244.103.251:8181/hnyfpl/frontal/index.html#/home/index">https://222.244.103.251:8181/hnyfpl/frontal/index.html#/home/index</a>
31	China Energy Group Yueyang Power Generation Co., Ltd.	
32	China Energy Shenfu (Shishi) Power Generation Co., Ltd.	<a href="http://220.160.52.213:10053/idp-province/#/home">http://220.160.52.213:10053/idp-province/#/home</a>
33	China Energy Shenfu (Jinjiang) Thermal Power Co., Ltd.	
34	China Energy Shenfu (Longyan) Power Generation Co., Ltd.	
35	China Energy (Lianjiang) Gangdian Co., Ltd.	
36	China Energy Shenhua Jiujiang Power Generation Co., Ltd.	<a href="http://qyhjxxyfpl.sthjt.jiangxi.gov.cn:15004/information">http://qyhjxxyfpl.sthjt.jiangxi.gov.cn:15004/information</a>
37	China Energy Chongqing Wanzhou Electric Power Co., Ltd.	<a href="http://183.66.66.47:10001/eps/index/enterprise-search">http://183.66.66.47:10001/eps/index/enterprise-search</a>
38	China Energy Jiangyou Thermal Power Co., Ltd.	<a href="https://103.203.219.138:8082/eps/index/enterprise-search">https://103.203.219.138:8082/eps/index/enterprise-search</a>
39	China Energy Sichuan Tianming Power Generation Co., Ltd.	

## Section V Corporate Governance, Environment and Society (Continued)

No.	Name of enterprise	Reference index for the report on disclosure of environmental information according to law
40	China Energy Mengjin Thermal Power Co., Ltd.	<a href="http://222.143.24.250:8247/">http://222.143.24.250:8247/</a>
41	China Energy Shouguang Power Generation Company Limited	<a href="http://221.214.62.226:8090/EnvironmentDisclosure/">http://221.214.62.226:8090/EnvironmentDisclosure/</a>
42	China Energy Hebei Dingzhou Power Generation Co., Ltd.	<a href="http://121.29.48.71:8080/">http://121.29.48.71:8080/</a>
43	China Energy Hebei Cangdong Power Generation Co., Ltd.	
44	Cangzhou Locomotive and Vehicle Maintenance Branch of China Energy Railway Equipment Co., Ltd.	

### VII. DETAILS OF THE COMPANY'S EFFORTS TO EXPAND POVERTY ALLEVIATION ACHIEVEMENTS AND RURAL REVITALISATION

In the first half of 2025, the Group thoroughly implemented the national requirements for rural revitalisation, by implementing its budget, targets, and key projects according to its annual rural revitalisation action plan, and coordinated and advanced the assistance efforts. These actions supported assisted counties in preventing large-scale return to poverty, while enhancing the development of rural industries, rural infrastructure and rural governance. The Group contributed to the comprehensive revitalisation of rural areas, the acceleration of building a strong agricultural nation, and the realisation of agricultural and rural areas modernisation.

In the first half of 2025, the Group contributed RMB24.85 million to assistance funds for three targeted counties, namely Mizhi County and Wubu County in Shaanxi Province and Butuo County in Sichuan Province. The Group implemented 12 assistance projects in key areas such as education, healthcare, industry, and infrastructure construction, benefiting approximately 100,000 people. Additionally, the Group provided training for 60 skilled professionals and grassroots cadres and facilitated the purchase and sales of agricultural products amounting to RMB8.46 million.

Apart from the targeted counties, the Group carried out 6 projects focusing on partnerships with local communities, rural revitalisation, and assistance offered to targeted regions, with a total investment of RMB5.02 million.



## Section VI Significant Events

### I. PERFORMANCE OF COMMITMENTS

Undertakings made by relevant parties such as de facto controller, shareholders, related parties and acquirers of the Company as well as the Company during the Reporting Period or subsisting to the Reporting Period are as follows:

Background of undertakings	Type of undertakings	Undertaking party	Contents of undertakings	Date of commitment	Any deadline for performance	Duration of commitment	Whether timely and strictly performed	In case of failure to perform in time, the specific reasons for the incomplete performance shall be stated	In case of failure to perform in time, future plans shall be described
Undertaking made in connection with initial public offering	Non-competition undertaking	China Energy	The two parties entered into the "Non-competition Agreement" on 24 May 2005, the "Supplemental Agreement to the Existing Non-Competition Agreement" on 1 March 2018, and the "Supplemental Agreement II to the Existing Non-Competition Agreement" on 28 April 2023. As the Company is an integrated platform which is responsible for the coal business and affiliated to China Energy, China Energy has undertaken not to compete with the Company in respect of the Company's core businesses (coal exploration, mining, processing, sales; production and sales of comprehensive utilization of coal products; development and management of mineral products; railway transportation; port transportation; the industry and ancillary services related to the business aforementioned) whether inside or outside of the PRC, and granted the Company options and pre-emptive rights to acquire and be transferred any business opportunities and assets which may pose potential competition.	24 May 2005; 1 March 2018; 28 April 2023	Yes	Long-term: 27 August 2028	Yes, in progress	N/A	N/A

## Section VI Significant Events (Continued)

The Resolution on the Performance of Non-competition Undertaking was approved at the 45th meeting of the second session of the Board of the Company on 27 June 2014 and the Announcement on the Performance of Non-competition Undertaking was disclosed to the public. The Company will commence the acquisition of 14 assets of the former Shenhua Group Corporation Limited and its subsidiaries ("Original Undertaking Assets") step by step as planned (for details, please refer to the H share announcement dated 27 June 2014 and the A share announcement of the Company dated 28 June 2014). The Company completed the acquisition of three assets, namely 100% equity interest in Ningdong Power, 100% equity interest in Xuzhou Power and 51% equity interest in Zhoushan Power in 2015.

Being the parent company subsequent to the restructuring, China Energy merged with China Guodian Corporation by way of merger by absorption. As approved in the 2018 first extraordinary general meeting of the Company, the Company entered into the Supplemental Agreement to the Existing Non-Competition Agreement with China Energy. It is agreed by both parties that other than the amendments in the Supplemental Agreement to the Existing Non-Competition Agreement, the clauses of the Existing Non-competition Agreement will continue to be performed. Pursuant to the Supplemental Agreement to the Existing Non-competition Agreement, within five years after the completion of China Energy merging with China Guodian Corporation by way of merger by absorption, the Company will discretionally exercise the options and pre-emptive rights to acquire the assets within the retained businesses, and will no longer perform the non-competition undertaking given in 2014. The retained businesses refer to (1) Original Undertaking Assets (excluding the three equity assets that the Company completed the acquisition in 2015) other than the assets of conventional power generation business and (2) the unlisted businesses originally held by China Guodian Corporation which directly or indirectly compete with the core businesses of the Company (excluding the relevant assets that China Guodian Corporation undertook to inject into its subsidiary, Inner Mongolia Pingzhuang Energy Co., Ltd., in 2007). For details, please refer to the H share announcement of the Company dated 1 March 2018 and the A share announcement of the Company dated 2 March 2018.

On 16 June 2023, the Supplemental Agreement II to the Existing Non-Competition Agreement was approved to be entered into between the Company and China Energy at the 2022 annual general meeting, pursuant to which, the period for the Company to seize the opportune moment to exercise the options and pre-emptive rights to acquire the assets involved in the retained businesses was extended to 27 August 2028. For details, please refer to the H share announcement of the Company dated 28 April 2023 and the A share announcement of the Company dated 29 April 2023.

## Section VI Significant Events (Continued)

In 2023, the Company commenced the acquisition of 100% equity interest in Dayan Mining and 100% equity interest in Hangjin Energy held by China Energy. In August 2024, China Energy Guoyuan Power Co., Ltd. (國家能源集團國源電力有限公司), a wholly-owned subsidiary of China Energy, transferred its 100% equity interest in Dayan Mining to Hangjin Energy at nil consideration, making Dayan Mining a wholly-owned subsidiary of Hangjin Energy. On 21 January 2025, the sixth meeting of the sixth session of the Board of the Company considered and approved the Resolution Regarding the Acquisition of 100% Equity Interest in Hangjin Energy, and approved the signing of the Equity Transfer Agreement Regarding China Energy Hangjin Energy Co., Ltd. (國家能源集團杭錦能源有限責任公司) (the “Equity Transfer Agreement”) between China Shenhua and China Energy in relation to the acquisition of 100% equity interest in Hangjin Energy held by China Energy by China Shenhua (the “Transaction”). As at the disclosure date of this report, the Equity Transfer Agreement has been signed and the Transaction closed. (For details, please refer to the H share announcements of the Company dated 21 January 2025, 24 January 2025, 12 February 2025 and 25 February 2025 and the A share announcements of the Company dated 22 January 2025, 25 January 2025, 13 February 2025 and 26 February 2025.)

In August 2025, the Company commenced the acquisition of relevant assets, such as coal, pithead coal power, coal-to-liquid, coal-to-gas and coal chemicals, held by China Energy, so as to further reduce horizontal competition and perform the aforesaid relevant agreements. (For details, please refer to the H share announcement of the Company dated 15 August 2025 and the A share announcement dated 16 August 2025.)

The Company, as an integration platform of the coal business of China Energy Group, will discretionally exercise the options and the pre-emptive rights to any business opportunities and assets which may constitute potential peer competition, thereby gradually reducing peer competition, pursuant to the agreements set out in the Non-competition Agreement and its relevant supplemental agreements entered into by both parties.

### II. APPROPRIATION OF FUNDS BY ITS CONTROLLING SHAREHOLDER AND OTHER RELATED PARTIES FOR NON-OPERATIONAL PURPOSES DURING THE REPORTING PERIOD

☐ Applicable    ☒ Not applicable

### III. ILLEGAL GUARANTEES

☐ Applicable    ☒ Not applicable

### IV. AUDIT OF THE INTERIM REPORT

#### (I) Description of Appointment and Removal of Auditors

On 20 June 2025, KPMG Huazhen LLP and KPMG were appointed as the A share and H share auditors of the Company respectively for 2025 at the Company’s 2024 annual general meeting.

## Section VI Significant Events (Continued)

### (II) Change in Appointment of Auditors During the Audit Period

☐ Applicable ☒ Not applicable

### (III) Explanation of the Company on the “Modified Audit Report” Issued by Auditors

☐ Applicable ☒ Not applicable

## V. CHANGES IN AND TREATMENT OF MATTERS INVOLVED IN NON-STANDARD AUDIT OPINIONS ON THE ANNUAL REPORT OF LAST YEAR

☐ Applicable ☒ Not applicable

## VI. INSOLVENCY OR RESTRUCTURING RELATED MATTERS

☐ Applicable ☒ Not applicable

## VII. MATERIAL LITIGATION AND ARBITRATION

During the Reporting Period, the Group did not have any material litigation or arbitration.

As at the end of the Reporting Period, the Group was the plaintiff, the defendant or the party of certain non-material litigations and arbitrations. The management believes that any possible legal liability which may be incurred from such cases will not have any material impact on the financial position of the Group.

## VIII. SUSPECTED VIOLATIONS OF LAWS AND REGULATIONS, PENALTIES AND RECTIFICATION STATUS OF THE LISTED COMPANY AND ITS DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT, CONTROLLING SHAREHOLDERS AND DE FACTO CONTROLLERS

☐ Applicable ☒ Not applicable

## IX. INTEGRITY OF THE COMPANY AND ITS CONTROLLING SHAREHOLDER AND DE FACTO CONTROLLER DURING THE REPORTING PERIOD

After enquiring the National Enterprise Credit Information Publicity System, during the Reporting Period, neither the Company nor China Energy, the controlling shareholder of the Company, was included in the list of enterprises with serious illegal and dishonest acts. As at the end of the Reporting Period, the Company had no outstanding obligations determined under effective court rulings, nor were there any significant debts that had become due and remained unpaid.

## Section VI Significant Events (Continued)

### X. MATERIAL RELATED PARTY/CONNECTED TRANSACTIONS

#### (I) Related Party/Connected Transactions During the Daily Operation

The Company has a related party/connected transaction team under the direct supervision of the Chief Financial Officer, which is responsible for the management of related party/connected transactions; and has established a business process, which properly delineates the responsibilities of the Company, its subsidiaries and branches in the management of related party/connected transactions. The Company has also established routine examinations, reporting and accountability systems in the subsidiaries and branches of the Company, to ensure that related party/connected transactions be conducted in accordance with the terms and conditions of framework agreement.

##### 1. Annual Caps for the Related Party/Connected Transactions During the Daily Operation in 2025

China Energy directly holds 69.52% equity interest in the Company, and it is the related party of the Company as defined under the Shanghai Listing Rules and the connected person of the Company as defined under the Hong Kong Listing Rules. On 16 June 2023, the Company's 2022 annual general meeting approved the 2024-2026 Mutual Coal Supply Agreement and the 2024-2026 Mutual Supplies and Services Agreement entered into with China Energy on 28 April 2023 and determined the annual transaction caps of each year from 2024 to 2026 for such related party/connected transactions during the daily operation with the validity of the agreements from 1 January 2024 to 31 December 2026. Pursuant to the Mutual Coal Supply Agreement and the Mutual Supplies and Services Agreement, the Group and China Energy Group shall provide coal, supplies and services to each other. (For details, please refer to the Company's H share announcement on 28 April 2023 and the A share announcement on 29 April 2023, as well as the circular in relation to the general meeting on 17 May 2023.)

Finance Company is held as to 60% by China Energy, the controlling shareholder of the Company. Therefore, it is a related party of the Company as defined under the Shanghai Listing Rules and a connected person of the Company as defined under the Hong Kong Listing Rules. On 16 June 2023, the Company's 2022 annual general meeting approved the 2024-2026 Financial Services Agreement entered into between the Company and Finance Company on 28 April 2023 and determined the annual transaction caps of each year from 2024 to 2026 for such related party/connected transactions during the daily operation with the validity period of the agreement from 1 January 2024 to 31 December 2026. Pursuant to the Financial Services Agreement, the Finance Company shall provide financial services approved by regulatory authorities within its business scope to members of the Group. (For details, please refer to the Company's H share announcement on 28 April 2023 and the A share announcement on 29 April 2023, as well as the circular in relation to the general meeting on 17 May 2023.)

## Section VI Significant Events (Continued)

Guoneng (Beijing) Commercial Factoring Co., Ltd. (“Guoneng Factoring”) is an indirect wholly-owned subsidiary of China Energy, the controlling shareholder of the Company. Accordingly, Guoneng Factoring is a related party of the Company as defined under the Shanghai Listing Rules and a connected person of the Company as defined under the Hong Kong Listing Rules. On 28 April 2023, the Company and Guoneng Factoring entered into the Factoring Services Agreement between China Shenhua Energy Company Limited and Guoneng (Beijing) Commercial Factoring Co., Ltd. (the “Original Factoring Services Agreement”) and agreed on the caps for the transactions for each of the years from 2023 to 2025 thereunder with a validity period from 1 January 2023 to 31 December 2025. In order to further meet the Group’s phased, lump-sum, large-scale funding requirements and leverage on the service advantages of Guoneng Factoring more fully, on 22 March 2024, the twenty-seventh meeting of the fifth session of the Board of the Company approved the Factoring Services Agreement between China Shenhua Energy Company Limited and Guoneng (Beijing) Commercial Factoring Co., Ltd. for the years from 2024 to 2025 (the “New Factoring Services Agreement”) entered into between the Company and Guoneng Factoring and the annual transaction caps from 2024 to 2025 thereunder with the validity period from 1 January 2024 to 31 December 2025, and the Original Factoring Services Agreement was terminated. Pursuant to the New Factoring Services Agreement, Guoneng Factoring will provide members of the Group with factoring services and other relevant services, which shall include but not limited to consulting, agency, management services. (For details, please refer to the Company’s H share announcements on 28 April 2023 and 22 March 2024 and the A share announcements on 29 April 2023 and 23 March 2024.)

China Railway Taiyuan Group Co., Ltd. (“Taiyuan Railway Bureau”) is the controlling shareholder of Daqin Railway Co., Ltd., which is a substantial shareholder of Shuohuang Railway, a significant subsidiary of the Company. China State Railway Group Co., Ltd. (“China Railway”) is the controlling shareholder of Taiyuan Railway Bureau. Therefore, China Railway constitutes a connected person of the Company as defined under the Hong Kong Listing Rules. On 28 October 2022, the Company and Taiyuan Railway Bureau which acted for and on behalf of China Railway entered into the 2023-2025 Continuing Connected Transactions Framework Agreement (the “Continuing Connected Transactions Framework Agreement”), effective from 1 January 2023 to 31 December 2025. Pursuant to the Continuing Connected Transactions Framework Agreement, the Group and China Railway Group (China Railway and its subsidiaries, including Taiyuan Railway Bureau Group (including Taiyuan Railway Bureau and its subsidiaries)) have agreed to provide transportation service, supply coal and provide other products and services to each other. (For details, please refer to the Company’s H share announcement on 28 October 2022 and the A share announcement on 29 October 2022.)

## Section VI Significant Events (Continued)

### 2. Implementation of Each Agreement During the Reporting Period

Set out below are the caps and implementation of major continuing related party/connected transaction agreements disclosable during the Reporting Period. During the Reporting Period, the total amount of related party/connected transactions in relation to sales of products and provision of services by the Group to China Energy Group reached RMB45,409 million, accounting for 32.9% of the Group's revenue during the Reporting Period.

Name of the agreement	Provision of products and services by the Group to related parties/connected persons and other inflows			Purchase of products and services from related parties/connected persons by the Group and other outflows		
	Transaction			Transaction		
	Existing effective transaction cap	amount during the Reporting Period	Proportion in the same type of transactions	Existing effective transaction cap	amount during the Reporting Period	Proportion in the same type of transactions
	RMB million	RMB million	%	RMB million	RMB million	%
(1) Mutual Coal Supply Agreement entered into between the Company and China Energy	110,000	36,966	43.6	27,000	3,983	23.9
(2) Mutual Supplies and Services Agreement entered into between the Company and China Energy	35,000	8,443	/	17,000	2,750	/
Including: ①Products		2,807	7.0		918	4.7
②Services		5,636	42.3		1,832	14.8
(3) Continuing Connected Transactions Framework Agreement entered into between the Company and China Railway	7,400 <sup>Note</sup>	1,667	1.8	20,000	4,710	9.7

**Note:** To support the Group and China Railway Group in launching a new logistics general contracting business and increasing transportation revenue, upon approval at the 11th meeting of the sixth session of the Board, the Company revised the annual caps for 2025 under the Continuing Connected Transactions Framework Agreement in respect of the provision of transportation services, coal supply and other products and services by the Group to China State Railway Group Co., Ltd. and its subsidiaries and affiliates from RMB7,400 million to RMB15,000 million. (For details, please refer to the Company's H share announcement on 25 July 2025 and the A share announcement on 26 July 2025.)



## Section VI Significant Events (Continued)

Name of agreement		Transaction item	Prevailing transaction cap <i>RMB million</i>	Transaction amount during the Reporting Period <i>RMB million</i>
(4)	Financial Services Agreement between the Company and Finance Company	① Maximum daily balance of comprehensive credit provided by Finance Company to the members of the Group (including loans, credit loans, bill acceptance and discount, non-financing letter of guarantee, overdraft, letter of credit, etc., including relevant interest accrued thereon)	100,000	15,432
		② Maximum daily deposit balance of the members of the Group in Finance Company (including the accrued interest thereon)	75,000	74,885
		③ The total amount of agency fee, handling fee, consultation fee and other service fee charged by Finance Company for providing the members of the Group with financial services, including but not limited to consultation, agency, settlement, transfer, letter of credit, online banking, entrusted loan, non-financing letter of guarantee, bill acceptance and other services	300	3
(5)	New Factoring Services Agreement between the Company and Guoneng Factoring	① Maximum daily balance for providing factoring services by Guoneng Factoring to the members of the Group (including interests, factoring service fees and related financing fees)	5,000	2,888
		② Total service fees (including but not limited to consulting fee, agency fee, handling fee or other services fees) charged by Guoneng Factoring per annum for providing the members of the Group with other related services, including but not limited to providing consulting, agency, management and other services	20	0

Aforementioned continuing related party/connected transactions were conducted within the normal business scope of the Company, and approval and disclosure procedures of independent directors and independent shareholders were performed strictly.

## Section VI Significant Events (Continued)

### (II) Related Party Transactions in Relation to Acquisition of Assets or Acquisition or Disposal of Equity Interests

#### 1. Events Which Were Disclosed in Announcements Without Subsequent Progress or Changes

Summary of matters	Search index
On 21 January 2025, the sixth meeting of the sixth session of the Board of the Company considered and approved the Resolution Regarding the Acquisition of 100% Equity Interest in Hangjin Energy, and approved the signing of the Equity Transfer Agreement Regarding China Energy Hangjin Energy Co., Ltd. between China Shenhua and China Energy in relation to the acquisition of 100% equity interest in Hangjin Energy held by China Energy by China Shenhua. The transaction was completed in February 2025.	H share announcements published by the Company on the website of the HKEx ( <a href="http://www.hkexnews.hk">www.hkexnews.hk</a> ) on 21 January 2025, 24 January 2025, 12 February 2025 and 25 February 2025.  A share announcements published by the Company on the website of the SSE ( <a href="http://www.sse.com.cn">www.sse.com.cn</a> ) on 22 January 2025, 25 January 2025, 13 February 2025 and 26 February 2025.

#### 2. Events Which Were Disclosed in Announcements with Subsequent Progress or Changes

☐ Applicable    ☒ Not applicable

## Section VI Significant Events (Continued)

### 3. Where Results Commitments are Involved, the Performance Results for the Reporting Period Shall be Disclosed

Pursuant to the Equity Transfer Agreement Regarding China Energy Hangjin Energy Co., Ltd. entered into between the Company and China Energy, China Energy has undertaken that Hangjin Energy's cumulative net profit attributable to shareholders of the parent company, after deducting non-recurring gains and losses and as audited under China Accounting Standards for Business Enterprises, for the period from September to December 2024 and from 2025 to 2029, shall not be less than RMB383.1027 million. For the period from September to December 2024 and the first half of 2025, Hangjin Energy's net loss attributable to shareholders of the parent company, after deducting non-recurring gains and losses and under China Accounting Standards for Business Enterprises, was RMB260.8727 million.

### (III) Material Related Party Transactions Regarding Joint External Investments

#### 1. Events Which Were Disclosed in Announcements Without Subsequent Progress or Changes

☐ Applicable ☒ Not applicable

#### 2. Events Which Were Disclosed in Announcements with Subsequent Progress or Changes

☐ Applicable ☒ Not applicable

#### 3. Events Which Weren't Disclosed in Announcements

☐ Applicable ☒ Not applicable

## Section VI Significant Events (Continued)

### (IV) Debts and Liabilities Between Related Parties

Unit: RMB million

Related parties	Related party relationship	Funds provided to related parties			Funds offered by related parties to the listed company		
		Opening balance	Amount incurred	Closing balance	Opening balance	Amount incurred	Closing balance
China Energy	Controlling shareholder	-	-	-	701	(701)	0
Finance Company	Subsidiary of the controlling shareholder	74,919	(424)	74,495	11,642	3,038	14,680
Other related parties	Other	395	-	395	1,460	590	2,050
Total		75,314	(424)	74,890	13,803	2,927	16,730

Reasons for debts and liabilities between related parties	(1)	The long-term and short-term borrowings provided by China Energy to the Group;
	(2)	The Group's deposits in/loans with Finance Company;
	(3)	The entrusted loans provided by the Group to the associates of the subsidiaries of the Company through banks.
Internal decision-making procedures have been performed in respect of the above debts and liabilities between related parties in accordance with relevant regulations.		
Repayment of debts and liabilities between related parties	Currently, the principal and interests of the above borrowings and entrusted loans are being repaid normally according to the repayment plan.	
Impacts of debts and liabilities between related parties on the operating results and financial position of the Group	The above debts and liabilities are beneficial to the normal commencement of relevant project construction and production operation of the Group and have no material impact on the operating results and financial position of the Group.	

## Section VI Significant Events (Continued)

### (V) Related Party/Connected Transactions with Finance Company

As at the end of the Reporting Period, the Company directly and indirectly held 40% equity interest<sup>1</sup> in Finance Company, and China Energy, the controlling shareholder of the Company, held 60% equity interest in Finance Company. Therefore, the financial services provided by Finance Company to the Group constituted related party/connected transactions of the Company.

#### 1. Major Financial Indicators of Finance Company

	Unit	The first half of 2025 (unaudited)	The first half of 2024 (unaudited)
Revenue	RMB million	2,236	2,329
Total profit	RMB million	2,311	1,948
Net profit	RMB million	1,799	1,519

		As at 30 June 2025 (unaudited)	As at 31 December 2024 (audited)
Total assets	RMB million	307,723	291,035
Total liabilities	RMB million	268,848	253,682
Owner's equity	RMB million	38,875	37,354

*Note:* The above financial data was prepared in accordance with China Accounting Standards for Business Enterprises.

<sup>1</sup> After consideration and approval at the ninth meeting of the sixth session of the Board of the Company, the Company used internal funds to acquire 7.43% equity interest in the Finance Company by way of non-public agreement, which was held in aggregate by our controlled subsidiaries, namely Shuohuang Railway, Zhunge'er Energy and Baoshen Railway. As at the end of the Reporting Period, the acquisition was still in the process of approval by the Beijing Bureau of the National Financial Regulatory Administration.

## Section VI Significant Events (Continued)

### 2. Major Risk Indicators of Finance Company

No.	Monitoring indicators	Indicator requirement	As at 30 June 2025
1	Capital adequacy rate not lower than the lowest regulatory requirements	≥10.5%	14.18%
2	Liquidity ratio not lower than 25%	≥25%	46.08%
3	Loan balance not higher than 80% of the sum of the deposit balance and the paid-in capital	≤80%	71.29%
4	Total external liabilities not higher than net capital	≤100%	0.00%
5	Balance of bills acceptance not higher than 15% of total assets	≤15%	1.20%
6	Balance of bills acceptance no more than 3 times of balance of interbank deposits	≤300%	20.32%
7	Total amount of bills acceptance and rediscounting not higher than net capital	≤100%	8.70%
8	Security deposits for bank acceptance bills not higher than 10% of total deposits	≤10%	0.00%
9	Total amount of investment not higher than 70% of net capital	≤70%	47.35%
10	Net amount of fixed assets not higher than 20% of net capital	≤20%	0.02%

All the above monitoring indicators of the Finance Company meet the regulatory requirements.

### 3. Deposit Business

Unit: RMB million

Related party	Related party relationship	Maximum daily deposit limit	Deposit interest rate range	Opening balance	Amount for the period		Closing balance
					Total amount deposited for the period	Total amount withdrawn for the period	
Finance Company	Subsidiary of the controlling shareholder	75,000	0.10%-3.20%	74,919	271,821	272,245	74,495
Total	/	/	/	74,919	271,821	272,245	74,495

Note: "Maximum daily deposit limit" refers to the maximum daily deposit balance (including accrued interest incurred) of the Group in Finance Company during the Reporting Period.

## Section VI Significant Events (Continued)

### 4. Loan Business

Unit: RMB million

Related party	Related party relationship	Loan limit	Loan interest rate range	Opening balance	Amount for the period		Closing balance
					Total amount of loan for the period	Total amount of repayment for the period	
Finance Company	Subsidiary of the controlling shareholder	100,000	1.85%-3.30%	11,642	4,202	1,164	14,680
Total	/	/	/	11,642	4,202	1,164	14,680

Note: "Loan limit" refers to the maximum daily balance (including accrued interest incurred) of loans provided by Finance Company to the Group during the Reporting Period.

### 5. Credit Facilities or Other Financial Business

Unit: RMB million

Related party	Related party relationship	Business Type	Quota	Amount for the period
Finance Company	Subsidiary of the controlling shareholder	Bill discount	100,000	327
Finance Company	Subsidiary of the controlling shareholder	Issue of acceptance bill	100,000	1,496
Finance Company	Subsidiary of the controlling shareholder	Intermediary business	300	3

Notes: (1) The amount for the period of bill discount and issue of acceptance bill business refers to accumulated amount of relevant services provided by Finance Company to the Group during the Reporting Period.

(2) The amount for the period of intermediary business refers to accumulated amount of various service fees charged by Finance Company for provision of financial services to the Group.

### (VI) Other Major Related Party Transactions

☐ Applicable ☒ Not applicable



## Section VI Significant Events (Continued)

### XI. MATERIAL CONTRACTS AND THEIR PERFORMANCE

#### (I) Trust, Contracting and Leasing

☐ Applicable ☒ Not applicable

#### (II) Major Guarantees Performed and Outstanding During the Reporting Period

Unit: RMB million

Guarantor	Relation between the guarantor and the listed company	Guarantee	Guarantee provided by the Company to external parties (excluding the guarantee granted to its subsidiaries)							Whether counter guarantee is provided	Whether guarantee is for the benefit of related parties	Related party relationship
			Amount guaranteed	Date of provision of guarantee (execution date of agreement)	Beginning date of guarantee	Expiry date of guarantee	Type of guarantee	Whether performance has been completed	Whether guarantee is overdue	Amount of guarantee overdue		
Baorixile Energy	Controlling subsidiary	Hulunbeier Liangyi Railway Company Limited	40.32	2008.08.30	2008.08.30	2029.08.29	Joint and several liability guarantee	No	No	0	No	N/A
Total amount of guarantee provided during the Reporting Period (excluding guarantee provided to its subsidiaries)												(5.87)
Total balance of guarantee at the end of the Reporting Period (A) (excluding guarantee provided to its subsidiaries)												40.32
Guarantee provided by the Company and its subsidiaries to its subsidiaries												
Total amount of guarantee provided to its subsidiaries during the Reporting Period												(2,971.15)
Total balance of guarantee provided to its subsidiaries at the end of the Reporting Period (B)												0
Total amount of guarantee (including guarantee provided to its subsidiaries)												
Total amount of guarantee (A+B)												40.32
Proportion of total amount of guarantee to the net assets attributable to shareholders of the Company under China Accounting Standards for Business Enterprises at the end of the Reporting Period (%)												0.01
Amount of guarantee provided to its shareholders, de facto controller and their related parties (C)												0
Amount of guarantee directly or indirectly provided to its parties with a gearing ratio in excess of 70% (D)												40.32
Portion of the total amount of guarantee in excess of 50% of net assets (E)												0
Aggregated amount of the above three amounts of guarantee (C+D+E)												40.32
Description of the potential joint and several repayment liability for outstanding guarantee												Please refer to below
Description of guarantee												Please refer to below

**Note:** The balance of guarantee provided by the subsidiary to external parties out of the total amount of guarantee at the end of the Reporting Period equals to the amount of external guarantee of the subsidiary multiplied by the shareholding of the Company in the subsidiary.

## Section VI Significant Events (Continued)

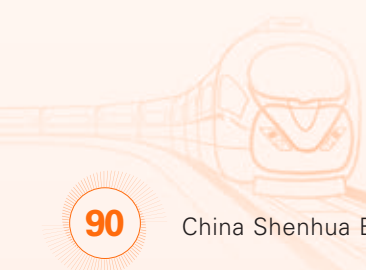
As at the end of the Reporting Period, the total balance of guarantee provided by the Group amounted to RMB40.32 million, including:

- (1) As at the end of the Reporting Period, the guarantee provided by Baorixile Energy, a subsidiary of which the Company owns 56.61% equity interest, to external parties was as follows: prior to the acquisition of Baorixile Energy by the Company in 2011 and pursuant to the Guarantee Agreement on the Syndicated Renminbi Loan for the Cooperative Railway Project Connecting Yimin and Yiershi Newly Constructed by Hulunbei'er Liangyi Railway Company Limited, in 2008, Baorixile Energy, as one of the guarantors, provided joint and several liability guarantee to Hulunbei'er Liangyi Railway Company Limited (hereinafter referred to as the "Liangyi Railway Company", of which Baorixile Energy owns 14.22% equity interest) for the syndicated loans. The major liability guaranteed was the debts due to the lender with a maximum balance of RMB207.47 million from 2008 to 2027, regardless of whether the debt is due when the above period expires. The above syndicated loans will fall due by tranches between 2011 and 2026. The guarantee agreement provides that the guarantee period of the debts borne by the guarantor shall be calculated from the due date of each tranche to two years after the due date of the last tranche, i.e. 2029.

Given that Liangyi Railway Company failed to pay the loan interest on time due to its deteriorating business operation, as resolved by the shareholders' general meeting of Liangyi Railway Company, additional capital was injected into Liangyi Railway Company by its shareholders (including Baorixile Energy). Baorixile Energy has injected an accumulated amount of RMB11.82 million into Liangyi Railway Company.

As at the end of the Reporting Period, Baorixile Energy, in proportion to its shareholding, repaid the principal on the loans on behalf of Liangyi Railway Company amounting to a total of RMB125.85 million. Baorixile Energy already made full provision for impairment on its 14.22% equity interests in Liangyi Railway Company and the repayment amount paid on its behalf. Together with other shareholders, Baorixile Energy will continue to call for improvement of business operation of Liangyi Railway Company. As at 30 June 2025, Liangyi Railway Company had a gearing ratio of 200%.

- (2) The USD500 million bonds issued by China Shenhua Overseas Capital Company Limited were matured on 20 January 2025 and have been fully repaid. The guarantee provided by Shenhua International (Hong Kong) Limited, a wholly-owned subsidiary of the Company, has accordingly been terminated.



## Section VI Significant Events (Continued)

### (III) Entrusted Cash Asset Management

#### 1. Status of Entrusted Wealth Management

##### (1) General Status of Entrusted Wealth Management

Unit: RMB million

Type of product	Source of fund	Amount incurred for the Reporting Period	Closing Balance undue as at the end of the Reporting Period	Unrecovered amount overdue
Structured deposits	Own fund	17,300	7,100	0

Note: Amount incurred for the Reporting Period refers to the daily maximum principal balance of such entrusted wealth management of the Group during the Reporting Period.

## Section VI Significant Events (Continued)

### (2) Individual Entrusted Wealth Management

At the end of the Reporting Period, the entrusted wealth management products held by the Company were as follows:

*Unit: RMB million*

No.	Trustor	Trustee	Types of entrusted wealth management products	Amount of entrusted wealth management	Initial date of entrusted wealth management	Expiry date of entrusted wealth management	Source of fund	Investment of fund	Existence of restricted situations	Determination of compensation	Annualized rate of return	Actual return for the Reporting Period	Outstanding amount	Unrecovered amount overdue	Whether it has been through legal procedures
1	China Shenhua	Bank of Beijing Co., Ltd.	Structured deposits	2,500	2025.4.3	2025.7.3	Own fund	EUR/USD FX spot rate	No	Middle price of peg currencies as shown on Bloomberg page "BFX"	/	0	2,500	0	Yes
2	China Shenhua	Shanghai Pudong Development Bank Co., Ltd.	Structured deposits	1,600	2025.6.9	2025.7.2	Own fund	EUR/USD FX rate	No	Middle price of peg currencies as shown on Bloomberg page "BFX"	/	0	1,600	0	Yes
3	China Shenhua	China Construction Bank Corporation	Structured deposits	1,000	2025.4.30	2025.7.29	Own fund	EUR/USD FX rate	No	Middle price of peg currencies as shown on Bloomberg page "BFX"	/	0	1,000	0	Yes
4	China Shenhua	Industrial and Commercial Bank of China Limited	Structured deposits	1,000	2025.6.6	2025.7.3	Own fund	EUR/USD FX spot rate	No	Middle price of peg currencies as shown on Bloomberg page "BFX"	/	0	1,000	0	Yes
5	China Shenhua	Bank of China Limited	Structured deposits	510	2025.6.20	2025.7.28	Own fund	EUR/USD FX rate	No	Middle price of peg currencies as shown on Bloomberg page "BFX"	/	0	510	0	Yes
6	China Shenhua	Bank of China Limited	Structured deposits	490	2025.6.20	2025.7.30	Own fund	EUR/USD FX rate	No	Middle price of peg currencies as shown on Bloomberg page "BFX"	/	0	490	0	Yes

## Section VI Significant Events (Continued)

As at the end of the Reporting Period, the Group has not found any indication that the principal of the above wealth management products will not be paid or recovered upon maturity, and no impairment provision has been made.

The Company recovered all the principal of the wealth management products purchased by the Company in 2024 and matured in the first half of 2025 (please refer to the Company's 2024 Annual Report) upon maturity and realized a cumulative return of RMB59.3 million. The Company recovered all the principal of the wealth management products purchased by the Company in the first half of 2025 and matured in the Reporting Period upon maturity and realized an aggregated return of RMB37.78 million.

### 2. Entrusted Loans

#### (1) General Status of Entrusted Loans

Unit: RMB million

Type of products	Source of fund	Amount incurred for the Reporting Period	Closing balance undue as at the end of the Reporting Period	Unrecovered amount overdue
Entrusted loans	Own fund	395.37	0	395.37

Note: Amount incurred for the Reporting Period refers to the daily maximum principal balance of such entrusted loans of the Group during the Reporting Period.

#### (2) Individual Entrusted Loans

Unit: RMB million

Name of borrower	Relationship between the borrower and the Group	Trustee	Amount of entrusted loans	Initial date of loans	Expiry date of loans	Duration of loans	Source of fund	Investment of fund	Determination of compensation	Interest rate	Actual return for the Reporting Period	Principal recovered for the Reporting Period	Whether it has been through legal procedures
Elion Chemical	Associate company	Bank of China	400.0	2020/12/24	2023/12/23	3 years	Own fund	Replacement of loans	Interest to be paid quarterly	4.75%	0	0	Yes

## Section VI Significant Events (Continued)

The entrusted loan of RMB400.0 million provided to Elion Chemical Industry Co., Ltd. ("Elion Chemical") by Shendong Power, a wholly-owned subsidiary of the Company, matured on 23 December 2023. As at the end of the Reporting Period, Elion Chemical has repaid the principal of RMB4.63 million. For the remaining entrusted loan, Elion Chemical had implemented corresponding guarantee measures through asset mortgages and other means. Both parties were negotiating the subsequent events of the remaining entrusted loan. The entrusted loan would not have a significant effect on the financial position of the Group. No provision for impairment for such entrusted loan has been made by the Group.

As at 30 June 2025, the Group did not grant entrusted loans with an amount exceeding 5% of the Group's latest audited net assets attributable to equity holders of the Company to a single counterparty. The Company did not utilise the proceeds raised to grant entrusted loans, and there was no entrusted loan that was involved in litigations. Under centralised capital management of the Group, the entrusted loans among the Company and its subsidiaries were used for meeting operating and development needs. Such entrusted loans have been eliminated in the consolidated financial statements of the Group.

## Section VII Changes in Shares and Particulars of Shareholders

### I. CHANGES IN SHARE CAPITAL

#### (I) Changes in the Number of Shares

##### 1. Changes in the Number of Shares

During the Reporting Period, there were no changes in the total number of ordinary shares and shareholding structure. The Company did not issue any preference shares.

*Unit: share*

	As at 30 June 2025	
	Number	Percentage %
I. Shares with selling restrictions	0	0.00
II. Shares without selling restrictions	19,868,519,955	100.00
1. RMB ordinary shares	16,491,037,955	83.00
2. Overseas listed foreign shares	3,377,482,000	17.00
III. Total number of shares	19,868,519,955	100.00

During the six months ended 30 June 2025, the Group did not purchase, sell or redeem any of the Company's listed securities (including sale of treasury shares) as defined under the Hong Kong Listing Rules. As at 30 June 2025, the Company did not hold any treasury shares.

As at the disclosure date of this report, so far as the Company's Directors are aware of, the Company has satisfied minimum public float requirement under Rule 8.08 of the Hong Kong Listing Rules.

##### 2. Explanations of Changes in Shares

☐ Applicable    ☒ Not applicable

##### 3. Impacts of Changes in Shares on Earnings Per Share, Net Assets Per Share and Other Financial Indicators after the Reporting Period and Prior to the Disclosure Date of the Interim Report

☐ Applicable    ☒ Not applicable



## Section VII Changes in Shares and Particulars of Shareholders (Continued)

### 4. Other Contents to be Disclosed as Deemed Necessary by the Company or Required by Securities Regulatory Authorities

☐ Applicable ☒ Not applicable

### (II) Changes in Shares with Selling Restrictions

☐ Applicable ☒ Not applicable

## II. NUMBER OF SHAREHOLDERS AND SHAREHOLDINGS

### (I) Total Number of Shareholders

Total number of shareholders of ordinary shares as at the end of the Reporting Period ( <i>accounts</i> )	161,322
Including: Holders of A shares (including China Energy)	159,594
Registered holders of H shares	1,728

### (II) Shareholdings of Top Ten Shareholders and Top Ten Holders of Tradable Shares (or Shareholders Without Selling Restrictions) as at the End of the Reporting Period

Unit: share

Name of shareholders (full name)	Shareholdings of top ten shareholders (excluding lending of shares by way of refinancing)							Nature of shareholders
	Increase/ decrease during the Reporting Period	Number of shares held at the end of the Reporting Period	Percentage %	Number of shares with selling restrictions	Shares subject to pledge, tag or lock-up Status	Number		
China Energy Investment Corporation Limited (國家能源投資集團有限責任公司)	0	13,812,709,196	69.52	0	Nil	N/A		State-owned corporation
HKSCC NOMINEES LIMITED	+325,800	3,370,467,428	16.96	0	Unknown	N/A		Overseas corporation
China Securities Finance Corporation Limited (中國證券金融股份有限公司)	0	594,718,004	2.99	0	Nil	N/A		Others
Hong Kong Securities Clearing Company Limited	-1,572,655	170,982,764	0.86	0	Nil	N/A		Overseas corporation
Central Huijin Asset Management Ltd. (中央匯金資產管理有限責任公司)	0	106,077,400	0.53	0	Nil	N/A		State-owned corporation

## Section VII Changes in Shares and Particulars of Shareholders (Continued)

Name of shareholders (full name)	Shareholdings of top ten shareholders (excluding lending of shares by way of refinancing)							Nature of shareholders
	Increase/ decrease during the Reporting Period	Number of shares held at the end of the Reporting Period	Percentage %	Number of shares with selling restrictions	Shares subject to pledge, tag or lock-up			
					Status	Number		
China Reform Investment Co., Ltd. (國新投資有限公司)	+24,975,737	100,259,643	0.50	0	Nil	N/A		State-owned corporation
China Life Insurance Company Limited – Traditional – General Insurance Products – 005L-CT001 Shanghai (中國人壽保險股份有限公司－傳統－普通保險產品－005L－CT001 滬)	+61,390,066	70,484,589	0.35	0	Nil	N/A		Others
Industrial and Commercial Bank of China – SSE 50 Exchange Traded Open-End Index Securities Investment Fund (中國工商銀行－上證 50 交易型開放式指數證券投資基金)	+2,722,709	64,694,073	0.33	0	Nil	N/A		Others
Industrial and Commercial Bank of China Limited – Huatai-PineBridge CSI 300 Exchange Traded Open-End Index Securities Investment Fund (中國工商銀行股份有限公司－華泰柏瑞滬深 300 交易型開放式指數證券投資基金)	+1,698,800	58,599,184	0.29	0	Nil	N/A		Others
Guofeng Xinghua (Beijing) Private Equity Fund Management Co., Ltd. – Guofeng Xinghua Honghu Zhiyuan Private Securities Investment Fund II (國豐興華(北京)私募基金管理有限公司－國豐興華鴻鵠志遠二期私募證券投資基金)	+52,206,131	52,206,131	0.26	0	Nil	N/A		Others

## Section VII Changes in Shares and Particulars of Shareholders (Continued)

Unit: share

Shareholdings of top ten shareholders without selling restrictions (excluding lending of shares by way of refinancing and locked-up shares held by senior management)			
Name of shareholders	Number of shares without selling restrictions	Type and number of shares	
		Type	Number
China Energy Investment Corporation Limited (國家能源投資集團有限責任公司)	13,812,709,196	RMB ordinary shares	13,812,709,196
HKSCC NOMINEES LIMITED	3,370,467,428	Overseas listed foreign shares	3,370,467,428
China Securities Finance Corporation Limited (中國證券金融股份有限公司)	594,718,004	RMB ordinary shares	594,718,004
Hong Kong Securities Clearing Company Limited	170,982,764	RMB ordinary shares	170,982,764
Central Huijin Asset Management Ltd. (中央匯金資產管理有限責任公司)	106,077,400	RMB ordinary shares	106,077,400
China Reform Investment Co., Ltd. (國新投資有限公司)	100,259,643	RMB ordinary shares	100,259,643
China Life Insurance Company Limited – Traditional – General Insurance Products – 005L-CT001 Shanghai (中國人壽保險股份有限公司 — 傳統 — 普通保險產品 — 005L – CT001 滬)	70,484,589	RMB ordinary shares	70,484,589
Industrial and Commercial Bank of China – SSE 50 Exchange Traded Open-End Index Securities Investment Fund (中國工商銀行 — 上證 50 交易型開放式指數證券投資基金)	64,694,073	RMB ordinary shares	64,694,073
Industrial and Commercial Bank of China Limited – Huatai-PineBridge CSI 300 Exchange Traded Open-End Index Securities Investment Fund (中國工商銀行股份有限公司 — 華泰柏瑞滬深 300 交易型開放式 指數證券投資基金)	58,599,184	RMB ordinary shares	58,599,184
Guofeng Xinghua (Beijing) Private Equity Fund Management Co., Ltd. - Guofeng Xinghua Honghu Zhiyuan Private Securities Investment Fund II (國豐興華(北京)私募基金管理有限公司 — 國豐興華鴻鵠志遠 二期私募證券投資基金)	52,206,131	RMB ordinary shares	52,206,131
Description of the special repurchase accounts of the top ten shareholders	N/A		
Description of the abovementioned shareholders' proxy voting rights, entrusted voting rights and waiver of voting rights	N/A		

## Section VII Changes in Shares and Particulars of Shareholders (Continued)

### Shareholdings of top ten shareholders without selling restrictions (excluding lending of shares by way of refinancing and locked-up shares held by senior management)

Name of shareholders	Number of shares without selling restrictions		Type and number of shares
			Type Number
Description of the related party relationships among the abovementioned shareholders or whether they are parties acting in concert	Both HKSCC NOMINEES LIMITED and Hong Kong Securities Clearing Company Limited are wholly-owned subsidiaries of Hong Kong Exchanges and Clearing Limited; the custodian bank of both Industrial and Commercial Bank of China – SSE 50 Exchange Traded Open-End Index Securities Investment Fund (中國工商銀行—上證 50 交易型開放式指數證券投資基金) and Industrial and Commercial Bank of China Limited – Huatai-PineBridge CSI 300 Exchange Traded Open-End Index Securities Investment Fund (中國工商銀行股份有限公司—華泰柏瑞滬深 300 交易型開放式指數證券投資基金) is Industrial and Commercial Bank of China. Save as disclosed above, the Company is not aware of any related party relationships between the top ten shareholders without selling restrictions and the top ten shareholders, and whether they are parties acting in concert as defined in the Measures for Administration of Acquisition of Listed Companies (上市公司收購管理辦法).		
Description of the holders of preference shares with voting rights restored and the number of shares held	N/A		

**Notes:** 1. The H shares held by HKSCC NOMINEES LIMITED are held on behalf of a number of its clients, and the A shares held by Hong Kong Securities Clearing Company Limited are held on behalf of a number of its clients.

2. As at the end of the Reporting Period, the controlling shareholder of the Company, China Energy, in addition to its direct shareholding, held 11,593,528 A shares of the Company through its wholly-owned subsidiary, China Energy Capital Holdings Co., Ltd., representing 0.0584% of the total number of issued shares of the Company. China Energy directly and indirectly held a total of 13,824,302,724 A shares of the Company, representing 69.5789% of the total number of issued shares of the Company.

### (III) Participation in Lending of Shares by way of Securities Lending and Refinancing by the Shareholders holding more than 5% of the Share Capital, the Top Ten Shareholders and the Top Ten Holders of Shares without Selling Restrictions

☐ Applicable    ☒ Not applicable

## Section VII Changes in Shares and Particulars of Shareholders (Continued)

### (IV) Strategic Investors or General Legal Persons Becoming Top Ten Shareholders as a Result of New Share Placing

☐ Applicable ☒ Not applicable

### (V) Substantial Shareholders' Interests and Short Positions in the Shares of the Company

As at 30 June 2025, persons set out in the table below had an interest and/or short position in the shares or underlying shares of the Company which is required to be recorded in the register of equity interests and/or short positions pursuant to section 336 of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong):

No.	Name of shareholder	Capacity	H shares/ A shares	Nature of interest	Number of H shares/ A shares held <i>share</i>	Percentage of H shares/ A shares held over the issued H shares/ A shares of the Company, respectively <i>%</i>	Percentage of total issued shares of the Company <i>%</i>
1	China Energy	Beneficial owner	A shares	Long position	13,812,709,196	83.76	69.52
		Interest of corporation controlled by the substantial shareholder <sup>Note</sup>	A shares	Long position	11,593,528	0.07	0.06
2	BlackRock, Inc.	Interest of corporation controlled by the substantial shareholder	H shares	Long position	174,018,151	5.15	0.88
		Interest of corporation controlled by the substantial shareholder	H shares	Short position	1,918,500	0.06	0.01
3	Rui Life Insurance Co., Ltd. (瑞眾人壽保險有限責任公司)	Beneficial owner	H shares	Long position	168,874,500	5.00	0.85

*Note:* As at 30 June 2025, China Energy Capital Holdings Co., Ltd., a wholly-owned subsidiary of China Energy, directly held 11,593,528 A shares of the Company.

As at 30 June 2025, save as disclosed above, there were no other persons who held interests and/or short positions in the shares or underlying shares of the Company, which are required to be recorded in the register to be kept under section 336 of Part XV of the Securities and Futures Ordinance, or who were substantial shareholders of the Company.

## Section VII Changes in Shares and Particulars of Shareholders (Continued)

### III. DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

**(I) Changes in Shareholding of the Incumbent Directors, Supervisors and Senior Management and Those Who Ceased to Hold Office During the Reporting Period**

☐ Applicable ☒ Not applicable

**(II) Equity Incentives Granted to Directors, Supervisors and Senior Management During the Reporting Period**

☐ Applicable ☒ Not applicable

**(III) Other Explanation**

☐ Applicable ☒ Not applicable

### IV. CHANGES IN CONTROLLING SHAREHOLDER OR DE FACTO CONTROLLER

☐ Applicable ☒ Not applicable

### V. INFORMATION ON PREFERENCE SHARES

☐ Applicable ☒ Not applicable

# Section VIII Report on Review and Financial Statements

## **Review report to the board of directors of China Shenhua Energy Company Limited**

*(Incorporated in the People's Republic of China with limited liability)*

### **INTRODUCTION**

We have reviewed the interim financial report set out on pages 103 to 151 which comprise the consolidated statement of financial position of China Shenhua Energy Company Limited (the "Company") as of 30 June 2025 and the related consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the six-month period then ended and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and International Accounting Standard 34, *interim financial reporting* as issued by the International Accounting Standards Board. The directors are responsible for the preparation and presentation of this interim financial report in accordance with International Accounting Standard 34.

Our responsibility is to express a conclusion, based on our review, on this interim financial report and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

### **SCOPE OF REVIEW**

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity* as issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial report consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **CONCLUSION**

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report as at 30 June 2025 is not prepared, in all material respects, in accordance with International Accounting Standard 34, *Interim financial reporting*.

KPMG  
*Certified Public Accountants*  
8th Floor, Prince's Building  
10 Chater Road  
Central, Hong Kong

29 August 2025

# Consolidated Statement of Profit or Loss and Other Comprehensive Income

for the six months ended 30 June 2025 – unaudited

(Expressed in Renminbi ("RMB"))

		Six months ended 30 June	
		2025	2024
		(RMB million)	(Restated) (RMB million)
	Note		
<b>Revenue</b>			
Goods and services	4	138,109	169,121
Cost of sales	6	(94,374)	(118,908)
<b>Gross profit</b>		<b>43,735</b>	50,213
Selling expenses		(263)	(245)
General and administrative expenses		(5,142)	(4,864)
Research and development costs		(727)	(981)
Other gains and losses	10	408	(147)
Other income	7	360	408
Loss allowances, net of reversal	10	51	9
Other expenses		8	(1,281)
Interest income		1,231	1,451
Finance costs	8	(1,413)	(1,599)
Share of results of associates		1,765	2,007
<b>Profit before income tax</b>		<b>40,013</b>	44,971
Income tax expense	9	(7,954)	(7,988)
<b>Profit for the period</b>	10	<b>32,059</b>	36,983
<b>Profit for the period</b>		<b>32,059</b>	36,983
<b>Other comprehensive income for the period</b>			
<i>Items that will not be reclassified to profit or loss,</i>			
<i>net of income tax:</i>			
Fair value changes on investments in equity instruments			
at fair value through other comprehensive income		20	165
Share of other comprehensive income of associates		122	(11)
<i>Items that may be reclassified subsequently to profit or loss,</i>			
<i>net of income tax:</i>			
Exchange differences		(43)	70
Share of other comprehensive income of associates		(107)	(21)
<b>Other comprehensive income for the period,</b>			
<b>net of income tax</b>		<b>(8)</b>	203
<b>Total comprehensive income for the period</b>		<b>32,051</b>	37,186



# Consolidated Statement of Profit or Loss and Other Comprehensive Income (Continued)

for the six months ended 30 June 2025 – unaudited

(Expressed in Renminbi)

	<i>Note</i>	<b>Six months ended 30 June</b>	
		<b>2025</b>	2024 (Restated)
		<b>RMB million</b>	<i>RMB million</i>
<b>Profit for the period attributable to:</b>			
Equity holders of the Company		<b>26,706</b>	31,356
Non-controlling interests		<b>5,353</b>	5,627
		<b>32,059</b>	36,983
<b>Total comprehensive income for the period attributable to:</b>			
Equity holders of the Company		<b>26,716</b>	31,541
Non-controlling interests		<b>5,335</b>	5,645
		<b>32,051</b>	37,186
<b>Earnings per share</b>			
– Basic (RMB)	12	<b>1.344</b>	1.578

Note: The comparative amounts in the financial statements are presented as if China Energy Hangjin Energy Co., Ltd. had been consolidated from the beginning of the earliest financial year presented (see Note 31).

The notes on pages 113 to 151 form part of this interim financial report. Details of dividends payable to equity shareholders of the company are set out in Note 11.

# Consolidated Statement of Financial Position

at 30 June 2025 – unaudited

(Expressed in RMB)

		30 June 2025	31 December 2024 (Restated)
	Note	RMB million	RMB million
<b>Non-current assets</b>			
Property, plant and equipment	13	293,410	298,358
Construction in progress	13	35,918	27,899
Exploration and evaluation assets		4,842	4,861
Intangible assets		5,653	5,487
Right-of-use assets	16	25,852	25,927
Interests in associates	14	61,775	59,906
Financial assets at fair value through profit or loss		60	60
Financial assets at fair value through other comprehensive income		2,813	2,787
Other non-current assets	15	34,743	33,057
Deferred tax assets		5,963	6,158
<b>Total non-current assets</b>		<b>471,029</b>	464,500
<b>Current assets</b>			
Inventories	17	13,243	12,666
Accounts and bills receivables	18	16,547	15,605
Financial assets at fair value through profit or loss		7,103	17,302
Financial assets at fair value through other comprehensive income		403	1,174
Prepaid expenses and other current assets	19	16,162	16,547
Restricted bank deposits		16,924	14,280
Time deposits with original maturity over three months		64,872	63,152
Cash and cash equivalents	20	79,785	66,413
<b>Total current assets</b>		<b>215,039</b>	207,139
<b>Current liabilities</b>			
Borrowings	21	3,006	14,021
Accounts and bills payables	22	31,766	38,961
Accrued expenses and other payables	23	102,550	35,177
Current portion of bonds		–	3,020
Current portion of lease liabilities		322	365
Current portion of long-term liabilities		6,258	5,925
Income tax payable		2,516	3,646
Contract liabilities		4,079	4,001
<b>Total current liabilities</b>		<b>150,497</b>	105,116
<b>Net current assets</b>		<b>64,542</b>	102,023
<b>Total assets less current liabilities</b>		<b>535,571</b>	566,523

# Consolidated Statement of Financial Position (Continued)

at 30 June 2025 – unaudited

(Expressed in RMB)

		30 June 2025	31 December 2024 (Restated)
	Note	RMB million	RMB million
<b>Non-current liabilities</b>			
Borrowings	21	32,423	31,682
Long-term liabilities	24	15,874	21,075
Accrued reclamation obligations	25	9,566	9,668
Deferred tax liabilities		1,418	1,348
Other non-current liabilities		1,660	1,355
Lease liabilities		995	1,133
<b>Total non-current liabilities</b>		<b>61,936</b>	66,261
<b>Net assets</b>		<b>473,635</b>	500,262
<b>Equity</b>			
Share capital	26	19,869	19,869
Reserves		384,658	402,726
Total equity attributable to equity holders of the Company		404,527	422,595
Non-controlling interests		69,108	77,667
<b>Total equity</b>		<b>473,635</b>	500,262

Note: The comparative amounts in the financial statements are presented as if China Energy Hangjin Energy Co., Ltd. had been consolidated from the beginning of the earliest financial year presented (see Note 31).

Approved and authorised for issue by the Board of Directors on 29 August 2025.

**Zhang Changyan**  
Executive Director

The notes on pages 113 to 151 form part of this interim financial report.

# Consolidated Statement of Changes in Equity

for the six months ended 30 June 2025 – unaudited

(Expressed in RMB)

	Equity attributable to equity holders of the Company							Non-controlling interests		Total equity
	Share capital	Share premium	Capital reserve	Exchange reserve	Statutory reserves	Other reserves	Retained earnings	Total		
	RMB million	RMB million	RMB million	RMB million	RMB million	RMB million	RMB million	RMB million	RMB million	
	(Note 26)	(Note (i))	(Note (ii))		(Note (iii))	(Note (iv))	(Note (v))			
At 31 December 2024	19,869	84,766	3,657	643	34,752	(19,436)	305,402	429,653	77,667	507,320
Add: Business Combination under Common Control	-	-	12,980	-	573	(114)	(20,497)	(7,058)	-	(7,058)
At 1 January 2025 (restated)	19,869	84,766	16,637	643	35,325	(19,550)	284,905	422,595	77,667	500,262
Profit for the period	-	-	-	-	-	-	26,706	26,706	5,353	32,059
Other comprehensive income for the period	-	-	-	(32)	-	42	-	10	(18)	(8)
Total comprehensive income for the period	-	-	-	(32)	-	42	26,706	26,716	5,335	32,051
Dividend declared (Note 11)	-	-	-	-	-	-	(44,903)	(44,903)	-	(44,903)
Appropriation of maintenance and production funds (Note (iii))	-	-	-	-	3,291	-	(3,291)	-	-	-
Utilisation of maintenance and production funds (Note (iii))	-	-	-	-	(1,194)	-	1,194	-	-	-
Contributions from non-controlling shareholders	-	-	-	-	-	-	-	-	526	526
Distributions to non-controlling shareholders	-	-	-	-	-	-	-	-	(14,428)	(14,428)
Others	-	-	-	-	-	122	(3)	119	8	127
At 30 June 2025	19,869	84,766	16,637	611	37,422	(19,386)	264,608	404,527	69,108	473,635

# Consolidated Statement of Changes in Equity (Continued)

for the six months ended 30 June 2024 – unaudited

(Expressed in RMB)

	Equity attributable to equity holders of the Company							Non-controlling interests	Total equity
	Share capital	Share premium	Capital reserve	Exchange reserve	Statutory reserves	Other reserves	Retained earnings		
	RMB million	RMB million	RMB million	RMB million	RMB million	RMB million	RMB million		
	(Note 26)	(Note (ii))	(Note (iii))		(Note (iii))	(Note (iv))	(Note (vi))		
At 31 December 2023	19,869	84,766	3,657	517	31,010	(19,981)	291,640	411,478	481,651
Add: Business Combination under Common Control	-	-	13,023	-	557	(114)	(17,607)	(4,141)	(4,141)
At 1 January 2024 (restated)	19,869	84,766	16,680	517	31,567	(20,095)	274,033	407,337	477,510
Profit for the period	-	-	-	-	-	-	31,356	31,356	36,983
Other comprehensive income for the period	-	-	-	53	-	132	-	185	203
Total comprehensive income for the period	-	-	-	53	-	132	31,356	31,541	37,186
Dividend declared (Note 11)	-	-	-	-	-	-	(44,903)	(44,903)	(44,903)
Appropriation of maintenance and production funds (Note (iii))	-	-	-	-	4,723	-	(4,723)	-	-
Utilisation of maintenance and production funds (Note (iii))	-	-	-	-	(1,133)	-	1,133	-	-
Contributions from non-controlling shareholders	-	-	-	-	-	-	-	50	50
Distributions to non-controlling shareholders	-	-	-	-	-	-	-	(71)	(71)
Others	-	-	-	-	-	126	-	126	126
At 30 June 2024 (restated)	19,869	84,766	16,680	570	35,157	(19,837)	256,896	394,101	469,898

Note: The comparative amounts in the financial statements are presented as if China Energy Hangjin Energy Co., Ltd. had been consolidated from the beginning of the earliest financial year presented (see Note 31).

The notes on pages 113 to 151 form part of this interim financial report.

# Consolidated Statement of Changes in Equity (Continued)

for the six months ended 30 June 2025 – unaudited

(Expressed in RMB)

## Notes:

- (i) Share premium represents the difference between the total amount of the par value of shares issued and the amount of net proceeds received upon the global initial public offering of H shares in 2005 and the issuance of A shares in 2007.
- (ii) The capital reserve represents the difference between the total amount of the par value of shares issued and the amount of the net assets, net of other reserves, transferred from Shenhua Group Corporation Limited (“Shenhua Group”), in connection with the Restructuring (as defined in Note 1).
- (iii) Statutory reserves

### *Statutory surplus reserve*

According to the PRC Company Law and the Company’s Articles of Association, the Company is required to transfer 10% of its net profit as determined in accordance with the China Accounting Standards for Business Enterprises (“China Accounting Standards”) to its statutory surplus reserve until the reserve balance reaches 50% of the registered capital. The transfer to this reserve must be made before distribution of dividends to shareholders.

The statutory surplus reserve has reached 50% of the registered capital in 2009. Accordingly, no appropriation of net profit to the statutory surplus reserve has been proposed since 1 January 2010.

Statutory surplus reserve can be used to make up losses, if any, or to expand the Company’s business, and may be converted into share capital by the issue of new shares to shareholders in proportion to their existing shareholdings or by increasing the par value of the shares currently held by them, provided that the balance after such issue is not less than 25% of the registered capital of the Company. The statutory surplus reserve is not distributable.

### *Specific reserve for maintenance and production funds*

Pursuant to the relevant PRC regulations, the Group is required to transfer production and maintenance funds at fixed rates based on relevant bases, such as production volume, to a specific reserve account. The production and maintenance funds could be utilised when expenses or capital expenditures on production maintenance and safety measures are incurred. The amount of production and maintenance funds utilised would be transferred from the specific reserve account to retained earnings.

### *Discretionary surplus reserve*

The appropriation to the discretionary surplus reserve is subject to the shareholders’ approval. The utilisation of the reserve is similar to that of the statutory surplus reserve.

The directors of the Company (the “Directors”) have not proposed any appropriation to the discretionary surplus reserve for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

- (iv) Other reserves

Other reserves mainly represent the consideration paid for acquisition of subsidiaries under common control, share of other comprehensive income of associates, and fair value changes on investments in equity instruments at fair value through other comprehensive income.

- (v) Retained earnings

Included in the retained earnings of the Group were its share of the surplus reserve of its domestic subsidiaries amounting to RMB34,029 million as at 30 June 2025 (31 December 2024: RMB34,029 million).

The notes on pages 113 to 151 form part of this interim financial report.

# Condensed Consolidated Statement of Cash Flows

for the six months ended 30 June 2025 – unaudited

(Expressed in RMB)

		Six months ended 30 June	
		2025	2024
			(Restated)
	Note	RMB million	RMB million
<b>Operating activities</b>			
Profit before income tax		<b>40,013</b>	44,971
Adjustments for:			
Depreciation and amortisation	10	<b>12,199</b>	11,652
(Gains)/losses on disposal of property, plant and equipment, intangible assets and non-current assets	10	<b>(2)</b>	18
Gains on disposal of a subsidiary	10	<b>(237)</b>	(472)
Gains on changes in fair value financial assets at FVTPL	10	<b>(8)</b>	–
Impairment losses on property, plant and equipment	10	<b>–</b>	383
Impairment losses on construction in progress	10	<b>–</b>	76
Impairment losses on right-of-use assets	10	<b>–</b>	138
Reversal of allowance for prepaid expenses	10	<b>(1)</b>	–
Loss allowances, net of reversal	10	<b>(51)</b>	(9)
Write down of inventories, net of reversal	10	<b>(22)</b>	4
Interest income		<b>(1,231)</b>	(1,451)
Share of results of associates		<b>(1,765)</b>	(2,007)
Interest expense		<b>1,293</b>	1,573
Exchange losses, net	8	<b>108</b>	8
Others		<b>(138)</b>	1
Operating cash flows before movements in working capital		<b>50,158</b>	54,885
Increase in inventories		<b>(555)</b>	(2,322)
(Increase)/decrease in accounts and bills receivables		<b>(2,185)</b>	639
Decrease/(increase) in prepaid expenses, other current assets and other non-current assets		<b>1,559</b>	(549)
Decrease in accounts and bills payables		<b>(2,941)</b>	(3,349)
Increase in accrued expenses and other payables		<b>8,509</b>	13,717
Increase/(decrease) in contract liabilities		<b>78</b>	(654)
Cash generated from operations		<b>54,623</b>	62,367
Income tax paid		<b>(8,829)</b>	(10,477)
<b>Net cash generated from operating activities</b>		<b>45,794</b>	51,890

# Condensed Consolidated Statement of Cash Flows (Continued)

for the six months ended 30 June 2025 – unaudited

(Expressed in RMB)

	Six months ended 30 June	
	2025	2024
		(Restated)
Note	RMB million	RMB million
<b>Investing activities</b>		
Acquisition of property, plant and equipment, intangible assets, exploration and evaluation assets, additions to the construction in progress and other non-current assets	(25,723)	(14,346)
Increase in right-of-use assets	(314)	(230)
Proceeds from disposal of property, plant and equipment, intangible assets, and other non-current assets	60	451
Investments in financial asset at fair value through profit or loss	–	(50)
Net cash and cash equivalent increase/(decreased) from disposal of a subsidiary	157	(14)
Investments in associates	(769)	(353)
Repayment of investment from associates	489	125
Proceeds from maturity of structured deposits	40,608	–
Dividend received from associates	283	276
Interest received	1,269	1,501
Purchase of structured deposits	(30,400)	–
Cash paid for acquisition of a subsidiary	(853)	–
Increase in restricted bank deposits	(2,644)	(3,376)
Increase in time deposits with original maturity over three months	(1,720)	(28,035)
<b>Net cash used in investing activities</b>	<b>(19,557)</b>	<b>(44,051)</b>



# Condensed Consolidated Statement of Cash Flows (Continued)

for the six months ended 30 June 2025 – unaudited

(Expressed in RMB)

	<i>Note</i>	<b>Six months ended 30 June</b>	
		<b>2025</b>	2024
		<b>RMB million</b>	(Restated) RMB million
<b>Financing activities</b>			
Capital element of lease rentals paid		(255)	(287)
Interest element of lease rentals paid		(12)	(18)
Interest paid		(958)	(1,164)
Proceeds from borrowings		2,563	7,939
Repayments of borrowings		(12,539)	(7,417)
Redemption of bonds		(3,021)	(57)
Proceeds from bills discounted and commercial factoring		1,590	–
Purchase of non-controlling shares in subsidiary		–	(58)
Contributions from non-controlling shareholders		526	97
Distributions to non-controlling shareholders		(727)	(1,438)
<b>Net cash used in financing activities</b>		<b>(12,833)</b>	(2,403)
<b>Net increase in cash and cash equivalents</b>		<b>13,404</b>	5,436
Cash and cash equivalents, at the beginning of the period		66,413	109,928
Effect of foreign exchange rate changes		(32)	34
<b>Cash and cash equivalents, at the end of the period</b>		<b>79,785</b>	115,398

Note: The comparative amounts in the financial statements are presented as if China Energy Hangjin Energy Co., Ltd. had been consolidated from the beginning of the earliest financial year presented (see Note 31).

The notes on pages 113 to 151 form part of this interim financial report.

# Notes to the Unaudited Interim Condensed Consolidated Financial Statements

for the six months ended 30 June 2025 – unaudited

(Expressed in RMB)

## 1 PRINCIPAL ACTIVITIES AND ORGANISATION

### Principal activities

China Shenhua Energy Company Limited (the “Company”) and its subsidiaries (hereinafter collectively referred to as the “Group”) are principally engaged in: (i) the production and sale of coal; and (ii) the generation and sale of coal-based power to provincial/regional electric grid companies in the People’s Republic of China (the “PRC”). The Group operates an integrated railway network and seaports that are primarily used to transport the Group’s coal sales from its mines. The primary customers of the Group’s coal sales include power plants, metallurgical and coal chemical producers in the PRC.

### Organisation

The Company was established in the PRC on 8 November 2004 as a joint stock limited company as part of the Restructuring (as defined below) of Shenhua Group, a state-owned enterprise under the direct supervision of the State Council of the PRC.

Effective on 31 December 2003, the coal production and power generation operations previously operated by various entities wholly-owned or controlled by Shenhua Group were restructured and managed separately (the “Restructuring”), and those assets and liabilities related to the operations and businesses that were transferred to the Company were revalued by China Enterprise Appraisal Co., Ltd., an independent valuer registered in the PRC, as at 31 December 2003 as required by the PRC rules and regulations.

On 8 November 2004, in consideration for Shenhua Group transferring the coal mining and power generating assets and liabilities to the Company, the Company issued 15,000,000,000 domestic state-owned ordinary shares with a par value of RMB1.00 each to Shenhua Group. The shares issued to Shenhua Group represented the entire registered and paid-up share capital of the Company at that date.

In 2005, the Company issued 3,089,620,455 H shares with a par value of RMB1.00 each, at a price of Hong Kong Dollars (“HKD”) 7.50 per H share by way of a global initial public offering. In addition, 308,962,045 domestic state-owned ordinary shares of RMB1.00 each owned by Shenhua Group were converted into H shares. A total of 3,398,582,500 H shares were listed on The Stock Exchange of Hong Kong Limited.

In 2007, the Company issued 1,800,000,000 A shares with a par value of RMB1.00 each, at a price of RMB36.99 per A share in the PRC. The A shares were listed on the Shanghai Stock Exchange.

# Notes to the Unaudited Interim Condensed Consolidated Financial Statements (Continued)

for the six months ended 30 June 2025 – unaudited

(Expressed in RMB)

## 1 PRINCIPAL ACTIVITIES AND ORGANISATION (Continued)

### Immediate parent and ultimate controlling party

On 28 August 2017, Shenhua Group received the *Notice regarding the Restructuring of China Guodian Corporation and Shenhua Group Corporation Limited* (Guo Zi Fa Gai Ge [2017] No. 146) from the State-owned Assets Supervision and Administration Commission of the State Council, which approves that China Guodian Corporation (the “China Guodian”) and Shenhua Group shall implement the joint restructuring, China Guodian shall be merged into Shenhua Group, and the company name of Shenhua Group shall be changed to China Energy Group. China Energy Group will be the parent company after the completion of the restructuring.

On 27 November 2017, Shenhua Group completed the industrial and commercial registration of changes in the business license. The Directors consider the immediate parent and the ultimate holding company of the Group to be China Energy Group.

## 2 BASIS OF PREPARATION

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with International Accounting Standard (IAS) 34, *Interim financial reporting*, issued by the International Accounting Standards Board (IASB). It was authorised for issue on 29 August 2025.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2024 annual consolidated financial statements, except for the accounting policy changes that are expected to be reflected in the 2025 annual consolidated financial statements. Details of any changes in accounting policies are set out in Note 3.

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

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2024 annual consolidated financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with IFRS Accounting Standards.

# Notes to the Unaudited Interim Condensed Consolidated Financial Statements (Continued)

for the six months ended 30 June 2025 – unaudited

(Expressed in RMB)

## 2 BASIS OF PREPARATION (Continued)

The interim financial report is unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the HKICPA. KPMG's independent review report to the Board of Directors is included on page 102.

The financial information relating to the financial year ended 31 December 2024 that is included in the interim financial report as comparative information does not constitute the Group's annual consolidated financial statements for that financial year but is derived from those financial statements. The annual consolidated financial statements for the year ended 31 December 2024 are available from the Company's registered office. The auditor has expressed an unqualified opinion on those financial statements in the report dated 22 March 2025.

## 3 CHANGES IN ACCOUNTING POLICIES

The Group has applied the amendments to IAS 21, *The effects of changes in foreign exchange rates – Lack of exchangeability* issued by the IASB to this interim financial report for the current accounting period. The amendments do not have a material impact on this interim report as the group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

# Notes to the Unaudited Interim Condensed Consolidated Financial Statements (Continued)

for the six months ended 30 June 2025 – unaudited

(Expressed in RMB)

## 4 REVENUE FROM GOODS AND SERVICES

Disaggregation of revenue of business lines is as follows:

	Six months ended 30 June	
	2025	2024 (Restated)
	<i>RMB million</i>	<i>RMB million</i>
Revenue from goods and services		
– Coal	<b>84,751</b>	111,350
– Power	<b>37,425</b>	41,973
– Transportation and other services	<b>7,116</b>	7,015
– Coal chemical products	<b>2,619</b>	2,274
	<b>131,911</b>	162,612
Others	<b>6,198</b>	6,509
	<b>138,109</b>	169,121

The Group's revenue from contracts with customers is RMB137,988 million for the six months ended 30 June 2025 (six months ended 30 June 2024: RMB168,993 million as restated).

The Group produces and sells coal and coal chemical products to customers at spot market. For sales of coal and coal chemical products, revenue is recognised when control of the goods has transferred, being when the goods have been shipped to the customers' specific location. According to the Group's historical experiences, there was no significant exchange or return of coal and coal chemical products occurred. There is no sales-related warranties associated with coal and coal chemical products.

For sales of power, revenue is recognised upon the transmission of electric power to the power grid companies. Power could not be returned or exchanged and there is also no warranties associated with power sales.

The Group provides railway transportation services, shipment transportation services as well as port loading and storage services to customers. Such services are recognised as a performance obligation satisfied over time as the Group rendering the services. Revenue is recognised for these services based on the stage of completion of the performance obligation using output method.

All performance obligations of sales of coal, power and coal chemical products, railway and shipment transportation services, and port loading and storage services are part of contracts with an original expected duration of one year or less, and as permitted under IFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

# Notes to the Unaudited Interim Condensed Consolidated Financial Statements (Continued)

for the six months ended 30 June 2025 – unaudited

(Expressed in RMB)

## 5 SEGMENT AND OTHER INFORMATION

The Group manages its businesses by divisions, which are organised by business lines (products and services). In a manner consistent with the way in which information is reported internally to the Group's chief operating decision maker ("CODM"), including chief executive officer, executive vice president and chief financial officer, for the purposes of resource allocation and performance assessment, the Group has presented the following six reportable segments. No operating segments have been aggregated to form the following reportable segments.

- (1) Coal operations – which produce coal from surface and underground mines, and the sale of coal to external customers, the power operations segment and the coal chemical operations segment. The Group sells its coal under long-term supply contracts, which allow periodical price adjustments, and at spot market.
- (2) Power operations – which use coal from the coal operations segment and external suppliers, thermal power, water power, gas power and photovoltaic power to generate electric power for the sale to coal operations segment and external customers. Electric power is mainly sold to the power grid companies at the market price.
- (3) Railway operations – which provide railway transportation services to the coal operations segment, the power operations segment, the coal chemical operations segment and external customers. The rates of freight charges billed to the coal operations segment, the power operations segment, the coal chemical operations segment and external customers are consistent and do not exceed the maximum amounts approved by the relevant government authorities.
- (4) Port operations – which provide loading, transportation and storage services to the coal operations segment and external customers. The Group charges service fees and other expenses, which are reviewed and approved by the relevant government authorities.
- (5) Shipping operations – which provide shipment transportation services to the coal operations segment, the power operations segment and external customers. The Group charges different freight rates from the coal operations segment, the power operations segment and external customers by reference to the current index and historical index of the Shanghai Shipping Exchange.
- (6) Coal chemical operations – which use coal from the coal operations segment to first produce methanol and further process into polyethylene and polypropylene, together with other by-products, for sale to external customers. The Group sells its polyethylene at spot market.

# Notes to the Unaudited Interim Condensed Consolidated Financial Statements (Continued)

for the six months ended 30 June 2025 – unaudited

(Expressed in RMB)

## 5 SEGMENT AND OTHER INFORMATION (Continued)

### (a) Segment results

For the purposes of assessing segment performance and allocating resources between segments, the Group's CODM monitors the results attributable to each reportable segment based on profit before income tax ("reportable segment profit"). Reportable segment profit represents the profit earned by each segment without allocation of head office and corporate items. Inter-segment sales are primarily charged at prevailing market rate which are the same as those charged to external customers.

Information regarding the Group's reportable segments as provided to the Group's CODM for the purposes of resource allocation and assessment of segment performance for the six months ended 30 June 2025 and 2024 is set out below:

	Six months ended 30 June													
	Coal		Power		Railway		Port		Shipping		Coal chemical		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	(Restated)		(Restated)										(Restated)	
	RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB
	million	million	million	million	million	million	million	million	million	million	million	million	million	million
Revenue from external customers	86,722	113,787	40,451	45,062	5,702	5,889	1,087	870	1,228	975	2,919	2,538	138,109	169,121
Inter-segment revenue	17,181	20,769	88	107	15,731	16,553	2,377	2,573	414	1,513	-	-	35,791	41,515
Reportable segment revenue	103,903	134,556	40,539	45,169	21,433	22,442	3,464	3,443	1,642	2,488	2,919	2,538	173,900	210,636
Reportable segment profit	23,655	27,835	5,351	5,561	7,259	7,141	1,355	1,231	116	224	79	4	37,815	41,996
Including:														
Interest expenses	727	806	831	994	133	231	58	55	-	-	-	-	1,749	2,086
Depreciation and amortisation	4,473	4,217	3,834	3,677	2,797	2,669	515	517	150	144	384	387	12,153	11,611
Share of results of associates	173	95	(41)	48	-	-	1	1	-	-	-	-	133	144
Loss allowances and impairment of assets	(61)	589	(1)	(1)	1	1	(5)	3	-	-	(8)	-	(74)	592

# Notes to the Unaudited Interim Condensed Consolidated Financial Statements (Continued)

for the six months ended 30 June 2025 – unaudited

(Expressed in RMB)

## 5 SEGMENT AND OTHER INFORMATION (Continued)

(b) Reconciliations of reportable segment revenue, segment profit and other items of profit or loss for the six months ended 30 June 2025 and 2024 are set out below:

	Reportable segment amounts		Unallocated head office and corporate items		Elimination of inter-segment amounts		Consolidated	
	2025	2024 (Restated)	2025	2024	2025	2024	2025	2024 (Restated)
	RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB
	million	million	million	million	million	million	million	million
Revenue	173,900	210,636	430	495	(36,221)	(42,010)	138,109	169,121
Profit before income tax	37,815	41,996	2,703	3,176	(505)	(201)	40,013	44,971
Interest expenses	1,749	2,086	493	491	(987)	(1,050)	1,255	1,527
Depreciation and amortisation	12,153	11,611	46	41	-	-	12,199	11,652
Share of results of associates	133	144	1,315	1,863	317	-	1,765	2,007
Loss allowances and impairment of assets	(74)	592	-	-	-	-	(74)	592



# Notes to the Unaudited Interim Condensed Consolidated Financial Statements (Continued)

for the six months ended 30 June 2025 – unaudited

(Expressed in RMB)

## 5 SEGMENT AND OTHER INFORMATION (Continued)

### (c) Other information

Certain other information of the Group's segments for the six months ended 30 June 2025 and 2024 is set out below:

Coal		Power		Railway		Port		Shipping		Coal chemical		Unallocated items		Eliminations		Total	
30	31	30	31	30	31	30	31	30	31	30	31	30	31	30	31	30	31
June	December	June	December	June	December	June	December	June	December	June	December	June	December	June	December	June	December
2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
(Restated)		(Restated)		(Restated)		(Restated)		(Restated)		(Restated)		(Restated)		(Restated)		(Restated)	
RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB
million	million	million	million	million	million	million	million	million	million	million	million	million	million	million	million	million	million
Capital expenditures																	
(Note (i))		4,135	6,891	8,696	4,125	1,136	1,151	287	187	12	164	476	183	4	6	-	-
		14,746	12,707														
Total assets (Note (iii))		342,428	323,963	192,530	187,714	136,299	123,595	21,360	19,740	7,359	7,218	9,252	8,180	579,942	538,369	(603,102)	(537,140)
		686,068	671,639														
Total liabilities (Note (iii))		(152,425)	(145,911)	(143,925)	(145,695)	(54,211)	(46,605)	(6,637)	(6,445)	(557)	(487)	(2,537)	(1,784)	(300,726)	(228,360)	448,585	403,910
		(212,433)	(171,377)														

Notes:

- (i) Capital expenditures consist of addition in property, plant and equipment, construction in process, exploration and evaluation assets, intangible assets, long-term deferred expense and land use rights and prepayment for mining projects.
- (ii) Unallocated items of total assets include deferred tax assets and other unallocated corporate assets. Unallocated items of total liabilities include deferred tax liabilities and other unallocated corporate liabilities.

# Notes to the Unaudited Interim Condensed Consolidated Financial Statements (Continued)

for the six months ended 30 June 2025 – unaudited

(Expressed in RMB)

## 6 COST OF SALES

	Six months ended 30 June	
	2025	2024
		(Restated)
	<i>RMB million</i>	<i>RMB million</i>
Coal purchased	<b>16,641</b>	32,105
Materials, fuel and power	<b>15,695</b>	17,679
Personnel expenses	<b>16,754</b>	17,652
Depreciation and amortisation	<b>10,203</b>	9,926
Repairs and maintenance	<b>4,876</b>	5,899
Transportation charges	<b>7,543</b>	9,385
Taxes and surcharges	<b>7,979</b>	9,078
Other operating costs	<b>14,683</b>	17,184
	<b>94,374</b>	118,908

## 7 OTHER INCOME

	Six months ended 30 June	
	2025	2024
		(Restated)
	<i>RMB million</i>	<i>RMB million</i>
Government grants	<b>78</b>	109
Claim income	<b>179</b>	37
Others	<b>103</b>	262
	<b>360</b>	408

# Notes to the Unaudited Interim Condensed Consolidated Financial Statements (Continued)

for the six months ended 30 June 2025 – unaudited

(Expressed in RMB)

## 8 FINANCE COSTS

	Six months ended 30 June	
	2025	2024 (Restated)
	<i>RMB million</i>	<i>RMB million</i>
Interest expense	933	1,094
Less: amount capitalised	(144)	(53)
	789	1,041
Unwinding of discount	466	486
Exchange losses, net	108	8
Others	50	64
	1,413	1,599

## 9 INCOME TAX EXPENSE

	Six months ended 30 June	
	2025	2024 (Restated)
	<i>RMB million</i>	<i>RMB million</i>
Current tax, mainly PRC enterprise income tax	7,645	8,043
Income tax difference adjustment in respect of prior year	54	18
Deferred tax	255	(73)
	7,954	7,988

# Notes to the Unaudited Interim Condensed Consolidated Financial Statements (Continued)

for the six months ended 30 June 2025 – unaudited

(Expressed in RMB)

## 9 INCOME TAX EXPENSE (Continued)

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate applicable for the PRC group entities is 25% (2024: 25%) except for subsidiaries and branches operating in the western developing region of the PRC which are qualified to be entitled to a preferential tax rate of 15% from 2021 to 2030.

The applicable tax rates of the Group’s overseas subsidiaries are as follows:

	Six months ended 30 June	
	2025	2024
	%	%
Indonesia	22.0	22.0
United States-Federal income tax rates	21.0	21.0
United States-Pennsylvania income tax rates	9.9	9.9
Hong Kong	8.25/16.5*	8.25/16.5*

During the six months ended 30 June 2025 and 2024, there was no significant assessable profit and provision for income tax for the overseas subsidiaries.

\* The two-tiered profits tax rates regime is applicable from the year of assessment 2018/19 onwards. The profits tax rate for the first HKD2,000,000 of profits of corporations will be lowered to 8.25%, and profits above that amount will continue to be subject to the tax rate of 16.5%.

# Notes to the Unaudited Interim Condensed Consolidated Financial Statements (Continued)

for the six months ended 30 June 2025 – unaudited

(Expressed in RMB)

## 10 PROFIT FOR THE PERIOD

Profit for the period has been arrived at after charging/(crediting):

	Six months ended 30 June	
	2025	2024
		(Restated)
	RMB million	RMB million
Personnel expenses, including	25,991	26,606
– contributions to defined contribution plans	3,126	3,018
Depreciation of property, plant and equipment	10,923	10,329
Depreciation of right-of-use assets	563	494
Amortisation of intangible assets	228	212
Amortisation of other non-current assets	501	631
Depreciation and amortisation charged for the period	12,215	11,666
Less: amount capitalised	16	14
Depreciation and amortisation (Note)	12,199	11,652
Loss allowances, net of reversal		
– Trade and other receivables	(51)	(9)
Other (gains) and losses, represent		
– (gains)/losses on disposal of property, plant and equipment, exploration and evaluation assets, intangible assets and non-current assets	(2)	18
– gains on disposal of a subsidiary	(237)	(472)
– gains on changes in fair value of financial assets	(8)	–
– impairment losses on property, plant and equipment	–	383
– impairment losses on construction in progress	–	76
– impairment losses on right-of-use assets	–	138
– reversal of allowance for prepaid expenses	(1)	–
– write down of inventories, net of reversal	(22)	4
– others	(138)	–
	(408)	147
Cost of inventories	68,765	88,108
Operating lease charges relating to short-term leases, leases of low-value assets and variable lease payments	462	250
Exchange gain and loss, net	108	8

Note:

Cost of sales included an amount of depreciation and amortisation of RMB10,203 million for the six months ended 30 June 2025 (six months ended 30 June 2024: RMB9,926 million as restated).

# Notes to the Unaudited Interim Condensed Consolidated Financial Statements (Continued)

for the six months ended 30 June 2025 – unaudited

(Expressed in RMB)

## 11 DIVIDENDS

During the current interim period, a final dividend in respect of the year ended 31 December 2024 of RMB2.26 per ordinary share totaling RMB44,903 million (six months ended 30 June 2024: RMB2.26 per ordinary share totaling RMB44,903 million in respect of the year ended 31 December 2023) was approved at the annual general meeting held on 21 June 2025 and paid in full as of the date of this report.

Subsequent to the end of the reporting period, an interim dividend in respect of the six months ended 30 June 2025 of RMB19,471 million (inclusive of tax) at RMB0.98 (inclusive of tax) per ordinary share (six months ended 30 June 2024: nil), has been proposed by the Board of Directors and is subject to approval by the shareholders in the following general meeting.

## 12 EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to ordinary equity holders of the Company of RMB26,706 million (six months ended 30 June 2024: RMB31,356 million as restated) and the 19,869 million ordinary shares in issue during the six months ended 30 June 2025 (six months ended 30 June 2024: 19,869 million shares).

No diluted earnings per share is presented as there were no potential ordinary shares in existence for both periods.

## 13 PROPERTY, PLANT AND EQUIPMENT AND CONSTRUCTION IN PROGRESS

During the six months ended 30 June 2025, the net book value of the disposals of property, plant and equipment amounted to RMB152 million (six months ended 30 June 2024: RMB365 million as restated).

The Group is in the process of applying for the title certificates of certain of its properties with an aggregate carrying amount of RMB3,622 million as at 30 June 2025 (31 December 2024: RMB3,664 million as restated). The Directors are of the opinion that the Group is entitled to lawfully and validly occupy or use the above mentioned properties.

As at 30 June 2025, the Group is in the process of obtaining requisite permits for certain of its power plants and railways from the relevant government authorities. The Directors are of the opinion that the Group will be able to obtain the requisite permits in due course.

No impairment loss was recognised by the Group during the six months ended 30 June 2025 (six months ended 30 June 2024: RMB383 million as restated).

As at 30 June 2025, the Group has bank loans secured by the Group's property, plant and equipment with carrying amount of RMB121 million (31 December 2024: RMB86 million).

# Notes to the Unaudited Interim Condensed Consolidated Financial Statements (Continued)

for the six months ended 30 June 2025 – unaudited

(Expressed in RMB)

## 14 INTERESTS IN ASSOCIATES

	30 June 2025	31 December 2024 (Restated)
	<i>RMB million</i>	<i>RMB million</i>
Unlisted shares, at cost	51,771	51,491
Share of post-acquisition profits and other comprehensive income, net of dividend received	10,004	8,415
	61,775	59,906

Name of associates	Proportion of ownership interest and voting power held by the Group		Principal activities
	30 June 2025	31 December 2024	
	%	%	
Beijing Guodian Power Co., Ltd.	43	43	Generation and sale of electricity
China Energy Finance Co., Ltd.	40	40	Provision of comprehensive financial service
Haoji Railway Co., Ltd.	13	13	Provision of transportation service
Shandong Tianlong Group Co., Ltd.	20	20	Coal production And sale
Guohua (Hebei) Renewables Co., Ltd.	25	25	Generation and sale of electricity
Suizhong Power Generation Co., Ltd.	15	15	Generation and sale of electricity

# Notes to the Unaudited Interim Condensed Consolidated Financial Statements (Continued)

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## 15 OTHER NON-CURRENT ASSETS

	30 June 2025	31 December 2024 (Restated)
	RMB million	RMB million
Prepayments in connection with construction work, equipment purchases and others (Note (i))	11,852	10,200
Prepayment for mining projects	2,000	2,000
Deductible VAT and other tax	461	420
Service concession receivables (Note (iii))	16,064	16,149
Goodwill	113	113
Long-term deferred expenses (Note (iii))	4,253	4,175
	<b>34,743</b>	<b>33,057</b>

Notes:

- (i) At 30 June 2025, the Group had prepayments to subsidiaries of China Energy Group ("fellow subsidiaries") amounting to RMB218 million (31 December 2024: RMB103 million).
- (ii) Pursuant to the Power Purchase Agreements entered between certain power plants of the Group and PT Perusahaan Listrik Negara (Persero) ("PLN"), an independent third party, certain power plants of the Group build power plants to supply electricity to PLN for a 25-30 years period from the power plant's commercial operation date under the service concession scheme. Service concession receivables represents service provided in connection with the service concession arrangement, for which a guaranteed minimum payments have been agreed. Due to the length of the payment plans, receivables are the present value of future guaranteed cash receipts discounted using effective interest rate.
- (iii) The movement of long-term deferred expenses during the period/year as follows:

	30 June 2025	31 December 2024
	RMB million	RMB million
At the beginning of the period/year	4,175	3,633
Additions	584	2,345
Amortisation	(501)	(1,659)
Disposal	(5)	(144)
At the end of the period/year	<b>4,253</b>	<b>4,175</b>



# Notes to the Unaudited Interim Condensed Consolidated Financial Statements (Continued)

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## 16 RIGHT-OF-USE ASSETS

The right-of-use assets represent land use rights paid to the PRC's government authorities and the leased assets. The Group is in the process of applying for the title certificates of certain land use rights certificates with an aggregate carrying amount of RMB461 million as at 30 June 2025 (31 December 2024: RMB469 million as restated). The Directors are of the opinion that the Group is entitled to lawfully and validly occupy or use the above mentioned lands.

As at 30 June 2025, the Group has no bank loans or other loans secured by the Group's right-of-use assets (31 December 2024: Nil).

## 17 INVENTORIES

	<b>30 June 2025</b>	31 December 2024 (Restated)
	<b>RMB million</b>	<b>RMB million</b>
Coal	<b>7,087</b>	6,664
Materials and supplies	<b>8,502</b>	8,382
	<b>15,589</b>	15,046
Less: write-down of inventories	<b>(2,346)</b>	(2,380)
	<b>13,243</b>	12,666

# Notes to the Unaudited Interim Condensed Consolidated Financial Statements (Continued)

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## 18 ACCOUNTS AND BILLS RECEIVABLES

	30 June 2025	31 December 2024 (Restated)
	<i>RMB million</i>	<i>RMB million</i>
Accounts receivable		
– China Energy Group and fellow subsidiaries	4,166	3,060
– Associates	3	11
– Third parties	10,153	10,726
	14,322	13,797
Less: allowance for credit losses	(1,204)	(1,228)
	13,118	12,569
Bills receivables		
– China Energy Group and fellow subsidiaries	3,205	2,876
– Associates	–	157
– Third parties	224	3
	3,429	3,036
	16,547	15,605

As at 30 June 2025 and 31 December 2024, accounts and bills receivables from contracts with customers amounted to RMB17,751 million and RMB16,833 million (as restated), respectively.

Bills receivables were mainly issued by PRC banks and are expiring within one year. As at 30 June 2025, no bills receivables was pledged to secure bills payables.

# Notes to the Unaudited Interim Condensed Consolidated Financial Statements (Continued)

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## 18 ACCOUNTS AND BILLS RECEIVABLES (Continued)

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

	30 June 2025	31 December 2024 (Restated)
	RMB million	RMB million
Less than one year	12,642	12,252
One to two years	274	174
Two to three years	91	116
More than three years	111	27
	13,118	12,569

## 19 PREPAID EXPENSES AND OTHER CURRENT ASSETS

	30 June 2025	31 December 2024 (Restated)
	RMB million	RMB million
Financial assets measured at amortised cost		
– Service concession receivables (Note 15(iii))	2,207	2,237
– Entrusted loan (Note)	395	395
– Other receivables due from associates	551	791
– Other receivables	3,500	2,942
– Other loans	4,500	4,500
	11,153	10,865
Less: impairment losses	5,348	5,439
	5,805	5,426
Prepaid expenses and deposits	5,768	6,671
Deductible VAT and other tax	4,589	4,450
	16,162	16,547

# Notes to the Unaudited Interim Condensed Consolidated Financial Statements (Continued)

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(Expressed in RMB)

## 19 PREPAID EXPENSES AND OTHER CURRENT ASSETS (Continued)

Note:

As at 30 June 2025, the Group has a long-term entrusted loan of RMB395 million (31 December 2024: RMB395 million) to an associate through a PRC state-owned bank, with an interest rate of 4.75% per annum. The entrusted loan had a term of 3 years and expired on December 23, 2023, and Yili Chemical Industry failed to fully repay the principal on time; Yili Chemical Industry has implemented corresponding guarantee measures for the loan through asset mortgage. The two parties are in the process of negotiating the follow-up of the remaining entrusted loan.

## 20 CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the consolidated statement of financial position and the condensed consolidated statement of cash flows comprise cash at bank and in hand, and time deposits with original maturity within three months.

As of the end of the reporting period, cash and cash equivalents situated in Mainland China amounted to RMB76,755 million (31 December 2024: RMB63,773 million as restated). Remittance of funds out of Mainland China is subject to relevant rules and regulations of foreign exchange control.

## 21 BORROWINGS

An analysis of the Group's borrowings is as follows:

	30 June 2025	31 December 2024 (Restated)
	RMB million	RMB million
Current borrowings:		
– Short-term bank and other borrowings	593	4,812
– Current portion of long-term borrowings	2,413	9,209
	3,006	14,021
Non-current borrowings:		
– Long-term borrowings, less current portion	32,423	31,682
	35,429	45,703
Secured	9,023	9,706
Unsecured	26,406	35,997
	35,429	45,703

# Notes to the Unaudited Interim Condensed Consolidated Financial Statements (Continued)

for the six months ended 30 June 2025 – unaudited

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## 21 BORROWINGS (Continued)

The exposure of the long-term borrowings and the contractual maturity dates:

	30 June 2025	31 December 2024 (Restated)
	<i>RMB million</i>	<i>RMB million</i>
The exposure of the long-term borrowings and the contractual maturity dates:		
– Within one year	2,413	9,209
– More than one year, but not exceeding two years	5,419	4,875
– More than two years, but not exceeding five years	1,971	1,772
– More than five years	25,033	25,035
	<b>34,836</b>	40,891

As at 30 June 2025, the Group had borrowings from China Energy Group and fellow subsidiaries amounting to RMB14,321 million (31 December 2024: RMB19,935 million as restated).

## 22 ACCOUNTS AND BILLS PAYABLES

	30 June 2025	31 December 2024 (Restated)
	<i>RMB million</i>	<i>RMB million</i>
Accounts payable		
– China Energy Group, associates of China Energy Group and fellow subsidiaries	1,859	2,245
– Associates	2,431	765
– Third parties	26,928	35,805
	<b>31,218</b>	38,815
Bills payables	548	146
	<b>31,766</b>	38,961

# Notes to the Unaudited Interim Condensed Consolidated Financial Statements (Continued)

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(Expressed in RMB)

## 22 ACCOUNTS AND BILLS PAYABLES (Continued)

The following is an ageing analysis of accounts and bills payables, presented based on invoice date at the end of the reporting period:

	30 June 2025	31 December 2024 (Restated)
	RMB million	RMB million
Less than one year	28,008	34,899
One to two years	2,032	2,161
Two to three years	1,067	1,127
More than three years	659	774
	31,766	38,961

## 23 ACCRUED EXPENSES AND OTHER PAYABLES

	30 June 2025	31 December 2024 (Restated)
	RMB million	RMB million
Accrued staff wages and welfare benefits	15,004	8,253
Accrued interests	52	39
Taxes payable other than income tax	4,059	5,479
Dividends payable (Note)	63,052	4,449
Other accrued expenses and payables	20,383	16,957
	102,550	35,177

Notes:

The company has announced the distribution of the final dividend for the fiscal year 2024 to all shareholders, amounting to RMB44,903 million (including tax), in accordance with the approval from the 2024 Annual General Meeting of Shareholders. As of the date of this report, the aforementioned dividend has been fully distributed.

Shenhua Zhunge'er Energy Co., Ltd., based on the resolution of the shareholders' meeting held on June 30, 2025, declared a dividend of RMB19,383 million to China Shenhua Energy Company and a dividend of RMB14,175 million to China Cinda Asset Management Corporation. The relevant payments were completed in July 2025.

# Notes to the Unaudited Interim Condensed Consolidated Financial Statements (Continued)

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(Expressed in RMB)

## 24 LONG-TERM LIABILITIES

	30 June 2025	31 December 2024 (Restated)
	RMB million	RMB million
Payables for acquisition of mining rights ( <i>Note (i)</i> )	13,531	17,329
Deferred income ( <i>Note (iii)</i> )	1,436	1,430
Defined benefit plans	1,423	1,426
Others	5,742	6,815
	<b>22,132</b>	<b>27,000</b>
Analysed for reporting purpose as:		
– Current liabilities	6,258	5,925
– Non-current liabilities	15,874	21,075
	<b>22,132</b>	<b>27,000</b>

Notes:

- (i) The payables for acquisition of mining rights is the present value of the payable mining rights. The mining rights payable shall be paid annually during the execution of the contract.
- (ii) Deferred income mainly represents grants provided by several local governments in the PRC to encourage the construction of non-current assets.

## 25 ACCRUED RECLAMATION OBLIGATIONS

The accrual for reclamation costs has been determined based on management's best estimates. However, so far as the effect on the land from current mining activities becomes apparent in future periods, the estimate of the associated costs may be subject to change. Accordingly, the actual costs and cash flows may differ from estimates. The Directors believe that the accrued reclamation obligations at 30 June 2025 are adequate and appropriate.

# Notes to the Unaudited Interim Condensed Consolidated Financial Statements (Continued)

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(Expressed in RMB)

## 26 SHARE CAPITAL

	30 June 2025 RMB million	31 December 2024 RMB million
Registered, issued and fully paid:		
16,491,037,955 domestic listed A shares of RMB1.00 each	16,491	16,491
3,377,482,000 H shares of RMB1.00 each	3,378	3,378
	19,869	19,869

All A shares and H shares rank pari passu in all material aspects.

## 27 CAPITAL MANAGEMENT

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares to reduce debts.

The Group monitors capital using a gearing ratio which is total liabilities divided by total assets. The Group aims to maintain the gearing ratio at a reasonable level. The Group's gearing ratio as at 30 June 2025 was 31% (31 December 2024: 26% as restated).



# Notes to the Unaudited Interim Condensed Consolidated Financial Statements (Continued)

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## 28 COMMITMENTS AND CONTINGENT LIABILITIES

### (a) Capital commitments

As at 30 June 2025, the Group had capital commitments for land, buildings and mining rights, equipment and other as follows:

	30 June 2025	31 December 2024 (Restated)
	<i>RMB million</i>	<i>RMB million</i>
Contracted for but not provided		
– Land, buildings and exploration and evaluation assets	34,705	37,480
– Equipment	42,186	37,063
– Other	3,263	3,555
	80,154	78,098

### (b) Financial guarantees issued

As at 30 June 2025, the Group had issued certain guarantees in respect of certain banking facilities granted to an entity of which the Group held less than 20% equity interest. The maximum amount guaranteed is RMB67 million (31 December 2024: RMB75 million).

### (c) Legal contingencies

The Group is the defendant in certain lawsuits as well as the plaintiff in other proceedings arising in the ordinary course of business. While the outcomes of such contingencies, lawsuits or other proceedings cannot be determined at present, management believes that any resulting liabilities will not have a material adverse effect on the financial position or operating results of the Group.

# Notes to the Unaudited Interim Condensed Consolidated Financial Statements (Continued)

for the six months ended 30 June 2025 – unaudited

(Expressed in RMB)

## 28 COMMITMENTS AND CONTINGENT LIABILITIES (Continued)

### (d) Environmental contingencies

As of the date of this report, the Group has not incurred any significant expenditure for environmental remediation, is currently not involved in any environmental remediation, and apart from the provision for land reclamation costs, has not accrued any further amounts for environmental remediation relating to its operations. Under the existing legislation, management believes that there are no probable liabilities that will have a material adverse effect on the financial position or operating results of the Group. The regulatory bodies, however, have moved, and may move further towards the adoption of more stringent environmental standards. Environmental liabilities are subject to considerable uncertainties which affect the Group's ability to estimate the ultimate cost of remediation efforts. These uncertainties include (i) the exact nature and extent of the contamination at various sites including, but not limited to coal mines and land development areas, whether operating, closed or sold; (ii) the extent of required cleanup efforts; (iii) varying costs of alternative remediation strategies; (iv) changes in environmental remediation requirements; and (v) the identification of new remediation sites. The amount of such future cost is indeterminable due to such factors as the unknown magnitude of possible contamination and the unknown timing and extent of the corrective actions that may be required. Accordingly, the outcome of environmental liabilities under future environmental legislation cannot reasonably be estimated at present, and could be material.

## 29 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

### Fair value of financial assets and financial liabilities that are measured at fair value on a recurring basis

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in IFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs.

# Notes to the Unaudited Interim Condensed Consolidated Financial Statements (Continued)

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(Expressed in RMB)

## 29 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (Continued)

### Fair value of financial assets and financial liabilities that are measured at fair value on a recurring basis (Continued)

	30 June 2025 RMB million	31 December 2024 RMB million	Fair value hierarchy	Valuation technique(s) and key input(s)
<b>Financial assets</b>				
Financial assets at fair value through profit or loss (current)-stock	-*	-*	Level 1	Quoted prices in active market.
Financial assets at fair value through profit or loss (current)-structural deposits	7,103	17,302	Level 2	Observable inputs which fail to meet Level 1.
Financial assets at fair value through profit or loss (non-current)	60	60	Level 3	Market comparison approach. Fair value is estimated based on value of comparable listed companies, multiples and discount for lack of liquidity.
Unlisted equity securities	2,813	2,787	Level 3	Market comparison approach. Fair value is estimated based on value of comparable listed companies, multiples and discount for lack of liquidity.
Accounts and bills receivables	403	1,174	Level 3	Discounted cash flow method. The significant unobservable inputs used by the Group for the valuation are the expected rates of return.

\* Amount smaller than RMB500,000

During the year ended 31 December 2024 and the six months ended 30 June 2025, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3.

The Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values.

# Notes to the Unaudited Interim Condensed Consolidated Financial Statements (Continued)

for the six months ended 30 June 2025 – unaudited

(Expressed in RMB)

## 30 RELATED PARTY TRANSACTIONS

### (a) Transactions with China Energy Group, an associate of China Energy Group, fellow subsidiaries and associates of the Group

The Group is controlled by China Energy Group and has significant transactions and relationships with China Energy Group, an associate of China Energy Group and subsidiaries of China Energy Group ("fellow subsidiaries"). An associate refers to an enterprise over which China Energy Group is able to exercise significant influence or control. The Group also has entered into transactions with its associates, over which the Group can exercise significant influence.

The Group had the following transactions with China Energy Group, associates of China Energy Group, fellow subsidiaries, and associates of the Group during both periods:

	Notes	Six months ended 30 June	
		2025	2024 (Restated)
		<i>RMB million</i>	<i>RMB million</i>
Interest income	(i)	516	470
Income from an entrusted loan	(ii)	10	9
Interest expense	(iii)	190	261
Purchases of ancillary materials and spare parts	(iv)	867	654
Ancillary and social services	(v)	955	711
Transportation service income	(vi)	4,919	4,071
Transportation service expense	(vii)	391	624
Sale of coal	(viii)	36,966	45,161
Purchase of coal	(ix)	4,102	7,538
Property leasing	(x)	83	10
Repairs and maintenance services expense	(xi)	1	9
Purchase of equipment and construction work	(xii)	535	390
Sale of coal chemical product	(xiii)	2,807	2,875
Other income	(xiv)	717	885
Net deposits placed with Finance Company	(xv)	(1,763)	254
Granting of Loans from China Energy Group and fellow subsidiaries	(xvi)	1,350	6,700
Repayment of loans from China Energy Group and fellow subsidiaries	(xvii)	11,325	4,975
Bills receivables discounted from Finance Company	(xviii)	327	452
The issuance of bills by Finance Company	(xix)	1,496	3,673
Factoring services	(xx)	2,908	6,440

# Notes to the Unaudited Interim Condensed Consolidated Financial Statements (Continued)

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(Expressed in RMB)

## 30 RELATED PARTY TRANSACTIONS (Continued)

### (a) Transactions with China Energy Group, an associate of China Energy Group, fellow subsidiaries and associates of the Group (Continued)

*Notes:*

- (i) Interest income represents interest earned from deposits in fellow subsidiaries. The applicable interest rate is determined in accordance with the prevailing interest rates published by the PBOC.
- (ii) Income from an entrusted loan represents interest earned from an entrusted loan to an associate of the Group. The applicable interest rate is determined in accordance with the prevailing interest rates published by the PBOC.
- (iii) Interest expense represents interest incurred from loans from China Energy Group and fellow subsidiaries. The applicable interest rate is determined in accordance with the prevailing interest rates published by the PBOC.
- (iv) Purchases of ancillary materials and spare parts represent purchase of materials and utility supplies related to the Group's operations from fellow subsidiaries and associates of China Energy Group.
- (v) Ancillary and social services represent expenditures for social welfare and support services such as property management, water and electricity supply, and canteen expense paid to China Energy Group, fellow subsidiaries and associates of China Energy Group.
- (vi) Transportation service income represents income earned from fellow subsidiaries in respect of coal transportation services.
- (vii) Transportation service expense represents expenses paid to fellow subsidiaries in respect of coal transportation services.
- (viii) Sale of coal represents income from sale of coal to fellow subsidiaries and associates of China Energy Group.
- (ix) Purchase of coal represents coal purchased from associates of the Group, associates of China Energy Group and fellow subsidiaries.
- (x) Property leasing expense represents rental paid or payable in respect of properties leased from fellow subsidiaries.
- (xi) Repairs and maintenance services expense represents expense related to machinery repairs and maintenance services provided by associates of China Energy Group and fellow subsidiaries.
- (xii) Purchase of equipment and construction work represents expenditure related to equipment and construction service provided by fellow subsidiaries.
- (xiii) Sale of coal chemical product represents income from sale of coal chemical product to fellow subsidiaries.
- (xiv) Other income includes agency income, repairs and maintenance service income, sales of ancillary materials and spare parts, management fee income, sales of water and electricity, financial service income, lease income, etc. earned from China Energy Group, an associate of China Energy Group and fellow subsidiaries.

# Notes to the Unaudited Interim Condensed Consolidated Financial Statements (Continued)

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(Expressed in RMB)

## 30 RELATED PARTY TRANSACTIONS (Continued)

### (a) Transactions with China Energy Group, an associate of China Energy Group, fellow subsidiaries and associates of the Group (Continued)

- (xv) Net deposits placed with Finance Company represents net deposits placed by the Group with Finance Company.
- (xvi) Granting of loans from China Energy Group and fellow subsidiaries.
- (xvii) Repayment of loans from China Energy Group and fellow subsidiaries.
- (xviii) Bills receivables discounted from Finance Company represents bill acceptance and discount services provided by Finance Company to the Group.
- (xix) The issuance of bills by Finance Company refers to the issuance of acceptance bills by Finance Company to the Group.
- (xx) Factoring services refer to receiving factoring services from China Energy Group and fellow subsidiaries.

The Directors are of the opinion that the above transactions with related parties were conducted in the ordinary course of business and in accordance with the agreements governing such transactions.

The Group entered into a number of agreements with China Energy Group, an associate of China Energy Group, fellow subsidiaries, and associates of the Group. The terms of the principal agreements are summarised as follows:

- (i) The Company has entered into a mutual supply agreement for the mutual provision of production supplies and ancillary services with associates of China Energy Group and fellow subsidiaries. Pursuant to the agreement, associates of China Energy Group and fellow subsidiaries provide the Group with the production supplies and services, ancillary production services including the use of the information network system and ancillary administrative services. On the other hand, the Group provides fellow subsidiaries with water supplies, rolling stock management, railway management, railway transportation and other related or similar production supplies or services and use of the information network system.

The products and services provided under the agreement, other than the sharing of use of the information network system which is free of charge, are provided in accordance with the following pricing policy:

- price prescribed by the state (including any price prescribed by any relevant local government), if applicable;

# Notes to the Unaudited Interim Condensed Consolidated Financial Statements (Continued)

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## 30 RELATED PARTY TRANSACTIONS (Continued)

### (a) Transactions with China Energy Group, an associate of China Energy Group, fellow subsidiaries and associates of the Group (Continued)

- where there is no state-prescribed price but where there is a state-guidance price, then the state-guidance price;
  - where there is neither a state-prescribed price nor a state-guidance price, the market price; or
  - where none of the above is applicable or where it is not practical to apply the above pricing policies in reality, the price to be agreed between the relevant parties shall be based on reasonable costs incurred in providing the goods or services plus a reasonable profit margin of such costs.
- (ii) The Company has entered into mutual coal supply agreements with associates of China Energy Group, fellow subsidiaries and associates of the Group. The mutual coal supplied is charged at the prevailing market price.
- (iii) The Company has entered into a financial services agreement with Finance Company. Pursuant to the agreement, Finance Company provides financial services to the Group. The interest rate for the deposits with Finance Company from the Group should not be lower than the lowest limit published by the PBOC for the same type of deposit. The interest rate for loans made by Finance Company to the Group should not be higher than the highest limit published by the PBOC for the same type of loan. The above interest rates should be determined by reference to the rate charged by normal commercial banks in the PRC for comparable deposits and loans on normal commercial terms. The fees charged by Finance Company for the provision of other financial services shall be determined according to the rates chargeable by the PBOC or the China Banking Regulatory Commission.
- (iv) The Group has entered into a property leasing agreement with fellow subsidiaries of China Energy Group for leasing of certain properties to each other. No rent is payable by the Group before fellow subsidiaries obtains the relevant property ownership certificate. The rental charges are based on comparable market rates. If fellow subsidiaries of China Energy Group negotiate to sell a leased property to a third party, the Company has a pre-emptive right to purchase such property under terms no less favorable than other third party.
- (v) The Group has entered into a land leasing agreement with fellow subsidiaries of China Energy Group. The annual rent is determined based on the local market rate. The Group is not allowed to sub-let the leased land.

# Notes to the Unaudited Interim Condensed Consolidated Financial Statements (Continued)

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## 30 RELATED PARTY TRANSACTIONS (Continued)

### (a) Transactions with China Energy Group, an associate of China Energy Group, fellow subsidiaries and associates of the Group (Continued)

- (vi) The Group has entered into an agency agreement for the export of coal with a fellow subsidiary of China Energy Group. The fellow subsidiary is appointed as a non – exclusive export agent of the Group and is entitled to receive an agency fee based on the relevant market rates or lower rates. Currently, the rate is 0.70% of the free on board sales price of coal exported. When obtaining export agent conditions from a third party that are equal to or inferior to those of the China Energy Group, the Company shall give preference to the China Energy Group as the export agent of coal products.
- (vii) The Group entered into an agency agreement for the sale of coal with fellow subsidiaries of China Energy Group. The Group is appointed as the exclusive sales agent of fellow subsidiaries of China Energy Group for thermal coal and non-exclusive sales agent for coking coal. The Group is entitled to receive an agency fee, which is based on its related costs incurred plus a profit margin of 5% for sales of coal outside the Inner Mongolia Autonomous Region. No agency fee is charged for sales of coal within the Inner Mongolia Autonomous Region.
- (viii) The Group has entered into agreements with fellow subsidiaries of China Energy Group under which the Group has been granted the right to use certain trademarks. Fellow subsidiaries of China Energy Group bear its own cost for the registration of such trademarks during the term of the trademarks license agreement and expenses for enforcement against any infringement of the licensed trademarks by third parties.
- (ix) The Company has entered into a factoring service agreement with Guoneng (Beijing) Commercial Factoring Co., Ltd (“Guoneng Factoring Company”). Pursuant to the agreement, Guoneng Factoring Company agreed to provide the Group with factoring services and factoring-related services. For the provision of factoring services by Guoneng Factoring Company to the Group, the financing cost shall not be higher than that determined by an independent third-party factoring company for providing the same kind of services to the Group, and it should be determined on normal commercial terms. When the financing fee determined by the independent third-party factoring company for providing the same kind of services is difficult to obtain, it shall not be higher than the financing fee calculated based on the Loan Prime Rate (LPR) of the PBOC for the same period. For the service fee charged from the provision of other relevant services by Guoneng Factoring Company to the Group, the service fee shall not be higher than that charged by an independent third-party factoring company for providing the same kind of services to the Group, and it should be determined on normal commercial terms. When the service fee charged by the independent third-party factoring company for providing the same kind of services is difficult to obtain, it shall be determined at the cost plus a reasonable profit margin (around 10%).



# Notes to the Unaudited Interim Condensed Consolidated Financial Statements (Continued)

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(Expressed in RMB)

## 30 RELATED PARTY TRANSACTIONS (Continued)

### (a) Transactions with China Energy Group, an associate of China Energy Group, fellow subsidiaries and associates of the Group (Continued)

Amounts due from/to China Energy Group, associates of China Energy Group, fellow subsidiaries and associates of the Group:

	30 June 2025	31 December 2024 (Restated)
	<i>RMB million</i>	<i>RMB million</i>
Cash and time deposits at bank	74,495	76,258
Accounts and bills receivables	7,106	5,837
Prepaid expenses and other current assets	2,008	1,816
Other non-current assets	218	271
Total amounts due from China Energy Group, associates of China Energy Group, fellow subsidiaries and associates of the Group	83,827	84,182
Borrowings	15,038	25,253
Accounts payable	4,290	3,010
Accrued expenses and other payables	33,203	1,390
Contract liabilities	847	1,065
Total amounts due to China Energy Group, associate of China Energy Group, fellow subsidiaries and associates of the Group	53,378	30,718

# Notes to the Unaudited Interim Condensed Consolidated Financial Statements (Continued)

for the six months ended 30 June 2025 – unaudited

(Expressed in RMB)

## 30 RELATED PARTY TRANSACTIONS (Continued)

### (b) Key management personnel emoluments

Key management personnel receive compensation in the form of fees, basic salaries, housing and other allowances, benefits in kind, discretionary bonuses and retirement scheme contributions.

Key management personnel compensation of the Group during the period is summarised as follows:

	Six months ended 30 June	
	2025	2024
	<i>RMB million</i>	<i>RMB million</i>
Short-term employee benefits	4	7

Total remuneration is included in “personnel expenses” as disclosed in Note 10.

### (c) Contributions to post-employment benefit plans

The Group participates in various defined contribution post-employment benefit plans organised by municipal and provincial governments and a supplemental defined contribution pension plan approved by the government for its employees. Further details of the Group’s post-employment benefit plans are disclosed in Note 32.

# Notes to the Unaudited Interim Condensed Consolidated Financial Statements (Continued)

for the six months ended 30 June 2025 – unaudited

(Expressed in RMB)

## 30 RELATED PARTY TRANSACTIONS (Continued)

### (d) Transactions with other government-related entities in the PRC

The Company is ultimately controlled by the PRC government and the Group operates in an economic environment currently predominated by government-related entities.

Other than those transactions with China Energy Group, associates of China Energy Group, fellow subsidiaries and associates of the Group as disclosed above, the Group conducts business with other government-related entities which include but are not limited to the following:

- Power sales;
- Sales and purchases of coal;
- Transportation services;
- Construction work;
- Purchases of ancillary materials and spare parts;
- Ancillary and social services; and
- Financial services arrangements.

These transactions are conducted in the ordinary course of the Group's business on terms comparable to those with other entities that are not government-related. The Group has established its pricing policies in respect of sale of goods and provision of services, and approval process for purchases of products and services. Such policies and approval process apply to all counterparties regardless of whether the counterparty is government-related or not.

# Notes to the Unaudited Interim Condensed Consolidated Financial Statements (Continued)

for the six months ended 30 June 2025 – unaudited

(Expressed in RMB)

## 30 RELATED PARTY TRANSACTIONS (Continued)

### (d) Transactions with other government-related entities in the PRC (Continued)

Having considered the potential for transactions to be impacted by related party relationships, the Group's buying, pricing strategy and approval process, and what information would be necessary for an understanding of the potential effect of the relationship on the financial statements, the Directors are of the opinion that the following transactions with other government-related entities require disclosure:

#### (i) Transactions with other government-related entities, including state-owned banks in the PRC

	Six months ended 30 June	
	2025	2024 (Restated)
	<i>RMB million</i>	<i>RMB million</i>
Coal revenue	34,784	43,271
Power revenue	38,177	42,717
Transportation costs	4,279	4,901
Interest income	896	955
Interest expenses (including amount capitalised)	792	895

#### (ii) Balances with other government-related entities, including state-owned banks in the PRC

	30 June 2025	31 December 2024 (Restated)
	<i>RMB million</i>	<i>RMB million</i>
Accounts and bills receivables	7,328	8,595
Prepaid expenses and other current assets	2,868	2,798
Cash and time deposits at banks	54,413	54,034
Restricted bank deposits	16,924	14,280
Borrowings	20,391	20,759
Accrued expenses and other payables	2,103	2,436
Contract liabilities	1,332	1,090

# Notes to the Unaudited Interim Condensed Consolidated Financial Statements (Continued)

for the six months ended 30 June 2025 – unaudited

(Expressed in RMB)

## 31 BUSINESS COMBINATION

### Business combination under common control

On 24 January 2025, the Company and China Energy Group entered into the equity transfer agreement in Beijing, to acquire 100% equity interest in China Energy Hangjin Energy Co., Ltd. ("Hangjin Energy") held by China Energy Group with a transaction price of RMB853 million. China Energy commits that, Hangjin Energy's net profit attributable to shareholders of the parent company after deducting non-recurring profit and loss for the period from September to December 2024 and for the years from 2025 to 2029, as audited in accordance with the Accounting Standards for Business Enterprises, shall be no less than RMB383 million. If the cumulative net profit realised by Hangjin Energy during the commitment period fails to reach the cumulative committed net profit, China Energy shall compensate the Company in cash. The business combination has been completed on 11 February 2025 and the principle of merger accounting for business combination involving entities under common control was applied.

As a result of the combination, the relevant line items of the consolidated statement of profit or loss and other comprehensive income for the six months ended 30 June 2024 has been restated as follows:

	<b>The Group</b>	<b>Effect of</b>	<b>The Group</b>
	<i>RMB million</i>	<i>Combination</i>	<i>(Restated)</i>
		<i>RMB million</i>	<i>RMB million</i>
<b>Consolidated statement of profit or loss and other comprehensive income for the six months ended 30 June 2024</b>			
<b>Revenue</b>			
Goods and services	168,078	1,043	169,121
Cost of sales	(117,846)	(1,062)	(118,908)
<b>Gross profit</b>	<b>50,232</b>	<b>(19)</b>	<b>50,213</b>
Selling expenses	(217)	(28)	(245)
General and administrative expenses	(4,730)	(134)	(4,864)
Research and development costs	(979)	(2)	(981)
Other gains and losses	450	(597)	(147)
Other income	400	8	408
Loss allowances, net of reversal	9	–	9
Other expenses	(758)	(523)	(1,281)
Interest income	1,448	3	1,451
Finance costs	(1,475)	(124)	(1,599)
Share of results of associates	2,006	1	2,007

# Notes to the Unaudited Interim Condensed Consolidated Financial Statements (Continued)

for the six months ended 30 June 2025 – unaudited

(Expressed in RMB)

## 31 BUSINESS COMBINATION (Continued)

	<b>The Group</b>	<b>Effect of</b>	<b>The Group</b>
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
			(Restated)
<b>Profit before income tax</b>	46,386	(1,415)	44,971
Income tax expense	(7,988)	–	(7,988)
<b>Profit for the period</b>	38,398	(1,415)	36,983
<b>Other comprehensive income for the period</b>			
Items that will not be reclassified to profit or loss, net of income tax:			
Fair value changes on investments in equity instruments at fair value through other comprehensive income	165	–	165
Share of other comprehensive income of associates	(11)	–	(11)
Items that may be reclassified subsequently to profit or loss, net of income tax:			
Exchange differences	70	–	70
Share of other comprehensive income of associates	(21)	–	(21)
Other comprehensive income for the period, net of income tax	203	–	203
<b>Total comprehensive income for the period</b>	38,601	(1,415)	37,186
<b>Profit for the period attributable to:</b>			
Equity holders of the Company	32,771	(1,415)	31,356
Non-controlling interests	5,627	–	5,627
	38,398	(1,415)	36,983

# Notes to the Unaudited Interim Condensed Consolidated Financial Statements (Continued)

for the six months ended 30 June 2025 – unaudited

(Expressed in RMB)

## 31 BUSINESS COMBINATION (Continued)

	<b>The Group</b>	<b>Effect of Combination</b>	<b>The Group (Restated)</b>
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
<b>Total comprehensive income for the period attributable to:</b>			
Equity holders of the Company	32,956	(1,415)	31,541
Non-controlling interests	5,645	–	5,645
	38,601	(1,415)	37,186
<b>Earnings per share</b>			
– Basic (RMB)	1.649	(0.071)	1.578

## 32 EMPLOYEE BENEFITS PLAN

The Group participates, in line with the regulations of the PRC, mainly in various defined contribution retirement plans organised by municipal and provincial governments for its employees. The Group is required to make contributions to the retirement plans at a certain proportion of the salaries, bonuses and certain allowances of the employees. In addition, as approved by the government, the Group makes contribution to a supplemental defined contribution pension plan for its employees. The fund is managed by a qualified fund manager. The Group has no other material obligation for the payment of pension benefits associated with these plans beyond the annual contributions described above. The Group's contributions for the six months ended 30 June 2025 were RMB3,126 million (six months ended 30 June 2024: RMB3,018 million as restated).

# Notes to the Unaudited Interim Condensed Consolidated Financial Statements (Continued)

for the six months ended 30 June 2025 – unaudited

(Expressed in RMB)

## 33 NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

After the end of the reporting period, the Board of Directors proposed an interim dividend, the details of which are disclosed in Note 11.

In order to further implement the Non-Competition Agreement and its Supplemental Agreements entered into between China Energy and the Company, on 15 August 2025, the Company entered into the Asset Purchase Agreement with China Energy and its wholly-owned subsidiary China Energy Western Energy Investment Co., Ltd. (“Western Energy”), proposed that the Company will issue A shares and pay cash to acquire assets, such as coal, pithead coal power and coal chemicals, held by China Energy and Western Energy, and raise supporting funds. As of the date of this report, the audit and valuation of the target companies has not yet been completed, and the transaction is subject to the internal decision-making procedures, and approval, review or consent to registration from the competent regulatory authorities.



## Section IX Documents Available for Inspection

### Documents Available for Inspection

The interim report for the year 2025 with the signature of the person-in-charge of the Company

The financial statements signed by the person-in-charge of the Company, Chief Financial Officer and person-in-charge of the accounting department and chopped with the official chop of the Company

The original copies of review report published by the accounting firm

The original copies of all documents and announcements of the Company publicly disclosed on the newspapers designated by the CSRC during the Reporting Period

The interim report for the year 2025 published on the websites of SSE and the HKEx

Person-in-charge of the Company: Zhang Changyan

Approval date of the Board of Directors for submission: 29 August 2025