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**華能國際電力股份有限公司**

**HUANENG POWER INTERNATIONAL, INC.**

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

**(Stock Code: 902)**

## **ANNOUNCEMENT OF ANNUAL RESULTS FOR 2025**

<b>Electricity sold by domestic power plants:</b>	<b>437.563 billion kWh</b>
<b>Consolidated operating revenue:</b>	<b>RMB229,288 million</b>
<b>Net profit attributable to equity holders of the Company:</b>	<b>RMB14,537 million</b>
<b>Earnings per share:</b>	<b>RMB0.75</b>
<b>Proposed dividend:</b>	<b>RMB0.40 per ordinary share (inclusive of tax)</b>

### **SUMMARY OF OPERATING RESULTS**

The Board of Directors (the “**Board**”) of Huaneng Power International, Inc. (the “**Company**” or “**Huaneng International**”) hereby announces the audited operating results of the Company and its subsidiaries for the year ended 31 December 2025.

For the twelve months ended 31 December 2025, the Company and its subsidiaries achieved consolidated operating revenue of RMB229,288 million, representing a decrease of 6.62% compared to the same period last year. The net profit attributable to equity holders of the Company amounted to RMB14,537 million, representing an increase of 42.73% from the same period last year. Earnings per share amounted to RMB0.75. The Board is satisfied with the Company’s performance over the past year.

Details of the operating results are set out in the financial information. Unless otherwise specified, all amounts in this announcement are denominated in Renminbi Yuan.

The Board has recommended the payment of a final dividend of RMB0.40 per ordinary share (tax inclusive) for the year ended 31 December 2025 to the shareholders.

## **BUSINESS REVIEW OF YEAR 2025**

In 2025, the Company actively responded to evolving circumstances and challenges, adhered to the overall work principle of maintaining stability while pursuing progress, united efforts, and strived for advancement. By enhancing its capabilities in safety assurance, lean management, green development, and corporate governance effectiveness, etc., and has achieved a new level of high-quality development.

### **1. Operating Results**

For the year ended 31 December 2025, the Company achieved operating revenue of RMB229,288 million, representing a decrease of 6.62% compared to the same period last year. Net profit attributable to equity holders of the Company amounted to RMB14,537 million, representing an increase of 42.73% as compared with the same period last year. The earnings per share amounted to RMB0.75.

As at the end of 2025, net assets per share of the Company amounted to RMB4.52, representing an increase of 11.60% as compared with the same period last year.

The audit committee of the Company has reviewed the annual results of the Company for the year ended 31 December 2025 at a meeting held on 23 March 2026.

### **2. Power Generation**

In 2025, adhering to the principle of coordinating quantity and price with a focus on efficiency, the Company strengthened policy research, market analysis and internal professional coordination, continually optimised marketing strategies, actively responded to the opportunities and challenges in the electricity and heating markets, and made effort to secure higher electricity transaction prices and heating prices while striving to generate more profitable electricity. On a consolidated basis, the total electricity sold by the Company's domestic operating power plants amounted to 437.563 billion kWh, representing a year-on-year decrease of 3.39%. The average on-grid tariff of the Company's domestic power plants was RMB477.08 per MWh, representing a year-on-year decrease of RMB3.48%. The annual average utilisation hours of the Company's domestic power plants were 3,111 hours, representing a year-on-year decrease of 445 hours. In particular, the utilisation hours of coal-fired power generating units were

3,959 hours, representing a year-on-year decrease of 326 hours. The Company proactively explored the heating market and increased heating coverage, with the total heat supplied by the Company amounted to 335 million GJ, representing a year-on-year decrease of 1.61%.

### **3. Fuel Procurement**

In 2025, the Company conducted scientific assessments of market trends and continuously optimized its coal procurement structure. It promoted the enhancement of long-term contracts in terms of quality and cost efficiency, seized opportunities in spot purchases, and leveraged imported coal to control prices. As a result, fuel cost management achieved significant effectiveness, and the Company successfully fulfilled the tasks of ensuring electricity and heat supply during peak summer, winter heating, and other critical power sales periods. Throughout the year, the Company procured a total of 186 million tonnes of coal, with a unit of domestic fuel cost an sales of electricity of RMB266.88 per MWh for domestic power sales, representing a year-on-year decrease of RMB33.43 per MWh.

### **4. Environmental Policy and Production**

The Company maintained a strong performance in safety production, technical-economic management, and energy consumption indicators throughout the year. In 2025, the average equivalent availability rate of the Company's domestic thermal power generating units reached 93.68%, the coal consumption for power supply was 292.05g/kWh and the auxiliary power consumption rate of plants was 4.36%. With respect to air pollution emissions, the Company achieved a full coverage of ultralow emission across all coal-fired power generating units. With respect to treatment of wastewater discharge and the management of coal and ash yards, the Company has allocated funds to implement environmental technology upgrade projects in key-region power plants, including wastewater treatment, coal yard enclosure, and ash yard renovation. All power plants accelerated these environmental retrofitting projects to ensure that pollutant emissions fully comply with discharge permits and other ecological and environmental protection regulations.

### **5. Project Development**

The Company adhered to a green and low-carbon transformation and development strategy, focused on the implementation of projects, and steadily advanced the construction of power generation projects. During the year, the Company added a total of 11,924 MW of installed capacity from projects development, of which 7,731 MW came from new energy sources. As of 31 December 2025, the Company's controllable installed power generation capacity reached 155,869 MW, including 20,618 MW from wind power and 25,069 MW from solar power, with low-carbon and clean energy accounting for approximately 41.01% of the total installed capacity.

## 6. Scientific and Technological Innovation

The Company continued to make significant investment in research and development, further strengthening the development of strategic emerging industries and future businesses, with significant achievements in technological innovation and the transformation of its technological achievements continuing to advance. In 2025, construction commenced on the world's first 650 °C high-efficiency ultra-supercritical coal-fired demonstration generating unit at the Yuhuan Power Plant in Zhejiang. Virtual power plants in Hubei, Chongqing and Anhui were completed and put into operation, and the molten salt-coupled supercritical carbon dioxide novel thermal battery energy storage project progressed in an orderly manner. During 2025, a total of 1,359 domestic invention patents and 213 international invention patents were granted to the Company and its subsidiaries.

## 7. Overseas Business

Tuas Power Ltd. (“**Tuas Power**”), a wholly-owned subsidiary of the Company in Singapore, actively addressed challenges arising from policy adjustments in the Singapore electricity market, swiftly adapting to market changes, continued to deepen lean management and maintained the long-term safe and stable operation of units. During the year, total power generation reached 10.541 billion kWh, representing a market share of 18.3% and maintaining a stable presence in the electricity market. Tuas Power actively strengthened cooperation with fuel suppliers and continuously to optimised its supply structure, and ensured a stable fuel supply. It also actively expanded the retail market, continuously optimised the retail contract structure, and secured higher-margin retail electricity contracts in advance, effectively hedging against market fluctuations. During the year, Tuas Power achieved a pre-tax profit of RMB2,110 million, maintaining a solid revenue level.

The Company has continuously improved its business management in Pakistan, achieving over 3,000 consecutive days of safe operation and receiving multiple social responsibility awards in Pakistan for 7 consecutive years. The Company deepened efforts to enhance quality and efficiency, strengthened fund management, and improved electricity fee collection. In 2025, through precise budget control and cost management, it achieved operating revenue of RMB4,175 million and pre-tax profit of RMB861 million.

## **PROSPECTS FOR 2026**

In 2026, the Company will focus on building a flagship listed power generation company featuring “three strengths and three excellences”, with strong innovation-driven capabilities, strong competitive advantages, strong Party leadership, excellent governance efficiency, excellent development quality, and excellent operational performance. It will comprehensively advance key tasks including safety risk prevention and control, green and low-carbon development, quality and efficiency improvement, and deepening of reforms. The Company will ensure the completion of all annual targets and tasks and strive to open a new chapter of high-quality development during the “15th Five-Year” period.

In terms of power construction, the Company will continue advancing its green and low-carbon transition, promote high-quality development in new energy, and further optimize coal-fired power development. With safety as the foundation, quality and efficiency at the core, technological innovation as support, and modernized management as the approach, the Company will coordinate efforts across safety, quality, cost control, technological innovation, and smart infrastructure. This approach will ensure meaningful improvements in quality and sustainable growth in scale, contributing to the development of a new-type power system.

In terms of power generation, the Company will firmly uphold its responsibility for energy supply security, strengthen standardized maintenance and overhaul management, and continue initiatives to control unplanned shutdowns. The Company will enhance its emergency response and support capabilities under extreme conditions to ensure that generating units can operate reliably, deliver output when needed and remain stable at critical moments. The Company will comprehensively enhance the core competitiveness of its generating units and implement in an orderly manner programmes to improve the efficiency and operational flexibility of coal-fired power units, while actively promoting wide-load energy-saving operational optimisation and the development of smart thermal power plants. The Company will also continue to promote intensive and standardized management of new energy projects to consolidate the foundation for high-quality new energy production. In line with ecological and environmental protection requirements, the Company will strengthen comprehensive management of air emissions, wastewater and solid waste, and advance ecological protection and restoration across the entire industry chain including new energy and hydropower projects, thereby supporting high-quality development through high-level environmental protection.

In terms of power marketing, the Company will adhere to a coordinated approach between volume and price, with efficiency as the priority. It will closely monitor changes in the power market, conduct comprehensive assessments of market competition and electricity price trends, and fully explore electricity sales potential to optimize market transactions. The Company will seize opportunities during high-price spot periods and critical windows such as the summer and winter peak seasons to maximize additional revenue from electricity generation, striving to maintain electricity volume and prices at reasonable levels. The Company will actively expand its electricity sales market, strengthen strategic cooperation with large users while expanding outreach to small and micro users, and improve electricity sales revenue. Additionally, the Company will closely monitor developments in carbon market policies and promptly optimise its carbon trading strategy to control compliance costs. The Company will also actively expand high-quality heat supply markets and seek policy support for adjustments to heat tariffs. In 2026, the Company will strive to achieve domestic power generation of approximately 460 billion kWh.

In terms of fuel procurement, the Company will focus on controlling fuel prices, scientifically balancing supply security with cost control, ensuring supply safety while managing fuel costs. The Company will improve the quality and fulfillment of long-term coal contracts, strengthen cooperation with strategic suppliers, and determine the proportion of long-term contracts based on market conditions and regional characteristics, leveraging such contracts as an anchor for supply security and price stability. The Company will enhance market analysis and responsiveness, optimise procurement strategies for spot and imported coal, and increasing inventories during off-peak periods while ensuring higher consumption during peak periods, so that fuel costs remain controllable.

In terms of financing, the Company will closely monitor changes in the domestic and international economic environment and capital markets, and maintain a financing structure supported by bank credit as the core, complemented by bond financing and diversified funding channels. The Company will continue to reduce and restructure existing debt, accurately seize policy opportunities and market windows, actively secure special equity funds supporting stable growth and expanded investment, and promote the implementation of funds related to the “Two Major Projects” and “Two New Initiatives” as well as new policy-based financial instruments. Through multi-dimensional expansion of low-cost financing channels, the Company will further strengthen a safe, stable and development-aligned capital structure.

## **OPERATING AND FINANCIAL REVIEWS AND PROSPECTS**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

*(Prepared under International Financial Reporting Standards (“IFRS”) Accounting Standards)*

#### **General**

The Company is primarily engaged in the development, construction, and operation of power plants across China and is one of the largest listed power generation companies in China. As of 31 December 2025, the Company had a controlled installed power generation capacity of 155,869 MW, with low-carbon clean energy generation, including natural gas power, solar power, wind power, hydropower and biomass power, accounting for 41.01% of its total installed capacity. The Company's power plants in China are widely distributed across 26 provinces, autonomous regions, and municipalities. Additionally, the Company wholly owns and operates a power company in Singapore and has invested in an operational power company in Pakistan.

For the year ended 31 December 2025, the Company recorded consolidated revenue of RMB229,288 million, representing a 6.62% decrease from RMB245,551 million in the previous year. The net profit attributable to equity holders of the Company was RMB14,537 million, reflecting an increase of 42.73% from RMB10,185 million in the previous year. Earnings per share were RMB0.75, representing a year-on-year increase of RMB0.29.

## A. OPERATING RESULTS

### 1. 2025 operating results

The electricity sold by the Company's domestic power plants in various regions for the year ended 31 December 2025 is as follows (in 100 million kWh):

Types of generation/Region	Electricity Sold	
	January to December of 2025	Year-on-Year Change
<b>Coal-fired</b>	3,401.59	-7.89%
<b>Combined cycle</b>	289.30	7.31%
<b>Wind-power</b>	408.65	10.59%
<b>PV</b>	258.81	42.77%
<b>Hydro-power</b>	9.72	4.05%
<b>Biomass power</b>	7.56	9.87%
<b>Heilongjiang Province</b>	130.74	1.54%
Coal-fired	98.26	-0.78%
Wind-power	28.29	9.95%
PV	2.55	-13.18%
Biomass power	1.64	55.48%
<b>Jilin Province</b>	120.38	-0.96%
Coal-fired	65.49	-12.47%
Wind-power	47.13	13.40%
Hydro-power	0.84	11.51%
PV	4.50	83.54%
Biomass power	2.42	23.32%
<b>Liaoning Province</b>	173.30	5.33%
Coal-fired	138.13	0.73%
Wind-power	32.27	29.27%
Hydro-power	0.31	85.85%
PV	2.61	13.61%

<b>Types of generation/Region</b>	<b>Electricity Sold</b>	
	<b>January to December of 2025</b>	<b>Year-on-Year Change</b>
<b>Inner Mongolia</b>	7.44	1.81%
Wind-power	7.08	-2.66%
PV	0.37	823.39%
<b>Hebei Province</b>	153.67	16.34%
Coal-fired	105.84	0.74%
Wind-power	12.36	154.16%
PV	35.47	60.07%
<b>Gansu Province</b>	113.23	-4.67%
Coal-fired	93.98	-4.67%
Wind-power	19.25	-4.62%
<b>Ningxia</b>	0.21	2.15%
PV	0.21	2.15%
<b>Beijing</b>	75.99	1.55%
Coal-fired	0.78	-44.26%
Combined cycle	75.21	2.43%
<b>Tianjin</b>	46.60	-18.36%
Coal-fired	38.35	-13.53%
Combined cycle	6.37	-48.50%
Wind-power	0.84	–
PV	1.04	184.58%
<b>Shanxi Province</b>	103.88	4.44%
Coal-fired	54.01	-5.00%
Combined cycle	20.75	5.55%
Wind-power	6.92	15.81%
PV	22.20	30.76%
<b>Shandong Province</b>	711.13	-10.78%
Coal-fired	634.77	-13.95%
Combined cycle	2.27	–
Wind-power	36.15	10.04%
PV	34.45	51.99%
Biomass power	3.49	-9.49%

<b>Types of generation/Region</b>	<b>Electricity Sold</b>	
	<b>January to December of 2025</b>	<b>Year-on-Year Change</b>
<b>Henan Province</b>	239.18	-1.72%
Coal-fired	187.53	-5.95%
Combined cycle	1.67	15.55%
Wind-power	39.65	12.25%
PV	10.33	43.26%
<b>Jiangsu Province</b>	414.20	-7.68%
Coal-fired	280.42	-13.81%
Combined cycle	58.89	7.24%
Wind-power	46.90	-7.18%
PV	27.99	56.90%
<b>Shanghai</b>	203.29	-4.53%
Coal-fired	186.00	-5.14%
Combined cycle	16.04	-1.15%
PV	1.25	93.47%
<b>Chongqing</b>	155.45	0.53%
Coal-fired	107.53	-14.41%
Combined cycle	41.06	74.07%
Wind-power	6.32	21.27%
PV	0.53	176.76%
<b>Zhejiang Province</b>	355.02	-0.96%
Coal-fired	299.84	-1.97%
Combined cycle	11.73	18.47%
Wind-power	37.70	-1.85%
PV	5.74	34.31%
<b>Hubei Province</b>	146.67	-11.10%
Coal-fired	119.42	-13.56%
Wind-power	6.61	-6.64%
Hydro-power	2.49	16.19%
PV	18.15	3.13%

<b>Types of generation/Region</b>	<b>Electricity Sold</b>	
	<b>January to December of 2025</b>	<b>Year-on-Year Change</b>
<b>Hunan Province</b>	86.87	-2.65%
Coal-fired	69.92	-4.64%
Wind-power	8.20	-5.90%
Hydro-power	2.83	-15.70%
PV	5.91	54.38%
<b>Jiangxi Province</b>	291.76	-1.56%
Coal-fired	255.04	-4.25%
Wind-power	9.08	-9.05%
PV	27.64	37.97%
<b>Anhui Province</b>	96.89	12.47%
Coal-fired	59.92	1.99%
Wind-power	14.62	29.08%
Hydro-power	0.48	-54.45%
PV	21.87	45.64%
<b>Fujian Province</b>	180.34	-3.90%
Coal-fired	175.56	-4.69%
PV	4.78	37.75%
<b>Guangdong Province</b>	290.87	0.50%
Coal-fired	237.82	0.92%
Combined cycle	33.28	-2.81%
Wind-power	16.25	-3.85%
PV	3.52	33.44%
<b>Guangxi</b>	12.66	18.13%
Combined cycle	3.12	1.61%
Wind-power	6.45	-0.55%
PV	3.09	166.29%
<b>Yunnan Province</b>	113.92	-19.42%
Coal-fired	94.02	-25.30%
Wind-power	12.39	-9.78%
Hydro-power	0.42	223.80%
PV	7.09	329.70%

<b>Types of generation/Region</b>	<b>Electricity Sold</b>	
	<b>January to December of 2025</b>	<b>Year-on-Year Change</b>
<b>Guizhou Province</b>	14.35	11.52%
Wind-power	1.92	-1.62%
PV	12.43	13.86%
<b>Hainan Province</b>	137.57	5.09%
Coal-fired	98.96	-4.16%
Combined cycle	18.89	-8.87%
Wind-power	12.28	2412.29%
Hydro-power	2.35	35.23%
PV	5.08	8.31%
<b>Total</b>	<b>4,375.63</b>	<b>-3.39%</b>

While the Company continues to advance its green and low-carbon transformation and the installed capacity of wind and solar power continues to grow, driving year-on-year growth in new energy generation, the electricity output from coal-fired units has decreased year-on-year due to the displacement of coal generation by new and other clean energy sources.

In 2025, the Company's wholly-owned subsidiary, SinoSing Power Pte. Ltd. ("**Singapore Operations**"), through its subsidiary Tuas Power, achieved an 18.3% share of Singapore's power generation, thus maintaining a strong market position.

Regarding electricity tariffs, the Company's average on-grid electricity tariff for domestic power plants, including tax, was RMB477.08 per MWh, representing a 3.48% decrease from the previous year. The average settlement electricity price for the Singapore operations was RMB1,099.09 per MWh, reflecting a 7.19% decrease compared to the previous year.

In terms of fuel costs, the unit fuel cost for electricity sold by the Company's domestic thermal power plants was RMB266.88 per MWh, reflecting a 11.13% decrease compared to the previous year.

## 2. Comparative analysis of operating results

### 2.1 *Operating revenue and tax and levies on operations*

For the year ended 31 December 2025, the consolidated operating revenue of the Company and its subsidiaries was RMB229,288 million, representing a decrease of 6.62% compared with RMB245,551 million in the previous year.

The operating revenue from domestic operations decreased by RMB13,931 million over the same period of last year, mainly due to the year-on-year decrease in domestic electricity sales volume and electricity tariffs.

The operating revenue from the Singapore Operations decreased by RMB2,979 million over the same period of last year. This was mainly attributable to the significant year-on-year decline in the overall price level in Singapore's power market affected by factors such as power market supply and demand, electricity tariff policies and the commissioning of fast-response gas turbines, as well as the year-on-year decrease in electricity tariffs under newly signed retail contracts of Tuas Power.

The operating revenue from the operations in Pakistan increased by RMB647 million over the same period of last year, which was mainly due to the year-on-year increase in electricity sales volume.

Taxes and levies mainly include environmental protection tax, value-added tax surcharges, property tax, land use tax and resource tax, among others. For the year ended 31 December 2025, the taxes and levies on operations of the Company and its subsidiaries were RMB2,759 million, representing an increase of 37.37% from RMB2,009 million for the same period of last year. This was mainly attributable to the year-on-year increase in environmental protection tax and water resource tax paid, as well as the year-on-year increase in value-added tax paid for the domestic operations as a result of the year-on-year decrease in coal price, and the corresponding year-on-year increase in value-added tax surcharges paid on the corresponding calculations.

## ***2.2 Operating expenses***

For the year ended 31 December 2025, the consolidated operating expenses of the Company and its subsidiaries were RMB197,407 million, representing a decrease of 10.08% from RMB219,545 million for the same period of the previous year.

Mainly due to lower fuel costs resulting from the year-on-year decrease in domestic fuel prices, the operating expenses in domestic operations decreased by RMB20,581 million.

The operating expenses from the Singapore Operations decreased by RMB2,292 million, mainly due to the decrease in fuel costs and the cost of purchasing electricity for the retail business. The operating expenses from the operations in Pakistan increased by RMB736 million, mainly due to the increase in fuel consumption resulting from higher electricity generation.

### ***2.2.1 Fuel costs***

For the year ended 31 December 2025, fuel costs of the Company and its subsidiaries were RMB119,666 million, representing a decrease of 15.80% from RMB142,115 million for the same period of the previous year.

The fuel costs from domestic operations decreased by RMB21,677 million, which was mainly attributable to the decrease in domestic fuel prices.

Fuel costs from the Singapore Operations decreased by RMB772 million from the same period of last year, mainly due to a decrease in gas purchase volume and gas prices.

### ***2.2.2 Maintenance expenses***

For the year ended 31 December 2025, the total maintenance expenses of the Company and its subsidiaries amounted to RMB5,470 million, representing an increase of 8.19% from RMB5,056 million for the same period of the previous year.

### *2.2.3 Depreciation*

For the year ended 31 December 2025, depreciation expenses of the Company and its subsidiaries increased by 5.66% to RMB27,791 million from RMB26,302 million for the same period of the previous year.

### *2.2.4 Labor*

Labor costs mainly consist of salaries to employees and contributions payable for employees' housing funds, medical insurance, pension and unemployment insurance, as well as training costs, etc. For the year ended 31 December 2025, the labor costs of the Company and its subsidiaries increased by 5.23% to RMB19,625 million from RMB18,650 million for the same period of the previous year, which was mainly due to the increase in the average social wage, the consequent increase in the base for social security and fund contributions, and the related increase in labor costs.

### *2.2.5 Other operating expenses*

Other operating expenses mainly include environmental protection expenses, insurance premiums, office expenses, research and development costs, amortization, Tuas Power's electricity purchase costs, impairment losses, government subsidies and net gains or losses on disposal of property, plant and equipment. Other operating expenses of the Company and its subsidiaries were RMB24,854 million, representing a decrease of 9.36% from RMB27,422 million for the year ended 31 December 2024.

Other operating expenses from the Company's domestic operations decreased by RMB1,781 million over the same period of last year, mainly due to the year-on-year decrease in losses on disposal of non-current assets and other items.

Other operating expenses of the Singapore Operations decreased by RMB1,526 million over the same period of last year, mainly due to the decrease in electricity purchase costs of the retail business. Other operating expenses of the operations in Pakistan increased by RMB740 million over the same period of last year, mainly attributable to higher fuel costs charged to other expenses.

### **2.3 Financial expenses**

For the year ended 31 December 2025, the financial expenses of the Company and its subsidiaries was RMB7,109 million, representing a decrease of 11.66% from RMB8,047 million for the same period of the previous year, which was mainly due to the decrease in interest expenses amounting to RMB711 million.

The interest expenses from the Company's domestic operations decreased by RMB581 million, mainly due to the decrease in the cost of interest-bearing debt over the same period of last year.

The interest expenses of Singapore Operations decreased by RMB46 million compared to the same period of last year. Interest expenses of Pakistan operations decreased by RMB85 million over the same period of last year.

### **2.4 Investment income**

Share of profits less losses of associates and joint ventures

For the year ended 31 December 2025, the share of profits less losses of associates and joint ventures of the Company and its subsidiaries was RMB1,150 million, representing a decrease of 8.73% from RMB1,260 million for the same period of the previous year.

### **2.5 Income tax expenses**

For the year ended 31 December 2025, the Company and its subsidiaries recognized income tax expenses of RMB4,003 million, representing an increase of 4.93% from RMB3,815 million for the same period of the previous year.

The income tax expenses from domestic operations increased by RMB385 million, mainly due to the corresponding increase in income tax expenses as a result of the year-on-year increase in profits from the Company's domestic operations.

The income tax expense for the Singapore Operations decreased by RMB206 million. The income tax expenses for the operations in Pakistan increased by RMB9 million over the same period of last year.

## ***2.6 Net profit, net profit attributable to equity holders of the Company***

For the year ended 31 December 2025, the Company and its subsidiaries achieved a net profit of RMB19,530 million, representing an increase of 39.44% from RMB14,006 million for the same period of the previous year.

Net profit attributable to equity holders of the Company was RMB14,537 million, representing an increase of 42.73% from RMB10,185 million in the previous year.

Net profit attributable to equity holders of the Company from domestic operations increased by RMB4,788 million year on year, mainly due to the increase in profit from thermal power generation driven by lower domestic fuel costs.

Net profit attributable to equity holders of the Company from Singapore Operations decreased by RMB387 million year on year. The Company carefully studied changes in Singapore's power and fuel markets, guided Tuas Power to respond agilely to market dynamics, and continuously promoted lean management, achieving relatively sound operating performance under prevailing market conditions.

Net profit attributable to equity holders of the Company from operations in Pakistan decreased by RMB49 million year on year.

## ***2.7 Comparison of financial position***

### ***2.7.1 Comparison of asset items***

For the year ended 31 December 2025, the total assets of the Company and its subsidiaries were RMB619,678 million, increased by RMB24,101 million from RMB595,577 million as of 31 December 2024.

Total assets of the domestic operations increased by RMB26,608 million to RMB580,590 million, including a net increase of RMB24,459 million in property, plant and equipment, mainly due to the comprehensive impact of increased investment in new infrastructure and technical renovation projects and depreciation provided for the current year.

As of 31 December 2025, the total assets of the Singapore Operations amounted to RMB27,525 million, a decrease of RMB1,188 million from the end of the previous year. The total assets of the operations in Pakistan amounted to RMB11,563 million, a decrease of RMB1,319 million from the end of last year.

### *2.7.2 Comparison of liability items*

As at 31 December 2025, the total liabilities of the Company and its subsidiaries were RMB400,140 million, representing an increase of RMB15,142 million from RMB384,998 million as at 31 December 2024. Among which, interest-bearing debts amounted to RMB321,310 million. The interest-bearing debts consist of long-term loans (including those due within one year), long-term bonds (including those due within one year), short-term loans, short-term bonds and lease liabilities (including those due within one year).

The total liabilities of the Singapore Operations were RMB10,724 million, representing a decrease of RMB1,799 million from the end of the previous year. The total liabilities of the operations in Pakistan were RMB6,568 million, representing a decrease of RMB1,683 million from the end of the previous year.

### *2.7.3 Comparison of equity items*

The total equity attributable to the equity holders of the Company amounted to RMB148,552 million as of 31 December 2025, representing an increase of RMB4,758 million compared with 31 December 2024. This was mainly due to the combined impact of the net profit attributable to equity holders of the Company of RMB14,537 million in the current year, the distribution of ordinary dividends of RMB4,238 million and the distribution paid of other equity instruments of RMB2,906 million for the year.

Non-controlling interests amounted to RMB70,986 million, representing an increase of RMB4,201 million compared with 31 December 2024, mainly due to the combined impact of the net profit attributable to non-controlling shareholders of RMB4,993 million and the dividends distributed to non-controlling shareholders in the current year.

#### 2.7.4 Major financial position ratios

	<b>31 December 2025</b>	31 December 2024
Current ratio	<b>0.52</b>	0.54
Quick ratio	<b>0.46</b>	0.46
Ratio of liability to equity	<b>2.69</b>	2.68
	<b>2025</b>	2024
Multiples of interest earned	<b>3.79</b>	2.96

Formula of the financial ratios:

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

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

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

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

The current ratio, quick ratio and ratio of liability to equity as of 31 December 2025 remained stable compared to 31 December 2024. The year-on-year increase in multiples of interest earned was mainly due to the growth in the Company's operating profit for the year.

## B. LIQUIDITY AND FUND RESOURCES

### 1. Liquidity

	<b>2025</b> <i>RMB100</i> <i>million</i>	2024 <i>RMB100</i> <i>million</i>	Change %
Net cash flows from operating activities	<b>672.13</b>	505.30	33.02
Net cash flows from investing activities	<b>-572.91</b>	-617.27	-7.19
Net cash flows from financing activities	<b>-104.96</b>	136.13	Not applicable
Currency exchange impact	<b>0.19</b>	0.34	-44.12
Net (decrease)/increase in cash and cash equivalents	<b>-5.55</b>	24.50	Not applicable
Cash and cash equivalents as at the beginning of the year	<b>186.01</b>	161.51	15.17
Cash and cash equivalents as at the end of the year	<b>180.46</b>	186.01	-2.98

For the year ended 31 December 2025, net cash flows from operating activities of the Company and its subsidiaries was RMB67,213 million, representing an increase of 33.02% from last year, mainly due to the. The net cash flows from investing activities amounted to RMB-57,291 million, representing a year-on-year decrease of 7.19%, mainly due to. The net cash flow from financing activities was RMB-10,496 million for the year ended 31 December 2025 (31 December 2024: RMB13,613 million). The change was primarily attribute to the Company's accumulated operation results and improved efficiency in the use of funds the scale of financing was reduced compared to the prior year.

As of 31 December 2025, the cash and cash equivalents of the Company and its subsidiaries denominated in RMB, Pakistan Rupee, Singapore dollar, US dollar and other currencies were equivalent to RMB15,473 million, RMB925 million, RMB1,212 million, RMB376 million, and RMB60 million, respectively.

As of 31 December 2025, net current liabilities of the Company and its subsidiaries were approximately RMB83,312 million. In 2025, the company's net cash inflow from operating activities exceeded RMB60 billion. Based on the Company's proven financing record, readily available banking facilities and sound credibility, the Company is able to obtain long-term financing to repay its debts due within the next 12 months and to secure funding necessary for its operations. The Company has also capitalized on its good credit record to obtain short-term financing at relatively lower interest rates, thus reducing its interest expenses.

The entities of the Company and its subsidiaries operating in the Chinese mainland are exposed to foreign exchange risk arising from long-term foreign currency loans. The Singapore Operations are mainly exposed to foreign exchange risk arising from US dollar-denominated cash and cash equivalents, receivables, payables and bonds payable other than its functional currency (Singapore dollar). The operations in Pakistan are mainly exposed to foreign exchange risk arising from US dollar-denominated cash and cash equivalents, finance lease receivables, payables and long-term loans other than its functional currency (Pakistan Rupee). The Company and its subsidiaries closely monitor the foreign exchange market to mitigate foreign exchange risk.

## **2. Capital expenditure and fund resources**

### ***2.1 Capital expenditure on infrastructure construction and renovation projects***

The actual capital expenditure of the Company and its subsidiaries in 2025 for the infrastructure construction and renovation projects was RMB56,700 million.

Capital expenditures are sourced mainly from internal capital, cash flows from operating activities, and debt and equity financing. In the next few years, the Company will conduct the development and construction of renewable energy projects, thermal power infrastructure and technical renovation in an orderly manner and promote structural adjustment. Therefore, the Company expects to continue to incur significant capital expenditures for infrastructure and renovation. The Company expects to finance the above capital expenditures through internal capital, cash flows from operating activities, and debt and equity financing.

The cash requirements, usage plans and cash resources for future basic construction and renovation of the Company and its subsidiaries are as follows:

*(RMB100 million)*

Projects	Capital expenditure in 2025	Capital expenditure plan for 2026	Cash resources arrangements
Thermal power projects	87.08	117	Including internal capital and bank loans
Hydropower projects	0.79	5	Including internal capital and bank loans
Wind power projects	239.56	305	Including internal capital and bank loans
Photovoltaic power projects	145.02	72	Including internal capital and bank loans
Coal mining projects	9.78	5	Including internal capital and bank loans
Port	0.06	3	Including internal capital and bank loans
Technology renovation etc.	68.56	103	Including internal capital and bank loans
Others*	16.15	11	Including internal capital and bank loans

\* Note: "Others" mainly includes capital expenditures for energy storage projects.

## **2.2 Fund resources and anticipated financing costs**

Good operating results and sound credit status provide the Company with strong financing capabilities. As of 31 December 2025, the unutilized banking facilities available to the Company and its subsidiaries amounted to over RMB430 billion, which are granted by commercial banks such as Bank of China, Agricultural Bank of China, Industrial and Commercial Bank of China, China Construction Bank and other commercial banks.

In 2025, the Company and its subsidiaries issued a total of 23 unsecured ultra-short-term bonds totalling RMB40.4 billion, with coupon rates ranging from 1.39% to 2.03%. The bonds are denominated in RMB and issued at par value. As of 31 December 2025, short-term bonds payable by the Company and its subsidiaries were RMB11,531 million (2024: RMB8,017 million).

In 2025, the Company and its subsidiaries issued a total of 7 long-term bonds totalling RMB14.0 billion, with coupon rates ranging from 1.67% to 2.12%. The bonds are denominated in RMB and issued at par value. As of 31 December 2025, long-term bonds payable (including those due within one year) by the Company and its subsidiaries were RMB51,975 million (2024: RMB45,696 million).

As of 31 December 2025, short-term loans of the Company and its subsidiaries amounted to RMB61,932 million (2024: RMB61,166 million). In 2025, the annual interest rate of short-term loans ranged from 0.55% to 4.00% per annum (2024: 0.62% to 4.00%).

As of 31 December 2025, the Company and its subsidiaries' long-term loans (including long-term loans due within one year) totaled RMB186,387 million (2024: RMB183,778 million), including RMB loans of RMB178,602 million (2024: RMB175,020 million), USD loans of RMB4,505 million equivalent (2024: RMB8,018 million equivalent), SGD loans of RMB3,203 million equivalent (2024: RMB656 million equivalent), and JPY loans of RMB77 million equivalent (2024: RMB84 million equivalent). Among them, JPY loans are fixed interest rate loans. In 2025, the annual interest rate of long-term loans ranged from 0.75% to 8.72% per annum (2024: 0.75% to 9.35%).

The Company and its subsidiaries will closely monitor any changes in the exchange rate and interest rate markets and cautiously assess the risks arising from exchange rate and interest rate movements.

Combined with the overall development trend of the current power generation industry and the growth of the Company, the Company will continue to strive to meet the cash requirements for daily operations, construction and acquisitions, while seeking to control capital costs and financial risks, optimize the capital structure, and provide sustainable and stable returns to shareholders through effective financial management activities.

### ***2.3 Other financing requirements***

The Company implements a continuous and stable profit distribution policy. According to the profit distribution proposal of the board of directors of the Company for 2025 (to be approved by the general meeting of shareholders), it is expected that the Company will pay a dividend of RMB0.40 per ordinary share (inclusive of tax) and a total cash dividend of RMB6,279 million.

## 2.4 Maturity profile of interest-bearing debts

(RMB100 million)

Maturity Profile	2026	2027	2028	2029	2030
Principal amount planned for repayment	1,042.71	234.45	269.76	270.22	151.06
Interest amount planned for repayment	<u>75.13</u>	<u>56.07</u>	<u>48.37</u>	<u>40.60</u>	<u>33.69</u>
Total	<u>1,117.84</u>	<u>290.52</u>	<u>318.13</u>	<u>310.82</u>	<u>184.75</u>

*Note:* The amount of principle to be paid in 2026 is relatively large because this includes expected repayment of short-term loans and short-term bonds.

### C. LONG-TERM DEVELOPMENT STRATEGY AND PLAN

The Company will adhere to major national strategies including building an energy superpower, the new energy security strategy, and carbon peaking and carbon neutrality. Building on improving the quality and efficiency of its development, the Company will further deepen its green and low-carbon transformation, with a focus on developing large-scale wind and solar power bases and deep-sea offshore wind power projects, thereby promoting the high-quality development of new energy. The Company will also accelerate the optimisation and upgrading of its coal-fired power structure in accordance with the approach of increasing capacity, controlling electricity output and facilitating transformation. In addition, the Company will develop strategic emerging industry projects such as new energy storage and clean heating, aiming to building a modern energy supply system that is clean, low-carbon, safe and efficient. The Company will promote the development of technological innovation by adhering to the principle of serving national strategies, responding to market demand and industry development trends, focusing on key research topics and the commercialization of scientific and technological achievements, fostering new quality productive forces, and enhancing new drivers for the Company's innovative development. The Company will also advance its international development strategy, better coordinate the utilisation of both domestic and international markets and resources, strengthen the efficient operation of overseas assets, and enhance the core competitiveness and development resilience of its international business. The Company will consolidate its operational and management foundations, enhance management efficiency, further improve corporate governance, enhance corporate value and actively fulfil its social responsibilities. It will also strengthen the core functions and core competitiveness of the listed company, and strive to build a

flagship listed power generation company characterised by the “three strengths and three excellences”, namely strong innovation drive, strong competitive advantages and strong Party leadership, together with excellence in governance efficiency, development quality and operating performance.

#### **D. TREND ANALYSIS**

The year 2026 marks the first year of the “15th Five-Year Plan”, and the Central Economic Work Conference has emphasized the need to maintain steady progress while seeking advancements, improving quality and efficiency, and promoting stable economic growth. It calls for the implementation of a more proactive fiscal policy and moderately accommodative monetary policy. The conference also outlined key priorities, including strengthening domestic demand, building a strong domestic market, accelerating the cultivation and expansion of new growth drivers through technological innovation, deepening reforms to strengthen the momentum and vitality of high-quality development, and promoting a comprehensive green transition guided by the ‘dual carbon’ goals.

In terms of power supply and demand, according to the China Electricity Council’s annual analysis and forecast of power supply and demand, taking into account China’s current economic growth potential, the recommendations of the 15th Five-Year Plan for national economic and social development, and national macroeconomic regulatory policies, China’s macroeconomy is expected to maintain stable growth in 2026. Total electricity consumption nationwide is expected to increase by 5%-6% year-on-year in 2026; the peak unified dispatch load is projected at 1.57–1.63 billion kilowatts; newly commissioned power generation capacity is expected to exceed 400 million kilowatts; and by the end of 2026, the proportion of coal-fired power in total installed capacity is expected to decline to approximately 31%.

In terms of the electricity market, in 2025, the central government issued key documents including the Basic Rules for Electricity Ancillary Services Market, the Basic Rules for Electricity Market Measurement and Settlement, and the revised Basic Rules for the Medium- and Long-Term Electricity Market, and approved the proposals submitted by the National Grid and Southern Grid on normalized cross-grid electricity trading mechanisms, marking further improvement in the electricity market system and more mature market mechanisms, and accelerating the construction of a nationwide unified electricity market. Currently, except for Tibet and the Beijing-Tianjin-Tangshan area, all provinces and regions nationwide have achieved full coverage of the spot market, significantly enhancing the timeliness and flexibility of electricity trading. In 2026, competition among market participants is expected to be more intensive, price fluctuations will be more frequent, the spread between medium- and long-term markets and spot markets, as well as between wholesale and retail sides, will further narrow, and overall market coordination and linkage will be significantly enhanced.

In terms of the carbon market, the General Office of the CPC Central Committee and the General Office of the State Council issued the Opinions on Promoting Green and Low-Carbon Transition and Strengthening National Carbon Market Construction, which specify that by 2027, the carbon market will basically cover the major emitting industries in the industrial sector, and that by 2030, a market mechanism based on total quota control, combining free and paid allocation, will be basically established. Therefore, as the issuance of allowances continues to tighten and paid allocation is implemented, the compliance cost of carbon emissions per unit of coal-fired power is likely to increase.

In terms of the coal market, the national supply guarantee policy has shifted from “increasing production to ensure supply” to “stabilizing production to ensure supply”, with limited room for additional coal production in major coal-producing regions; imports of coal may decline year-on-year due to the impact of export policies from countries such as Indonesia. With ongoing industrial restructuring and green low-carbon transition, coal consumption for power generation is expected to remain largely stable year on year; in non-electricity industries, coal consumption in steel, building materials, and other sectors continues to be weak, while coal chemical industry consumption continues to grow. In 2026, the coal market is expected to exhibit characteristics of “generally balanced supply and demand and intensified price fluctuations”, with the spot price level similar to that of 2025. However, due to factors such as new energy and weather, the coal market may experience temporary mismatches, with more frequent and larger fluctuations in coal prices.

In terms of the financial market, in line with the spirit of the Central Economic Work Conference and the quarterly meeting of the Monetary Policy Committee of the People’s Bank of China, in 2026 it is necessary to adhere to the principle of seeking progress while maintaining stability and improving quality and efficiency, leverage the integrated effects of existing and new policies, strengthen counter-cyclical and cross-cyclical adjustments, and enhance macroeconomic governance effectiveness. Efforts should continue to implement a more proactive fiscal policy and a moderately accommodative monetary policy, strengthen coordination between monetary and fiscal policies, and promote stable economic growth.

## **E. PERFORMANCE OF SIGNIFICANT INVESTMENTS**

As at 31 December 2025, the Company held 1,190 million shares of Shenzhen Energy Co., Ltd., representing 25.02% of its equity interests. The investment has provided relatively stable investment returns for the Company.

## F. EMPLOYEE BENEFITS

As of 31 December 2025, the total number of employees of the Company and its subsidiaries, both domestically and overseas, was 56,104. The Company and its subsidiaries offer employees competitive remuneration and implement an incentive policy that links remuneration with performance. At present, the Company and its subsidiaries do not have any equity or stock option incentive plans.

The Company and its subsidiaries provide training programs in management, technology, and skills based on corporate development needs and job responsibilities, while also considering employees' individual characteristics, striving to enhance their overall competence.

## G. GUARANTEE FOR LOANS AND RESTRICTED ASSETS

As at 31 December 2025, the Company provided guarantees for bank loans of approximately RMB1,375 million to its domestic subsidiaries (31 December 2024: approximately RMB1,273 million).

As at 31 December 2025, the Company provided guarantees for long-term bonds of approximately RMB2,109 million to its overseas subsidiaries (31 December 2024: approximately RMB4,313 million).

As at 31 December 2025, long-term loans of approximately RMB77 million to the Company's subsidiaries were guaranteed by the Finance Department of Hubei Province (31 December 2024: approximately RMB84 million).

As at 31 December 2025, long-term loans of approximately RMB68 million to the Company's subsidiaries were guaranteed by Tangyin County Modern Agricultural Investment Co., Ltd. (31 December 2024: approximately RMB78 million).

As at 31 December 2025, long-term loans of approximately RMB4,505 million to the Company's overseas subsidiaries were guaranteed by Shandong Power, China Export & Credit Insurance Corporation and Jining Chengtou Holding Group Co., Ltd. ("**Jining Chengtou**") at liability ratios of 17.5%, 65.0% and 17.5% respectively (31 December 2024: approximately RMB5,635 million at the same respective liability ratios).

As at 31 December 2025, loans of approximately RMB97 million to the Company's subsidiaries were guaranteed by Shandong Power and Jining Chengtou at liability ratios of 50.0% and 50.0% respectively (31 December 2024: approximately RMB711 million at the same respective liability ratios).

Huaneng Group Fuel Co., Ltd. ("**Group Fuel Company**") once provided guarantees for the cargo ship financial leasing business between Shanghai Ruining Shipping Co., Ltd. ("**Ruining Shipping**") and ICBC Financial Leasing Co., Ltd. Huaneng Hainan Power Generation Co., Ltd. ("**Hainan Power**"), a subsidiary of the Company, provided counter-guarantees at 40%, equal to its shareholding proportion in Ruining Shipping. As at 31 December 2025, the counter-guarantee amount provided by Hainan Power to Group Fuel Company was RMB18 million (31 December 2024: RMB89 million).

As at 31 December 2025, the details of pledged and secured loans of the Company and its subsidiaries were as follows:

As at 31 December 2025, bank loans of approximately RMB458 million (31 December 2024: RMB47 million) represented short-term loans formed by discounting notes receivable with recourse. As these notes receivable had not yet matured, the proceeds received were recorded as short-term loans.

As at 31 December 2025, short-term loans of approximately RMB20 million were secured by future revenue right from the electricity business (31 December 2024: approximately RMB32 million).

As at 31 December 2025, long-term loans of RMB3,290 million were secured by certain property, plant and equipment with a net book value of approximately RMB4,644 million. Among these secured loans, approximately RMB129 million were additionally secured by future revenue right from electricity, and approximately RMB635 million were additionally secured by future revenue right from electricity and equity interests (31 December 2024: long-term loans of RMB3,051 million secured by property, plant and equipment with a net book value of approximately RMB4,875 million).

As at 31 December 2025, secured loans of RMB2,618 million were secured by certain construction in progress with a net book value of approximately RMB2,891 million, including approximately RMB1,898 million additionally secured by future electricity revenue rights and equity interests. (31 December 2024: secured loans of RMB2,756 million secured by construction in progress with a net book value of approximately RMB2,436 million, including approximately RMB1,444 million additionally secured by future electricity revenue rights and equity interests).

As at 31 December 2025, long-term loans of RMB8,082 million were secured by future revenue rights from electricity or heat business (31 December 2024: RMB5,060 million).

As at 31 December 2025, the Company and its subsidiaries had restricted bank deposits amounting to RMB1,410 million (31 December 2024: RMB1,331 million).

## **H. ACCOUNTING STANDARDS HAVING MATERIAL IMPACT ON THE COMPANY'S FINANCIAL STATEMENTS**

For the accounting standards that have a material impact on the Company's financial statements, please refer to Note 2 to the financial statements prepared in accordance with IFRS.

## **I. RISK FACTORS**

### **1. Electricity Industry and Market Risks**

With the continuous growth of renewable energy installed capacity, the overall electricity supply and demand is tending toward surplus, and the increase in renewable energy generation has significantly squeezed the space for thermal power, with some regions facing noticeable renewable energy curtailment pressure, leading to a continuous decline in coal-fired unit utilization hours. Renewable energy will fully enter market trading, and its marginal cost is lower than that of coal-fired power, which will exert some pressure on market prices. The spot market has basically achieved full coverage, competition is becoming more intense, and electricity prices are expected to trend downward, which may affect the Company's overall revenue.

The Company will actively track national and industry-related policies, proactively adapt to the development needs of the electricity market under the “dual carbon” goals, and comprehensively consider market factors such as system demand, locational value, price trends, and trading mechanisms to optimize investment regions and power source combinations, seeking to maximize economic benefits. The Company will accelerate the technological upgrade and transformation of coal-fired power units; strengthen its analysis of electricity supply and demand trends; and adjust pricing strategies in a timely manner to actively respond to market uncertainties. At the same time, the continuous improvement of ancillary services, capacity compensation, and price transmission mechanisms will provide a solid foundation for the Company’s stable operations and sustainable development.

## **2. Risks in the Fuel Procurement Market**

With the continuous growth of new energy installed capacity, our country’s electricity load exhibits increasingly prominent “winter and summer” dual-peak characteristics, and the seasonal fluctuation of thermal coal consumption is becoming more pronounced. At the same time, imported coal faces certain uncertainties due to Indonesia’s coal supply policies and international geopolitical factors, posing higher requirements for the Company to accurately assess the market and enhance its ability to capture market opportunities.

The Company will closely monitor changes in the coal market, implement national policy requirements, and fully leverage the role of long-term contracts as a “stabilizing ballast.” It will seize market opportunities to procure low-priced spot coal, closely track the international coal market situation to leverage imported coal in stabilizing prices, strengthen inventory management, leveraging strategies of storing more during the off-season and consuming more during the peak season, and adopt multiple measures to control coal procurement costs.

## **3. Carbon Market Risks**

The Company’s entire portfolio of thermal power plants has completed the 2024 compliance obligations under the national carbon market ahead of schedule. Although the allowance allocation scheme for 2025 has not yet been released, the Opinions on Promoting Green and Low-Carbon Transformation and Strengthening the Construction of the National Carbon Market issued by the General Office of the CPC Central Committee and the State Council have clarified that future allowance allocations will continue to tighten and be distributed on a paid basis, and that policy mechanisms such as carbon pledging and carbon buy-back will be established, gradually expanding market participants and enhancing carbon market vitality, with market prices expected to gradually rebound.

The Company will closely monitor the introduction of carbon market policies, timely optimize its carbon trading strategy, and strive to control compliance costs for its thermal power operations.

#### **4. Environmental Risks**

In line with the current state and demands of ecological civilization construction, the Company's environmental protection work not only focuses on end-of-pipe pollutant discharge compliance, but also delves into upstream issues such as energy structure optimization, resource-efficient and intensive utilization, ecological restoration and governance, and climate change mitigation, directly addressing core and systemic issues such as clean and efficient coal utilization, and the ecological footprint of new energy and coal mine construction and operation and other deep-rooted environmental challenges. The Company not only continues to consolidate and refine conventional pollution prevention and control measures for air, wastewater, and solid waste, but also focuses on tackling "new challenges" in deep energy conservation and carbon reduction, compliant water intake and usage, and systematic ecological governance and restoration, with targeted and prioritized efforts.

The Company strictly implements national environmental protection policies, ensuring that all its coal-fired power plants have achieved ultra-low emission operation. The Company continues to deepen the intensity, depth, and breadth of its environmental protection efforts, and with a cautious approach, scientifically selects advanced and applicable technological solutions. Efforts include improving water conservation and wastewater treatment capabilities, building coal yard enclosures, and enhancing comprehensive utilization of ash and slag, while actively identifying and effectively mitigating various types of environmental risks.

#### **5. Power Construction Risks**

In terms of power project construction, extreme weather, delays in completing preliminary project approval procedures, and the relatively long cycle for obtaining construction land may affect the progress of project development.

The Company will proactively address these risks and challenges, strengthen organizational coordination, mobilize the active participation of all project stakeholders, and enhance infrastructure management efficiency. The Company will ensure that projects progress in an orderly manner according to plan, thereby promoting high-quality development through high-quality project construction.

## **J. OTHER DISCLOSURE MATTERS**

In order to thoroughly implement the guiding principles of the 20th National Congress of the Communist Party of China and the Central Economic Work Conference, and to fully carry out the work arrangements of the State-owned Assets Supervision and Administration Commission (“SASAC”) of the State Council on improving the quality of listed companies controlled by central enterprises, the Company has actively responded to the Shanghai Stock Exchange’s initiative on the “Enhancing Quality and Efficiency with Better Returns” special campaign for companies listed on the SSE. The Company regards this initiative as a long-term mechanism for promoting high-quality development. The Company is committed to continuously enhancing its value creation capability, achieving strong performance through high-quality assets and prudent operations, and further enhancing its brand value.

The Company remains committed to serving national strategies and advancing the “dual carbon” goals, accelerating the pace of green transformation, focusing on enhancing core competitiveness, and continuously promoting the deep integration of technological innovation and industrial innovation. In 2025, the Company adhered to a green development path, accelerated the development of strategic emerging industries with a focus on new energy, and promoted the deep transformation of its thermal power business, resulting in significantly enhanced market competitiveness. During the year, the Company added 12,055 MW of newly controlled installed power generation capacity, including 7,862 MW of new energy capacity. As at 31 December 2025, the Company’s total controlled installed capacity reached 155,869 MW, including 45,687 MW of new energy capacity. The Company strengthened research on industry policies and market analysis, dynamically optimized its coal procurement strategies, and reinforced various cost control measures, driving operating performance to a new high. In 2025, net profit attributable to equity holders of the Company amounted to RMB14.537 billion, representing a year-on-year increase of 42.73%, and earnings per share were RMB0.75, representing an increase of RMB0.29 year-on-year. Going forward, the Company will continue to advance the transformation of its energy structure and support the development of a new-type power system.

The Company has actively responded to national policies aimed at strengthening the capital market development and enhancing investor returns, and regards cash dividends as an important approach to enhancing investment value and strengthening market value management. The Company strictly complies with its commitment under the Articles of Association that the dividend payout ratio shall not be less than 50%. Based on a comprehensive consideration of investor feedback and the Company’s long-term development, the profit distribution plan for 2025 has been formulated. As resolved by the Board, the Company proposes to distribute a cash dividend of RMB0.40 per share (tax inclusive) to all shareholders, representing a dividend payout ratio of 53.96%, which will be submitted to the 2025 annual general meeting of the Company for approval by the shareholders.

The Company attaches great importance to investor relations management and is committed to establishing a multi-dimensional investor communication system characterized by “broad coverage and deep interaction”, achieving effective coordination between results presentations and non-deal roadshows, actively expanding the breadth and depth of communication with investors, and effectively responding to market concerns. In 2025, the Company maintained its practice of holding four high-quality results presentations annually and actively participated in securities firms’ strategy conferences, effectively reaching hundreds of domestic and overseas institutional investors. Through high-quality information disclosure and effective market communication, the Company has built a solid bridge between its strategic development and investors’ market understanding, thereby promoting the long-term coordinated growth of its intrinsic value and market value.

In 2026, the Company will resolutely implement the requirements of the SASAC to incorporate market value management into its long-term strategy, and will continue to advance the “Enhancing Quality and Efficiency with Better Returns” initiative. By building a solid foundation of value through robust operational performance, mitigating risks through sound corporate governance, and conveying confidence through proactive investor engagement, the Company will showcase its development achievements through multiple channels and dimensions. The Company will strive to ensure that its market value more accurately and reasonably reflects its intrinsic value and growth potential, thereby creating sustained, stable and predictable long-term returns for investors.

## **STRUCTURE OF SHARE CAPITAL**

As at 31 December 2025, the total issued share capital of the Company amounted to 15,698,093,359 shares, of which 10,997,709,919 shares were domestic shares, representing 70.06% of the total issued share capital, and 4,700,383,440 shares were foreign shares, representing 29.94% of the total issued share capital. In respect of foreign shares, China Huaneng Group Co., Ltd. (“**Huaneng Group**”) through its wholly-owned subsidiaries, China Hua Neng Group Hong Kong Limited and China Huaneng Group Treasury Management (Hong Kong) Limited, held 472,000,000 and 131,596,000 shares, respectively, representing 3.01% and 0.84% of the total issued share capital of the Company. In respect of domestic shares, Huaneng International Power Development Corporation (“**HIPDC**”) held a total of 5,066,662,118 shares, representing 32.28% of the total issued share capital of the Company, while Huaneng Group held 1,555,124,549 shares, representing 9.91% of the total issued share capital of the Company, and through its concerted party, Huaneng Structural Adjustment No. 1 Securities Investment Private Fund held 31,994,199 shares, representing 0.20% of the total issued share capital of the Company. Other domestic shareholders held a total of 4,343,929,053 shares, representing 27.67% of the total issued share capital.

## **DIVIDENDS**

The Company has been paying dividends to shareholders since 1998, with a cumulative dividend payout amounting to RMB70.065 billion.

The Company's articles of association provided for its cash dividend policy, stating that the Company may pay cash dividends in any year when its earnings and accumulated undistributed profits are positive and its cash flows are sufficient for the normal conduct of business and sustainable development of the Company, provided that the profits to be distributed by the Company in cash shall, in principle, not be less than 50% of the distributable profits realized in that year as indicated in the consolidated financial statements.

In accordance with the requirements of relevant laws and regulations and the articles of association of the Company, the Company adheres to the profit distribution policy whereby the distributable profits shall be the lower of distributable profits as stated in the financial statements prepared under China Accounting Standards for Business Enterprises ("**PRC GAAP**") and the IFRS accounting standards.

The Company's dividend distribution proposal for 2025: a cash dividend of RMB0.40 (inclusive of tax) per share will be distributed to all shareholders. All dividends shall be paid subject to the approval of the shareholders at the annual general meeting. It is expected that the Company will pay the final dividend on or before 28 August 2026, after the distribution plan has been approved at the annual general meeting of the Company.

## **TAXATION ON RECEIPT OF THE PROPOSED 2025 FINAL DIVIDEND**

### **Non-Resident Individual Shareholders**

In accordance with the requirement under the Guo Shui Han [2011] No. 348 issued by the State Administration of Taxation of the People's Republic of China, the Company is obligated to withhold and pay individual income tax on dividends on behalf of the individual H Shareholders ("**Individual H Shareholders**"); and Individual H Shareholders are entitled to certain preferential tax treatments according to the tax treaty between the country in which the Individual H Shareholders reside and the PRC and the provisions in respect of the tax arrangements between Chinese mainland and Hong Kong (Macau). The Company shall withhold and pay individual income tax at the rate of 10% on behalf of the Individual H Shareholders (who are Hong Kong residents, Macau residents or residents of those countries having treaties with the PRC for an individual income tax rate on dividends of 10%). For Individual H Shareholders who are residents of those countries having treaties with the PRC for an individual income tax rate on dividends of less than 10%, the Company shall withhold and pay individual income tax on behalf of the individual pursuant to the relevant requirements under the Circular of the State Administration of Taxation in relation to Issuing the Administrative

Measures on Preferential Treatment Entitled by Non-resident Taxpayers under Tax Treaties (SAT Circular [2019] No.35) (《國家稅務總局關於發佈〈非居民納稅人享有協定待遇管理辦法〉的公告》(國家稅務總局公告2019年第35號)) (the “**Measures**”). For individual H Shareholders who are residents of those countries having treaties with the PRC for an individual income tax rate on dividends of more than 10% but less than 20%, the Company shall withhold and pay individual income tax at the actual tax rate under the treaties. For Individual H Shareholders who are residents of those countries which have not entered into any tax treaties with the PRC or have entered into treaties with the PRC for an individual income tax rate on dividends of 20% or under other circumstances, the Company shall withhold and pay individual income tax at the tax rate of 20%.

### **Non-resident Enterprise Shareholders**

In accordance with the “Enterprise Income Tax Law of China” and its implementation regulations which came into effect on 1 January 2008, the Company is required to withhold and pay enterprise income tax at the rate of 10% on behalf of the non-resident enterprise shareholders whose names appear on the register of members for H share of the Company when distributing 2025 final dividend to them. For H shares of the Company registered other than in the name(s) of individual(s), including HKSCC Nominees Limited, other nominees, trustees, or other organisations or groups, shall be deemed to be shares held by non-resident enterprise shareholder(s). On the basis, enterprise income tax shall be withheld from dividends payable to such shareholder(s).

The Company shall comply with the relevant rules and regulations to withhold and pay enterprise income tax on behalf of the relevant shareholders with reference to the register of members of the Company as of the record date.

### **Profit Appropriation for Investors of Northbound Trading**

For investors of The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”) (including enterprises and individuals) investing in the A shares of the Company listed on the Shanghai Stock Exchange (the “**Northbound Trading**”), their dividends will be distributed in RMB by the Company through China Securities Depository and Clearing Corporation Limited to the account of the nominee holding such Shares. The Company will withhold and pay income taxes at the rate of 10% on behalf of those investors and will report to the tax authorities for such withholding. For investors of Northbound Trading who are tax residents of other countries and whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of lower than 10%, those enterprises and individuals may, or may entrust a withholding agent to, apply to the competent tax authorities for the entitlement of the rate under such tax treaty. Upon approval by the tax authorities, the paid amount in excess of the tax payable based on the tax rate according to such tax treaty will be refunded. Those enterprises or individuals shall collect and retain the relevant materials for future reference according to the requirement of the Measures.

The record date and the date of appropriation of cash dividends and other arrangements for the investors of Northbound Trading will be the same as those for the holders of A Shares of the Company.

### **Profit Appropriation for Investors of Southbound Trading**

For investors of the Shanghai Stock Exchange and Shenzhen Stock Exchange (including enterprises and individuals) investing in the H Shares of the Company listed on Hong Kong Stock Exchange (the “**Southbound Trading**”), the Company has entered into the Agreement on Appropriation of Cash Dividends of H Shares for Southbound Trading (港股通H股股票現金紅利派發協議) with China Securities Depository and Clearing Corporation Limited, pursuant to which, China Securities Depository and Clearing Corporation Limited, as the nominee of the holders for Southbound Trading, will receive all cash dividends distributed by the Company and distribute the cash dividends to the relevant investors of Southbound Trading through its depository and clearing system. The cash dividends for the investors of Southbound Trading will be paid in RMB.

Pursuant to the Notice on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Connect (關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知) (Caishui [2014] No. 81) and the Notice of the Ministry of Finance, State Administration of Taxation and China Securities Regulatory Commission on the Tax Policies Related to the Pilot Program of the Shenzhen-Hong Kong Stock Connect (財政部、國家稅務總局、中國證監會關於深港股票市場交易互聯互通機制試點有關稅收政策的通知) (Caishui [2016] No. 127) for dividends received by domestic investors from investing in H shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect, the companies of such H shares shall withhold and pay individual income tax at the rate of 20% on behalf of the investors. For dividends received by domestic securities investment funds from investing in H shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect, the tax payable shall be the same as that for individual investors. The companies of such H shares will not withhold and pay the income tax of dividends for domestic enterprise investors and those domestic enterprise investors shall report and pay the relevant tax themselves.

The record date and the date of appropriation of cash dividends and other arrangements for the investors of Southbound Trading will be the same as those for the holders of H Shares of the Company.

As the Company is yet to confirm the date for convening the 2025 Annual General Meeting, the record date(s) and the period(s) for closure of register for determining the eligibility to attend and vote at the 2025 Annual General Meeting, as well as the entitlement to the final dividend, the Company will announce such details in the notice of the 2025 Annual General Meeting once confirmed. The notice is expected to be issued to shareholders in late April or May 2026.

## **PRE-EMPTIVE RIGHTS**

According to the articles of association of the Company and the laws of the PRC, there are no provisions for pre-emptive rights requiring the Company to offer new shares to the existing shareholders of the Company in proportion to their shareholdings.

## **LARGEST SUPPLIERS AND CUSTOMERS**

The five largest suppliers of the Company and its subsidiaries for 2025 were China Huaneng Group Co., Ltd., China National Petroleum Corporation, Power Construction Corporation of China, Huayang New Material Technology Group Co., Ltd., and China Energy Engineering Group Co., Ltd. respectively. The total purchase from them amounted to approximately RMB89.548 billion, representing approximately 48.69% of the total purchase of the year. The largest supplier was China Huaneng Group Co., Ltd., the purchase from which amounted to RMB63.314 billion, representing approximately 34.42% of the total purchase of the year.

As a domestic power producer, the Company sells the electricity generated by its power plants mainly through regional grid companies. The five largest customers of the Company and its subsidiaries for 2025 were State Grid Shandong Electric Power Company, State Grid Jiangsu Electric Power Co., Ltd., State Grid Zhejiang Electric Power Co., Ltd., State Grid Jiangxi Electric Power Co., Ltd. and Guangdong Power Grid Corporation. The total amount of sales of power to those five largest customers was approximately RMB87.464 billion, representing approximately 38.15% of the total sales of power for the year. The largest customer was State Grid Shandong Electric Power Company, and the amount of sale to it was RMB30.906 billion, representing approximately 13.48% of the total sales of power for the year.

Save as disclosed above, none of the directors (the “**Director(s)**”) and their respective close associates (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)) or any shareholders who, to the best knowledge of the Board, hold 5% or more of the Company’s issued share capital (excluding treasury shares), had any interest in the above five largest suppliers or customers during 2025.

## **BUSINESS COMPETITION WITH CONTROLLING SHAREHOLDER**

The ultimate controlling shareholder of the Company, Huaneng Group and its subsidiaries, are also engaged in the power industry in China. To avoid business competition, Huaneng Group and the Company have already entrusted mutually to manage electric power assets in some regions.

To support the business development of the Company, Huaneng Group has committed to avoid business competition during its initial public offerings at domestic and abroad. On 17 September 2010, the Company received an undertaking from Huaneng Group regarding further avoidance of business competition. On the premises of continuing the undertaking previously provided, Huaneng Group further undertook that: (1) it should treat the Company as the only platform for integrating the conventional energy business of Huaneng Group; (2) with respect to the conventional energy business assets of Huaneng Group located in Shandong Province, Huaneng Group undertook that it would take approximately 5 years to improve the profitability of such assets and when the terms become appropriate, it would inject those assets into the Company. The Company had a right of first refusal to acquire from Huaneng Group the newly developed, acquired or invested projects which are engaged in the conventional energy business of Huaneng Group located in Shandong Province; (3) with respect to the non-listed conventional energy business assets of Huaneng Group located in other provincial administrative regions, Huaneng Group undertook that it would take approximately five years, and upon such assets meeting the conditions for listing, to inject such assets into the Company, with a view to supporting the Company's continuous and stable development; and (4) Huaneng Group would continue to perform each of its undertakings to support the development of its listed subsidiaries.

On 28 June 2014, with a view to further clarify the scope of the relevant agreement and in line with the requirements under the “Regulatory Guidelines for Listed Companies No. 4 –Undertakings and Performance by Listed Companies and Listed Companies’ De Facto Controllers, Shareholders, Related Parties and Acquirers”, and taking into account the actual situation, Huaneng Group further enhanced the aforesaid non-compete undertaking as follows:

1. the Company would be the sole platform for integrating the conventional energy business of Huaneng Group;
2. with respect to the conventional energy business assets of Huaneng Group located in Shandong Province, Huaneng Group undertook that it would, by the end of 2016, inject into the Company such assets of which the profitability should have been improved and meet with the requirements for injecting into a listed company (such as those assets with clean titles, the injection of which should not reduce the earnings per share of Huaneng Power, of no material noncompliance issues, with positive effect on preservation of and value appreciation of state owned assets, and waiver of pre-emptive rights being obtained from other shareholders of the assets), in addition, the Company should have the right of first refusal to acquire from Huaneng Group the newly developed, acquired or invested projects as engaged in the conventional energy business of Huaneng Group located in Shandong Province;

3. with respect to the other non-listed conventional energy business assets of Huaneng Group located in other provincial administrative regions, Huaneng Group undertook that it would, by the end of 2016, inject into the Company such assets of which the profitability should have been improved and meet with the requirements for injecting into a listed company (such as those assets with clear titles, the injection of which should not reduce the earnings per share of Huaneng Power, of no material non-compliance issues, with positive effect on preservation of and value appreciation of state owned assets, and waiver of pre-emptive rights being obtained from other shareholders of the assets), so as to support a sustainable and stable development of the Company;
4. Huaneng Group would continue to perform each of its aforesaid undertakings in order to support the development of its subordinated listed companies.

The undertakings in items (1) and (4) above are long-term commitments and are currently being performed. The undertakings in items (2) and (3) were time-limited and conditional commitments, which have already been fulfilled.

Currently, the Company has 18 Directors, 5 of whom hold positions in Huaneng Group. According to the articles of association of the Company, in case a conflict of interest arises, the relevant Directors shall abstain from voting on the relevant resolutions. Therefore, the Company operates independently of Huaneng Group and conducts its business in its own interests.

## **PURCHASE, SALE OR REDEMPTION OF SHARES OF THE COMPANY**

The Company and its subsidiaries did not sell, purchase or redeem any shares or other listed securities (including sale of treasury shares) of the Company in 2025. As of 31 December 2025 and during the reporting period, the Company did not hold any treasury shares.

## **DIRECTORS OF THE COMPANY**

The Directors who were in office during the year were as follows:

<b>Name of Director</b>	<b>Position</b>	<b>Date of appointment</b>
Wang Kui	Chairman, executive Director	29 August 2023
Liu Ancang	Executive Director, President	23 September 2025
Du Daming	Non-executive Director	5 December 2023
Zhou Yi	Non-executive Director	5 December 2023
Li Lailong	Non-executive Director	5 December 2023
Li Jin	Non-executive Director	24 June 2025
Cao Xin	Non-executive Director	5 December 2023
Gao Guoqin	Non-executive Director	24 June 2025
Ding Xuchun	Non-executive Director	5 December 2023
Wang Jianfeng	Non-executive Director	5 December 2023

<b>Name of Director</b>	<b>Position</b>	<b>Date of appointment</b>
Kou Yaozhou	Non-executive Director	23 December 2025
Xia Qing	Independent non-executive Director	16 June 2020
He Qiang	Independent non-executive Director	5 December 2023
Zhang Liying	Independent non-executive Director	5 December 2023
Zhang Shouwen	Independent non-executive Director	5 December 2023
Dang Ying	Independent non-executive Director	5 December 2023
Zhang Xianchong	Independent non-executive Director	23 December 2025
Wang Yu	Employee Representative Director	26 January 2026

<b>Name of Director Ceasing to Hold Office</b>	<b>Position</b>	<b>Date of appointment</b>
Wang Zhijie	Vice Chairman, executive Director	5 December 2023
Huang Lixin	Executive Director, President, Chief Accountant	5 December 2023
Li Haifeng	Non-Executive Director	22 December 2020

## **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

On 28 October 2025, the Company's Board considered and approved the Amended Management Guidelines Regarding the Holding of the Company's Shares by the Directors and Senior Management of Huaneng Power International, Inc. ("**Management Guidelines**") The standards set out in these guidelines are not less exacting than those set out in the Model Code for Securities Transactions by Directors of Listed Issuers ("**Model Code**"), as set out in Appendix C3 to the Listing Rules. Enquiries have been made with all Directors and each has confirmed compliance with both the Management Guidelines and the Model Code throughout 2025.

## **DIRECTORS' AND CHIEF EXECUTIVES' RIGHT TO PURCHASE SHARES**

For the year ended 31 December 2025, none of the Directors and Chief Executive of the Company or their respective associates had any interests in the shares of the Company or any associated corporations (within the meaning of the Securities and Futures Ordinance ("**SFO**")) which are (a) required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO; or (b) required to be recorded in the register kept by the Company pursuant to Section 352 of the SFO; (c) required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

For the year ended 31 December 2025, none of the Directors, Chief Executive, senior management of the Company or their spouses and children under the age of 18 was given the right to acquire any shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of the SFO).

## **DIRECTORS' INTEREST IN CONTRACTS AND SERVICE CONTRACTS**

Save for the service contracts mentioned below, as at the end of 2025, the Directors of the Company did not have any material interests in any contracts entered into by the Company.

No Director has entered into any service contract which is not terminable by the Company within one year without payment of compensation (other than statutory compensation).

Each Director of the Company have entered into a service contract with the Company for a term of three years, commencing from the signing of the contract.

## **INDEPENDENT NON-EXECUTIVE DIRECTORS' CONFIRMATION OF INDEPENDENCE**

Each of the independent non-executive Directors of the Company, namely Mr. Xia Qing, Mr. He Qiang, Ms. Zhang Liying, Mr. Zhang Shouwen, Ms. Dang Ying and Mr. Zhang Xianchong has signed a confirmation of independence as an independent non-executive Director for 2025 on 24 March 2026. The Company considers them to be independent.

## **PUBLIC FLOAT**

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

## **SHAREHOLDINGS OF MAJOR SHAREHOLDERS**

The following table sets out the shareholdings of the top ten shareholders of the Company as at 31 December 2025:

<b>Name of shareholder</b>	<b>Number of shares held as of 31 December 2025</b>	<b>Percentage of shareholding (%)</b>
Huaneng International Power Development Corporation	5,066,662,118	32.28%
HKSCC Nominees Limited	4,203,745,830	26.78%
China Huaneng Group Co., Ltd.	1,555,124,549	9.91%
Hebei Construction & Investment Group Co., Ltd.	493,316,146	3.14%

Name of shareholder	Number of shares held as of 31 December 2025	Percentage of shareholding (%)
China Hua Neng Group Hong Kong Limited	472,000,000	3.01%
China Securities Finance Corporation Limited	466,953,720	2.97%
Dalian State-owned Capital Management and Operation Co., Ltd.	265,500,000	1.69%
Jiangsu Guoxin Investment Group Limited	258,452,600	1.65%
Liaoning Energy Investment (Group) Limited	244,205,000	1.56%
Hong Kong Securities Clearing Limited	149,294,613	0.95%

## REMUNERATION POLICY

The Company continuously improves its remuneration and distribution system and has formulated a series of remuneration management policies in alignment with its overall strategy. Employees' salaries are determined based on the principles of "position-based compensation, performance-based remuneration, efficiency first, and emphasis on fairness" and are linked to both the Company's business performance and individual achievements, creating a scientific and effective incentive and restraint mechanism. The remuneration of Directors and senior management receiving compensation from the Company primarily consists of the following components:

### (1) Salaries and allowances

The basic salary, primarily determined through a job position evaluation and factor analysis, with reference to the salary levels of comparable positions in the labor market, accounts for approximately 24% of the total remuneration.

### (2) Discretionary bonus

Discretionary bonuses, which are primarily determined based on the Company's operating results and the performance of Directors and senior management, account for approximately 59% of the total remuneration.

### (3) Payments on pension, etc.

Contributions to various pension schemes such as endowment insurance, corporate annuity and housing fund established by the Company for the Directors and senior management, account for about 17% of the total remuneration.

According to the resolution passed at a general meeting, the Company paid each independent non-executive Director a subsidy of RMB0.3 million (inclusive of tax) in 2025. Reasonable expenses, including travel and office expenses, incurred by the independent non-executive Directors in attending board meetings and general meetings and in performing their duties under the Company Law and the Company's Articles of Association, will be reimbursed by the Company. No other benefits are provided to the independent non-executive Directors.

For the year ended 31 December 2025, the remuneration of the members of the senior management of the Company, by band, is set out below:

<b>Range of Remuneration</b>	<b>Person(s)</b>
RMB2.01 million to 3.00 million	0
RMB1.01 million to 2.00 million	2
RMB0 to 1.00 million	3

## **STAFF HOUSING**

According to the relevant regulations of the State and local governments, the Company established a housing fund for the employees of the subsidiaries of the Company.

## **STAFF MEDICAL INSURANCE SCHEME**

In accordance with the requirements set by the State and local governments, the Company and its subsidiaries have enrolled their employees in medical insurance schemes.

## **RETIREMENT SCHEMES**

The Company and its subsidiaries have implemented defined retirement contribution plans in accordance with relevant requirements of the State and local governments.

Pursuant to the defined retirement contribution plans, the Company and its subsidiaries have made contributions in line with the terms and obligations set out in the publicly administered retirement plans. The Company has no other obligations to pay further contributions after paying the prescribed contributions. Contributions payable during the year are recorded as expenses or capital expenditures, and are accounted for as labor cost.

During the financial year ended 31 December 2025, there were no forfeited contributions to the retirement schemes that the Company could utilise to reduce the contributions payable in future years. Accordingly, no forfeited contributions were utilised during the financial year and no forfeited contributions were available as at 31 December 2025 to reduce the level of future contributions to be made by the Company to the retirement plans.

## **GENERAL MEETINGS**

During the reporting period, the Company convened one annual general meeting and two extraordinary general meetings.

1. The Company's 2024 annual general meeting was held on 24 June 2025. The resolutions passed at the meeting were published in China Securities Journal and Shanghai Securities News on 25 June 2025.
2. The Company's 2025 first extraordinary general meeting, the 2025 first A share class meeting and the 2025 first H share class meeting were held on 23 September 2025. The resolutions passed at these meetings were published in China Securities Journal and Shanghai Securities News on 24 September 2025.
3. The Company's 2025 second extraordinary general meeting was held on 23 December 2025. The resolutions passed at the meeting were published in China Securities Journal and Shanghai Securities News on 24 December 2025.

## **CHANGES IN INFORMATION OF DIRECTORS AND SENIOR MANAGEMENT DURING THE REPORTING PERIOD**

1. On 28 April 2025, Mr. Wang Zhijie, Vice Chairman of the Board, and Mr. Li Haifeng, a Director, submitted their resignation letters to the Board, resigning from their positions as Directors and from their roles on the relevant Board committees. At the 2024 annual general meeting of the Company held on 24 June 2025, Mr. Li Jin and Mr. Gao Guoqin were appointed as Directors of the Company and members of the relevant Board committees. For details, please refer to the Company's announcements dated 29 April 2025 and 25 June 2025.
2. On 10 July 2025, the 13th meeting of the eleventh session of the Board of the Company considered and unanimously approved the Resolution on the Appointment of the Chief Accountant of the Company, pursuant to which Mr. Wen Minggang was appointed as the Chief Accountant of the Company.
3. On 29 July 2025, Mr. Huang Lixin, a Director and the President, submitted his resignation letter to the Board, resigning from his positions as Director, President and from his roles on the relevant Board committees. At the 14th meeting of the eleventh session of the Board held on 29 July 2025, Mr. Liu Ancang was appointed as the President of the Company. At the first extraordinary general meeting of the Company held on 23 September 2025, Mr. Liu Ancang was appointed as a Director of the Company and a member of the relevant Board committees. For details, please refer to the Company's announcements dated 30 July 2025 and 24 September 2025.

4. On 28 October 2025, the 15th meeting of the eleventh session of the Board of the Company considered and unanimously approved the Resolution on the Appointment of the General Counsel and Chief Compliance Officer of the Company, pursuant to which Mr. Qin Haifeng was appointed as the General Counsel and Chief Compliance Officer of the Company.
5. At the second extraordinary general meeting of the Company held on 23 December 2025, Ms. Kou Yaozhou was appointed as a Director of the Company and Mr. Zhang Xianchong was appointed as an independent Non-executive Director of the Company. For details, please refer to the Company's announcement dated 24 December 2025.
6. The Company convened the employee representative assembly, at which Mr. Wang Yu was elected as an employee representative Director of the Company. For details, please refer to the Company's announcement dated 27 January 2026.
7. On 11 February 2026, the 16th meeting of the eleventh session of the Board of the Company considered and unanimously approved the Resolution on the Appointment of a Vice President of the Company, pursuant to which Mr. Lu Xin was appointed as a Vice President of the Company. The Board also considered and unanimously approved the Resolution on the Change of the Secretary to the Board of the Company, pursuant to which Mr. Wen Minggang was appointed as the Secretary to the Board of the Company. Mr. Huang Chaoquan ceased to serve as a Vice President and the Secretary to the Board of the Company due to age.
8. On 24 March 2026, the eighteenth meeting of the eleventh session of the Board of the Company considered and unanimously approved the resolution in relation to the appointment of the Company Secretary and the Authorised Representative, and resolved to appoint Mr. Wen Minggang as the Company Secretary and an Authorised Representative of the Company.

## **MAJOR EVENTS**

The Company actively leveraged its role as a listed company to broaden financing channels and explore diversified financing opportunities. On 30 June, the Company obtained approval from the regulatory authorities to publicly issue corporate bonds with an aggregate principal amount of not more than RMB40 billion to professional investors on the Shanghai Stock Exchange within 24 months. To date, the Company has successfully issued six tranches of technology innovation perpetual corporate bonds with an aggregate amount of RMB12.5 billion and 1 tranche of technology innovation corporate bonds with an aggregate amount of RMB2.5 billion. This has not only enriched the Company's bond financing instruments but also marked the Company's entry into the "technology sector" of the bond market. The issuance costs reached the most favourable levels for the same period, further optimizing the Company's financing structure.

## **CORPORATE GOVERNANCE CODE**

During the reporting period, the Company complied with all the code provisions contained in the second part of Appendix C1 to the Listing Rules.

Details of the “Corporate Governance Report”, prepared in accordance with the Listing Rules, will be included in the Company’s annual report.

## **DESIGNATED DEPOSIT**

As at 31 December 2025, the Company and its subsidiaries did not have any entrusted deposit placed with any financial institutions within the PRC nor did they any overdue time deposit which could not be recovered.

## **POVERTY ALLEVIATION EXPENDITURE**

In 2025, the expenditure on targeted poverty alleviation in the PRC, in the name of the Company, totaled RMB16.171 million.

## **LEGAL PROCEEDINGS**

As at 31 December 2025, neither the Company nor its subsidiaries were involved in any material litigation or arbitration, nor were there any material litigation or claims pending, threatened, or made against them.

## **ANNUAL GENERAL MEETING AND CLOSURE OF REGISTER**

As the Company has yet to confirm the date of the 2025 annual general meeting, the record date(s) for determining the eligibility to attend and vote at the 2025 annual general meeting, entitlement to the final dividend and the period(s) for closure of register, the Company will announce such details in the notice of the 2025 annual general meeting once confirmed. The notice is expected to be issued to shareholders by the end of April or in May 2026.

## **AUDITORS**

As approved at the 2024 first extraordinary general meeting of the Company, the Company resolved to change its annual auditors upon the expiry of the service terms of Ernst & Young Hua Ming LLP and Ernst & Young as the Company’s domestic and overseas auditors, respectively. Ernst & Young Hua Ming LLP and Ernst & Young have confirmed that there are no matters in connection with the change of auditors that need to be brought to the attention of the Board, shareholders or creditors of the Company, and that there are no disagreements or outstanding matters between them and the Company.

As approved at the 2024 first extraordinary general meeting, BDO China Shu Lun Pan Certified Public Accountants LLP was appointed as the Company's domestic auditor for 2025, and BDO Limited was appointed as the Hong Kong auditor of the Company for 2025.

## **PUBLICATION OF RESULTS ON THE WEBSITES OF THE HONG KONG STOCK EXCHANGE AND THE COMPANY**

This announcement of 2025 annual results of the Company is published on the Hong Kong Stock Exchange's website (<http://www.hkex.com.hk>) and the Company's website (<http://www.hpi.com.cn>). The 2025 annual report of the Company, containing all information required by the Listing Rules, will be made available on the above websites in due course.

## **REQUIREMENTS UNDER THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE**

In 2025, in accordance with the requirements under the Environmental, Social and Governance Reporting Code of the Hong Kong Stock Exchange, the Company has completed the preparation of the 2025 Environmental, Social and Governance Report on schedule and to a high standard. The report will be published in April 2026, together with the 2025 Annual Report, on the Company's website, the Hong Kong Stock Exchange website, and the Shanghai Stock Exchange website.

The Company has completed the preparation and disclosure of ESG reports with high quality for ten consecutive years. The Company's ESG practices were selected for inclusion in the "Blue Book on Environmental, Social and Corporate Governance (ESG) of Listed Companies of Central Enterprises" issued by the State-owned Assets Supervision and Administration Commission of the State Council. The Company was also honoured with a number of awards by mainstream media including China Media Group and Banyue Tan Magazine, such as the "Top 100 Pioneer List of Central State-owned Enterprise ESG Listed Companies in China", the "Top 100 Pioneer List of ESG Listed Companies in China", and the "Outstanding ESG Achievements of Enterprises". In addition, the Company received recognitions from industry associations including the China Association for Public Companies and the China Hydropower Quality Management Association, such as the "Best Practice Case for Sustainable Development" and the "First-class Typical ESG Case", fully demonstrating the Company's leading role in ESG practices.

## COMPANY PUBLICATIONS

The Company's 2025 interim report (A share version and H share version) was published in August 2025 and the 2025 annual report (A share version and H share version) will be published in April 2026. The Company shall, in compliance of the relevant regulations of the Shanghai Stock Exchange, prepare quarterly reports. Copies of the interim and annual reports will be made available at:

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

Tel: (8610) 6322 6999

Fax: (8610) 6322 6888

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

Tel: (852) 2851 1038

Fax: (852) 2815 1352

The Company's website: <http://www.hpi.com.cn>

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

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

Wang Kui ( <i>Executive Director</i> )	Xia Qing ( <i>Independent Non-executive Director</i> )
Liu Ancang ( <i>Executive Director</i> )	He Qiang ( <i>Independent Non-executive Director</i> )
Du Daming ( <i>Non-executive Director</i> )	Zhang Liying ( <i>Independent Non-executive Director</i> )
Zhou Yi ( <i>Non-executive Director</i> )	Zhang Shouwen ( <i>Independent Non-executive Director</i> )
Li Lailong ( <i>Non-executive Director</i> )	Dang Ying ( <i>Independent Non-executive Director</i> )
Li Jin ( <i>Non-executive Director</i> )	Zhang Xianchong ( <i>Independent Non-executive Director</i> )
Cao Xin ( <i>Non-executive Director</i> )	Wang Yu ( <i>Employee Representative Director</i> )
Gao Guoqin ( <i>Non-executive Director</i> )	
Ding Xuchun ( <i>Non-executive Director</i> )	
Wang Jianfeng ( <i>Non-executive Director</i> )	
Kou Yaozhou ( <i>Non-executive Director</i> )	

Beijing, the PRC

25 March 2026

**A. FINANCIAL INFORMATION EXTRACTED FROM FINANCIAL STATEMENTS PREPARED UNDER INTERNATIONAL FINANCIAL REPORTING STANDARD (“IFRS”) ACCOUNTING STANDARDS**

**Consolidated Statement of Profit or Loss and Other Comprehensive Income**

*For the year ended 31 December 2025*

*(Prepared in accordance with IFRS Accounting Standards)*

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

	Notes	For the year ended 31 December	
		2025	2024
<b>Operating revenue</b>	3	<b>229,288,058</b>	245,550,923
Tax and levies on operations		(2,759,240)	(2,008,686)
<b>Operating expenses, net</b>			
Fuel		(119,666,447)	(142,115,478)
Maintenance		(5,470,456)	(5,056,136)
Depreciation	12	(27,791,279)	(26,301,768)
Labour		(19,625,223)	(18,649,680)
Purchase of electricity		(7,424,882)	(9,070,030)
Provision for impairment losses on financial and contract assets		(110,599)	(20,219)
Others, net	12	(17,318,517)	(18,331,413)
Total operating expenses		<b>(197,407,403)</b>	(219,544,724)
<b>Profit from operations</b>		<b>29,121,415</b>	23,997,513

		<b>For the year ended 31 December</b>	
	<i>Notes</i>	<u>2025</u>	<u>2024</u>
Interest income		<b>354,584</b>	605,919
<b>Financial expenses, net</b>			
Interest expense	<i>12</i>	<b>(7,075,104)</b>	(7,786,460)
Exchange loss and bank charges, net		<b>(33,575)</b>	(260,237)
Total financial expenses, net		<b><u>(7,108,679)</u></b>	<b><u>(8,046,697)</u></b>
Share of profits less losses of associates and joint ventures		<b>1,149,868</b>	1,259,904
Other investment gain	<i>12</i>	<b>16,016</b>	4,647
<b>Profit before income tax expense</b>	<i>12</i>	<b>23,533,204</b>	17,821,286
Income tax expense	<i>4</i>	<b>(4,003,179)</b>	(3,815,093)
<b>Net profit</b>		<b><u>19,530,025</u></b>	<b><u>14,006,193</u></b>

	<b>For the year ended</b>	
	<b>31 December</b>	
	<u>2025</u>	<u>2024</u>
<b>Other comprehensive (loss)/income, net of tax</b>		
<i>Items that will not be reclassified to profit or loss in subsequent periods:</i>		
Fair value changes of other equity instrument investments	<b>(109,055)</b>	(53,003)
Share of other comprehensive income/ (losses) of joint ventures and associates	<b>33,452</b>	(56,274)
Income tax effect	<b>27,264</b>	13,251
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Share of other comprehensive (losses)/ income of joint ventures and associates	<b>(3,958)</b>	10,530
Cash flow hedges:		
Effective portion of changes in fair value of hedging instruments	<b>(948,222)</b>	378,996
Reclassification adjustments for gains/(losses) included in profit or loss	<b>270,183</b>	(101,943)
Exchange differences on translation of foreign operations	<b>181,441</b>	4,268
Income tax effect	<b>115,267</b>	(47,099)
<b>Other comprehensive (loss)/income, net of tax</b>	<b><u>(433,628)</u></b>	<u>148,726</u>
<b>Total comprehensive income</b>	<b><u><u>19,096,397</u></u></b>	<b><u><u>14,154,919</u></u></b>

	<b>For the year ended 31 December</b>	
<i>Notes</i>	<u>2025</u>	<u>2024</u>
<b>Net profit attributable to:</b>		
– Equity holders of the Company	<b>14,536,770</b>	10,184,633
– Non-controlling interests	<b>4,993,255</b>	3,821,560
	<b><u>19,530,025</u></b>	<b><u>14,006,193</u></b>
<b>Total comprehensive income attributable to:</b>		
– Equity holders of the Company	<b>14,250,991</b>	10,233,398
– Non-controlling interests	<b>4,845,406</b>	3,921,521
	<b><u>19,096,397</u></b>	<b><u>14,154,919</u></b>
<b><i>Earnings per share attributable to the shareholders of the Company (expressed in RMB per share)</i></b>		
– Basic and diluted	<i>13</i> <b><u>0.75</u></b>	<b><u>0.46</u></b>

## Consolidated Statement of Financial Position

As at 31 December 2025

(Prepared in accordance with IFRS Accounting Standards)

(Amounts expressed in thousands of RMB)

	Notes	As at 31 December	
		2025	2024
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		427,238,716	402,936,461
Right-of-use assets		28,062,656	24,682,142
Investments in associates and joint ventures		25,417,483	24,672,883
Investment properties		844,745	591,512
Other equity instrument investments		481,760	589,920
Power generation license		4,377,797	4,267,763
Mining rights		1,609,115	1,609,115
Deferred income tax assets		2,496,673	3,155,100
Derivative financial assets		6,678	38,105
Goodwill		14,650,354	14,389,046
Other non-current assets	5	23,022,709	22,345,178
<b>Total non-current assets</b>		<b>528,208,686</b>	<b>499,277,225</b>
<b>Current assets</b>			
Inventories		11,003,718	13,444,394
Other receivables and assets		13,692,859	14,546,074
Accounts and notes receivables	6	47,239,242	48,073,224
Contract assets		57,473	47,863
Derivative financial assets		20,552	256,065
Bank balances and cash		19,455,513	19,932,035
<b>Total current assets</b>		<b>91,469,357</b>	<b>96,299,655</b>
<b>Total assets</b>		<b>619,678,043</b>	<b>595,576,880</b>

		<b>As at 31 December</b>	
	<i>Notes</i>	<u>2025</u>	<u>2024</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders of the Company</b>			
Share capital		<b>15,698,093</b>	15,698,093
Other equity instruments	<i>10</i>	<b>77,538,362</b>	80,170,696
Capital surplus		<b>23,254,811</b>	23,710,857
Surplus reserves		<b>8,140,030</b>	8,140,030
Reserve funds		<b>1,167,034</b>	771,124
Currency translation differences		<b>(136,451)</b>	(457,669)
Retained earnings		<b>22,890,395</b>	15,761,198
		<b>148,552,274</b>	143,794,329
<b>Non-controlling interests</b>		<b>70,985,522</b>	66,784,717
<b>Total equity</b>		<b>219,537,796</b>	210,579,046
<b>Non-current liabilities</b>			
Long-term loans		<b>157,066,582</b>	151,827,548
Long-term bonds	<i>8</i>	<b>49,969,166</b>	37,248,235
Lease liabilities		<b>8,839,438</b>	7,429,666
Deferred income tax liabilities		<b>2,650,742</b>	3,010,015
Derivative financial liabilities		<b>387,029</b>	271,621
Other non-current liabilities		<b>6,446,025</b>	6,472,682
<b>Total non-current liabilities</b>		<b>225,358,982</b>	206,259,767

		<b>As at 31 December</b>	
	<i>Notes</i>	<u>2025</u>	<u>2024</u>
<b>Current liabilities</b>			
Accounts payable and other liabilities	9	<b>61,903,244</b>	62,033,482
Contract liabilities		<b>3,726,286</b>	3,528,664
Taxes payable		<b>2,761,307</b>	2,235,283
Dividends payable		<b>353,205</b>	428,446
Derivative financial liabilities		<b>594,100</b>	176,614
Short-term bonds		<b>11,530,532</b>	8,017,110
Short-term loans		<b>61,931,729</b>	61,165,908
Current portion of long-term loans		<b>29,320,309</b>	31,950,932
Current portion of long-term bonds	8	<b>2,005,398</b>	8,447,643
Current portion of lease liabilities		<b>646,756</b>	670,924
Current portion of other non-current liabilities		<b>8,399</b>	83,061
<b>Total current liabilities</b>		<b><u>174,781,265</u></b>	<u>178,738,067</u>
<b>Total liabilities</b>		<b><u>400,140,247</u></b>	<u>384,997,834</u>
<b>Total equity and liabilities</b>		<b><u>619,678,043</u></b>	<u>595,576,880</u>

# NOTES TO THE FINANCIAL INFORMATION EXTRACTED FROM FINANCIAL STATEMENTS PREPARED UNDER IFRS ACCOUNTING STANDARDS

*(Amounts expressed in thousands of RMB unless otherwise stated)*

## 1. Basis of preparation

These financial statements have been prepared in accordance with IFRS accounting standards as issued by the International Accounting Standards Board (the “IASB”) and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited. These financial statements have been prepared under the historical cost convention, except for financial assets at fair value through other comprehensive income, financial assets at fair value through profit or loss and derivative financial assets and liabilities.

As at 31 December 2025, the Group had net current liabilities of approximately RMB83,312 million. Taking into consideration the unutilised banking facilities exceeding approximately RMB430.0 billion as at 31 December 2025, the Group is expected to refinance certain of its short-term loans and bonds and also to consider alternative sources of financing, where applicable and when needed. Therefore, the directors of the Company are of the opinion that the Group will be able to meet its liabilities as and when they fall due within the next twelve months and accordingly, these consolidated financial statements are prepared on a going concern basis.

## 2. Material accounting policies

### *Changes in accounting policies*

The Group has adopted the following revised IFRS accounting standards for the first time for the current year’s consolidated financial statements.

Amendments to IAS 21

*Lack of Exchangeability*

The nature and the impact of the revised IFRS accounting standards that are applicable to the Group are described below:

(i) *Amendments to IAS 21 Lack of Exchangeability*

Amendments to IAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. Earlier application is permitted. When applying the amendments, an entity cannot restate comparative information. Any cumulative effect of initially applying the amendments shall be recognised as an adjustment to the opening balance of retained profits or to the cumulative amount of translation differences accumulated in a separate component of equity, where appropriate, at the date of initial application. The amendments did not have any material impact on the Group's consolidated financial statements.

### 3. Revenue and segment information

(a) *Disaggregation of revenue*

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

For the year ended 31 December 2025	PRC power segment	Overseas power segment <i>Note 1</i>	All other segments	Inter- segment revenue	Total
– Sales of power and heat	202,437,921	18,523,422	–	–	220,961,343
– Sales of coal ash, coal and raw materials	557,853	4,452	–	–	562,305
– Port service	–	–	738,972	(520,832)	218,140
– Transportation service	–	–	229,968	(124,889)	105,079
– Lease income	98,392	1,137,892	–	–	1,236,284
– Others	2,978,375	3,220,024	7,029	(521)	6,204,907
Total	<u>206,072,541</u>	<u>22,885,790</u>	<u>975,969</u>	<u>(646,242)</u>	<u>229,288,058</u>

Revenue:

– From contracts with customers within the scope of IFRS 15	228,051,774
– From other sources	1,236,284

	PRC power segment	Overseas power segment	All other segments	Inter- segment revenue	Total
		<i>Note 1</i>			
<b>For the year ended</b>					
<b>31 December 2024</b>					
– Sales of power and heat	216,074,348	21,479,550	–	–	237,553,898
– Sales of coal ash, coal and raw materials	1,391,546	3,136	–	–	1,394,682
– Port service	–	–	736,370	(519,439)	216,931
– Transportation service	–	–	216,500	(144,321)	72,179
– Lease income	77,615	1,334,092	–	–	1,411,707
– Others	2,489,244	2,401,171	33,502	(22,391)	4,901,526
Total	<u>220,032,753</u>	<u>25,217,949</u>	<u>986,372</u>	<u>(686,151)</u>	<u>245,550,923</u>

Revenue:

– From contracts with customers within the scope of IFRS 15	244,139,216
– From other sources	1,411,707

*Note 1:* The overseas power segment mainly consists of the operations in Singapore and Pakistan.

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

*(b) Segment information*

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

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

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

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

*(Under PRC GAAP)*

	<u>PRC power segment</u>	<u>Overseas power segment</u>	<u>All other segments</u>	<u>Total</u>
<b>For the year ended</b>				
<b>31 December 2025</b>				
Total revenue	206,072,541	22,885,790	975,969	229,934,300
Intersegment revenue	–	–	(646,242)	(646,242)
External revenue	<u>206,072,541</u>	<u>22,885,790</u>	<u>329,727</u>	<u>229,288,058</u>
Segment results	<u>20,312,465</u>	<u>2,971,496</u>	<u>397,323</u>	<u>23,681,284</u>
Interest income	150,013	203,432	1,139	354,584
Interest expense	(6,183,413)	(821,864)	(69,827)	(7,075,104)
Impairment loss of property, plant and equipment	(1,949,343)	–	–	(1,949,343)
Impairment loss of other non-current assets	(34,815)	–	–	(34,815)
Recognition of provision for inventory obsolescence	(33,543)	573	–	(32,970)
Provision for/(reversal of) impairment loss on financial and contract assets	(129,988)	19,389	–	(110,599)
Depreciation and amortisation	(26,417,049)	(829,624)	(269,552)	(27,516,225)
Net (loss)/gain on disposal of non-current assets	(68,334)	22,713	18	(45,603)
Share of profits less losses of associates and joint ventures	688,850	–	318,815	1,007,665
Income tax expense	<u>(3,727,102)</u>	<u>(397,894)</u>	<u>(13,884)</u>	<u>(4,138,880)</u>

	PRC power segment	Overseas power segment	All other segments	Total
<b>For the year ended</b>				
<b>31 December 2024</b>				
Total revenue	220,032,753	25,217,949	986,372	246,237,074
Intersegment revenue	–	–	(686,151)	(686,151)
External revenue	<u>220,032,753</u>	<u>25,217,949</u>	<u>300,221</u>	<u>245,550,923</u>
Segment results	<u>14,119,298</u>	<u>3,657,056</u>	<u>377,483</u>	<u>18,153,837</u>
Interest income	198,389	403,129	4,401	605,919
Interest expense	(6,743,867)	(952,217)	(90,376)	(7,786,460)
Impairment loss of property, plant and equipment	(1,531,373)	(79,347)	–	(1,610,720)
Impairment loss of other non-current assets	(60,344)	–	–	(60,344)
Recognition of provision for inventory obsolescence	(36,912)	(6,164)	–	(43,076)
Reversal of/(provision for) impairment loss on financial and contract assets	28,423	24,584	(39,226)	13,781
Depreciation and amortisation	(24,810,209)	(742,928)	(284,218)	(25,837,355)
Net loss on disposal of non-current assets	(584,141)	(1,446)	(23)	(585,610)
Share of profits less losses of associates and joint ventures	755,079	–	299,524	1,054,603
Income tax expense	<u>(3,369,477)</u>	<u>(594,571)</u>	<u>(12,518)</u>	<u>(3,976,566)</u>

(Under PRC GAAP)

	<u>PRC power segment</u>	<u>Overseas power segment</u>	<u>All other segments</u>	<u>Total</u>
<b>31 December 2025</b>				
Segment assets	<u>556,294,327</u>	<u>39,069,839</u>	<u>10,752,932</u>	<u>606,117,098</u>
Including:				
Additions to non-current assets (excluding financial assets and deferred income tax assets)	63,211,327	499,261	174,519	63,885,107
Investments in associates	14,643,543	–	5,774,652	20,418,195
Investments in joint ventures	1,844,262	–	1,126,632	2,970,894
Segment liabilities	<u>(378,269,520)</u>	<u>(15,335,400)</u>	<u>(2,662,311)</u>	<u>(396,267,231)</u>
<b>31 December 2024</b>				
Segment assets	<u>528,529,486</u>	<u>41,577,645</u>	<u>10,530,303</u>	<u>580,637,434</u>
Including:				
Additions to non-current assets (excluding financial assets and deferred income tax assets)	69,243,347	274,749	45,346	69,563,442
Investments in associates	14,160,764	–	5,575,405	19,736,169
Investments in joint ventures	1,962,702	–	961,959	2,924,661
Segment liabilities	<u>(360,122,762)</u>	<u>(18,846,796)</u>	<u>(1,819,180)</u>	<u>(380,788,738)</u>

A reconciliation of external revenue to operating revenue is provided as follows:

	<b>For the year ended 31 December</b>	
	<u>2025</u>	<u>2024</u>
External revenue (PRC GAAP)	<u>229,288,058</u>	<u>245,550,923</u>
Operating revenue per IFRS accounting standards consolidated statement of profit or loss and other comprehensive income	<u><u>229,288,058</u></u>	<u><u>245,550,923</u></u>

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

	<b>For the year ended 31 December</b>	
	<u>2025</u>	<u>2024</u>
Segment results (PRC GAAP)	<b>23,681,284</b>	18,153,837
<i>Reconciling items</i> (PRC GAAP):		
Loss related to the headquarters	<b>(156,613)</b>	(252,206)
Share of profits of Huaneng Finance	<b>112,841</b>	183,721
Dividend income of other equity instrument investments	<b>6,430</b>	761
Subtotal	<u><u>23,643,942</u></u>	<u><u>18,086,113</u></u>
Impact of IFRS accounting standards adjustments*	<u><b>(110,738)</b></u>	<u>(264,827)</u>
Profit before income tax expense per IFRS accounting standards consolidated statement of profit or loss and other comprehensive income	<u><u><b>23,533,204</b></u></u>	<u><u>17,821,286</u></u>

Reportable segment assets are reconciled to total assets as follows:

	<b>As at 31 December</b>	
	<b>2025</b>	2024
Total segment assets (PRC GAAP)	<b>606,117,098</b>	580,637,434
<i>Reconciling items</i> (PRC GAAP):		
Investment in Huaneng Finance	<b>2,001,411</b>	1,985,070
Deferred income tax assets	<b>2,810,400</b>	3,256,059
Prepaid income tax	<b>182,305</b>	149,539
Other equity instrument investments	<b>481,760</b>	589,920
Corporate assets	<b>196,853</b>	224,731
Subtotal	<b><u>611,789,827</u></b>	<u>586,842,753</u>
Impact of IFRS accounting standards adjustments*	<b><u>7,888,216</u></b>	<u>8,734,127</u>
Total assets per IFRS accounting standards consolidated statement of financial position	<b><u>619,678,043</u></b>	<u>595,576,880</u>

Reportable segment liabilities are reconciled to total liabilities as follows:

	<b>As at 31 December</b>	
	<b>2025</b>	2024
Total segment liabilities (PRC GAAP)	<b>(396,267,231)</b>	(380,788,738)
<i>Reconciling items</i> (PRC GAAP):		
Current income tax liabilities	<b>(984,098)</b>	(872,057)
Deferred income tax liabilities	<b>(1,703,211)</b>	(1,711,662)
Corporate liabilities	<b>(317,205)</b>	(422,469)
Subtotal	<b><u>(399,271,745)</u></b>	<u>(383,794,926)</u>
Impact of IFRS accounting standards adjustments*	<b><u>(868,502)</u></b>	<u>(1,202,908)</u>
Total liabilities per IFRS accounting standards consolidated statement of financial position	<b><u>(400,140,247)</u></b>	<u>(384,997,834)</u>

Other material items:

	Reportable segment total	Headquarters	Share of profits of Huaneng Finance	Impact of IFRS accounting standards adjustments*	Total
<b>For the year ended</b>					
<b>31 December 2025</b>					
Total revenue	229,288,058	-	-	-	229,288,058
Interest expense	(7,075,104)	-	-	-	(7,075,104)
Depreciation and amortisation	(27,516,225)	(17,687)	-	(430,117)	(27,964,029)
Impairment losses on property, plant and equipment	(1,949,343)	-	-	(1,421)	(1,950,764)
Impairment losses on right-of-use assets	-	-	-	(25,648)	(25,648)
Impairment losses on other non-current assets	(34,815)	-	-	-	(34,815)
Recognition of provision for inventory obsolescence	(32,970)	-	-	-	(32,970)
Impairment losses on goodwill	-	-	-	(100,908)	(100,908)
Provision for impairment losses on financial and contract assets	(110,599)	-	-	-	(110,599)
Share of profits less losses of associates and joint ventures	1,007,665	-	112,841	29,362	1,149,868
Net loss on disposal of non-current assets	(45,603)	-	-	12,907	(32,696)
Income tax expense	(4,138,880)	-	-	135,701	(4,003,179)

	Reportable segment total	Headquarters	Share of profits of Huaneng Finance	Impact of IFRS accounting standards adjustments*	Total
<b>For the year ended</b>					
<b>31 December 2024</b>					
Total revenue	245,550,923	–	–	–	245,550,923
Interest expense	(7,786,460)	–	–	–	(7,786,460)
Depreciation and amortisation	(25,837,355)	(38,704)	–	(540,602)	(26,416,661)
Impairment losses on property, plant and equipment	(1,610,720)	–	–	–	(1,610,720)
Impairment losses on right-of-use assets	–	–	–	(17,747)	(17,747)
Impairment losses on other non-current assets	(60,344)	–	–	17,747	(42,597)
Recognition of provision for inventory obsolescence	(43,076)	–	–	–	(43,076)
Reversal of/(provision) for impairment losses on financial and contract assets	13,781	–	–	(34,000)	(20,219)
Share of profits less losses of associates and joint ventures	1,054,603	–	183,721	21,580	1,259,904
Net loss on disposal of non-current assets	(585,610)	–	–	(8,767)	(594,377)
Income tax expense	(3,976,566)	–	–	161,473	(3,815,093)

\* IFRS accounting standards adjustments above primarily represented the reclassification adjustments and adjustments related to business combination, borrowing cost and reserve fund. Other than the reclassification adjustments, the differences will be gradually eliminated following subsequent depreciation and amortisation of related assets or the extinguishment of liabilities.

Geographical information (Under IFRS accounting standards):

(i) External revenue generated from the following countries:

	<b>For the year ended 31 December</b>	
	<b>2025</b>	2024
PRC	<b>206,402,268</b>	220,332,974
Overseas	<b>22,885,790</b>	25,217,949
Total	<b><u>229,288,058</u></b>	<b><u>245,550,923</u></b>

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

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

	<b>As at 31 December</b>	
	<b>2025</b>	2024
PRC	<b>496,064,926</b>	465,319,492
Overseas	<b>22,290,311</b>	22,007,431
Total	<b><u>518,355,237</u></b>	<b><u>487,326,923</u></b>

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

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

In 2025, the revenue from grid companies under common control of State Grid Corporation of China within the PRC power segment in total accounted for 80% of external revenue (2024: 81%). The sales to a subsidiary of State Grid Corporation of China which accounted for 10% or more of external revenue are as follows:

	<b>For the year ended 31 December</b>			
	<b>2025</b>		<b>2024</b>	
	<b>Amount</b>	<b>Proportion</b>	<b>Amount</b>	<b>Proportion</b>
State Grid Shandong Electric Power Company	<b><u>30,905,606</u></b>	<b><u>13%</u></b>	<b><u>34,219,109</u></b>	<b><u>14%</u></b>

**(c) Contract assets and contract liabilities**

The contract assets primarily relate to the Group's rights to consideration for service completed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional according to the contract.

The contract liabilities primarily relate to the advance received from customers for heat sales and heating pipeline upfront fees.

- (i) The transaction prices allocated to remaining performance obligations (unsatisfied or partially unsatisfied) related to heating pipeline upfront fees are as follows:

	<b>As at 31 December</b>	
	<b>2025</b>	<b>2024</b>
Within 1 year	<b>307,588</b>	279,892
Over 1 year	<b><u>2,900,974</u></b>	<u>3,171,583</u>
Total	<b><u>3,208,562</u></b>	<u>3,451,475</u>

The transaction prices allocated to the above remaining performance obligations expected to be recognised in more than one year relate to the provision of heating pipeline services, of which the performance obligations are to be satisfied within 17 years. All the other amounts of transaction prices allocated to the remaining performance obligations are expected to be recognised as revenue within one year. The amount disclosed above does not include variable consideration which is constrained.

(ii) Performance obligations

The Group has elected the practical expedient of not disclosing the remaining obligation excluding heating pipeline upfront fees. As allowed by IFRS 15, no information is provided about the performance obligations at 31 December 2025 that have an original expected duration of one year or less.

#### 4. Income tax expense

	<b>For the year ended</b>	
	<b>31 December</b>	
	<u>2025</u>	<u>2024</u>
Current income tax expense	<b>3,520,221</b>	2,422,705
Hong Kong minimum top-up tax	<b>79,184</b>	–
Deferred income tax	<b>403,774</b>	1,392,388
<b>Total</b>	<b><u>4,003,179</u></b>	<b><u>3,815,093</u></b>

No Hong Kong profits tax has been provided as there were no estimated assessable profits in Hong Kong in 2025 (2024: Nil).

The Company and its PRC branches and subsidiaries are subject to income tax at 25%, except for certain PRC branches and subsidiaries that are tax exempted or taxed at preferential tax rates, as determined in accordance with the relevant PRC income tax rules and regulations for the years ended 31 December 2025 and 2024.

Electricity income in Pakistan is entitled to an income tax exemption according to Income Tax Ordinance 2001, while other income is taxable. The tax liability of subsidiaries in Pakistan would be calculated at the highest of: (i) Normal tax at the rate of 29% of taxable profit (“**Normal tax**”); (ii) Alternative Corporate Tax (ACT) at the rate of 17% of accounting profit; and (iii) Turnover tax at 1.25% of Revenue (“**Turnover tax**”). If the income tax calculated is above Normal tax, it would be carried forward to subsequent years (i) 10 years for the portion of

ACT exceeding Normal tax; (ii) 3 years for the portion of Turnover tax exceeding Normal tax. A super tax is levied on high earning persons (“**taxable income**”), with a tax rate of 0% to 10%, applicable on incomes defined in section 4C of Income Tax Ordinance 2001. The tax rate is 10% while income exceeds PKR 500 million.

The Company and its subsidiaries are subject to the global minimum top-up tax under the Pillar Two tax legislation effective from 1 January 2025 in Hong Kong. Under the legislation, the Company and its subsidiaries are liable to recognise top-up tax for the difference between their Global Anti-Base Erosion (GloBE) effective tax rate per each tax jurisdiction and 15 per cent minimum rate. The Company recognised current income tax expense of RMB79 million (2024: Nil) related to the top-up tax for the year ended 31 December 2025. For the year ended 31 December 2025, the effective tax rate for the Company’s operations in Pakistan was below 15%. As the Pillar Two legislation had not yet been enacted in Pakistan in 2025, such tax was recognised by the immediate holding company of the Pakistan operations located in Hong Kong, in accordance with the Pillar Two regulations that took effect in Hong Kong on 1 January 2025.

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

	<b>For the year ended</b>	
	<b>31 December</b>	
	<b>2025</b>	2024
PRC statutory enterprise income tax rate	<b>25.00%</b>	25.00%
Effect of different tax rates of certain subsidiaries	<b>(7.71%)</b>	(11.73%)
Utilisation of previously unrecognised tax losses and deductible temporary differences	<b>(4.22%)</b>	(3.16%)
Unrecognised tax losses for the year	<b>2.89%</b>	9.04%
Unrecognised deductible temporary differences	<b>1.05%</b>	3.95%
Effect of non-taxable income	<b>(1.42%)</b>	(1.71%)
Effect of non-deductible expenses	<b>1.02%</b>	1.12%
Effect of pillar two income tax expense	<b>0.34%</b>	–
Others	<b>0.06%</b>	(1.10%)
Effective tax rate	<b><u>17.01%</u></b>	<u>21.41%</u>

For the years ended 31 December 2025 and 31 December 2024, the effective tax rate was proportioned by income tax expense to profit before tax.

## 5. Other non-current assets

Details of other non-current assets are as follows:

	<b>As at 31 December</b>	
	<b>2025</b>	2024
Finance lease receivables (i)	<b>5,774,704</b>	7,115,271
VAT recoverable	<b>10,195,119</b>	8,976,289
Pre-construction cost (ii)	<b>1,304,861</b>	1,068,630
Intangible assets (iii)	<b>1,029,976</b>	832,572
Prepaid connection fees	<b>10,828</b>	15,270
Contract assets	<b>1,093,634</b>	1,051,906
Others	<b>3,613,587</b>	3,285,240
<b>Total</b>	<b><u>23,022,709</u></b>	<b><u>22,345,178</u></b>

Notes:

- (i) Huaneng Shandong Ruyi (Pakistan) Energy (Private) Co., Ltd. (“**Ruyi Pakistan Energy**”) entered into a power purchase agreement with Central Power Purchasing Agency (Guarantee) Limited (“**CPPA-G**”) to sell all of the electricity produced with a regulated tariff mechanism approved by the National Electric Power Regulatory Authority. In accordance with the power purchase agreement and tariff mechanism, almost all the risks and rewards in relation to the power assets were in substance transferred to CPPA-G and therefore were accounted for as a finance lease to CPPA-G.
- (ii) In 2025, for early-stage projects with indicators of impairment due to project suspension or postponement, the Group estimated their recoverable amount based on the net amount of fair value less costs to sell. When determining the recoverable amount, the Group evaluated whether the formed pre-construction results could continue to be utilised or sold separately, and determined their fair value based on the carrying amount or similar market prices. According to the impairment assessment results, the Group had provided an impairment loss of RMB13.11 million for pre-construction cost of the early-stage projects that were under suspension or postponement.
- (iii) The intangible assets primarily consist of software, patented technologies, etc. In 2025, an impairment loss of RMB21.71 million was provided for the intangible assets (2024: RMB1.39 million).

## 6. Accounts and notes receivables

Accounts and notes receivables comprised the following:

	<b>As at 31 December</b>	
	<b>2025</b>	2024
Accounts receivable	<b>46,507,936</b>	47,802,397
Notes receivable	<b>982,460</b>	419,949
	<b>47,490,396</b>	48,222,346
Less: Loss allowance	<b>251,154</b>	149,122
Total	<b>47,239,242</b>	48,073,224
Analysed into:		
Accounts receivable		
– At amortised cost	<b>46,507,936</b>	47,802,397
Notes receivable		
– At amortised cost	<b>982,460</b>	419,949

The gross amounts of accounts receivable and notes receivable are denominated in the following currencies:

	<b>As at 31 December</b>	
	<b>2025</b>	2024
RMB	<b>44,407,412</b>	45,622,075
S\$ (RMB equivalent)	<b>936,735</b>	1,153,479
US\$ (RMB equivalent)	<b>1,355</b>	30,572
PKR (RMB equivalent)	<b>2,144,894</b>	1,416,220
Total	<b>47,490,396</b>	48,222,346

The Group usually grants credit periods of about one month to domestic local power grid customers from the end of the month in which the sales are made. SinoSing Power Pte Ltd. (“**SinoSing Power**”) provides credit periods that range from 5 to 60 days from the dates of billing. Certain accounts receivable of Singapore subsidiaries are backed by bankers’ guarantees and/or deposits from customers. It is not practicable to determine the fair value of the collateral that corresponds to these accounts receivable. Ruyi Pakistan Energy’s accounts receivable from CPPA-G are usually recovered within 5 months under the power purchase agreement signed with CPPA-G.

The Group, except for Singapore subsidiaries, does not hold any collateral or other credit enhancements over its accounts receivable. The accounts receivable are non-interest-bearing.

Movements of provision for loss allowance during the years are analysed as follows:

	<u>2025</u>	<u>2024</u>
Beginning of the year	(149,122)	(130,524)
Provision	(110,953)	(19,861)
Reversal	213	885
Write-off	1,533	308
Others	7,529	–
Currency translation differences	<u>(354)</u>	<u>70</u>
End of the year	<u><u>(251,154)</u></u>	<u><u>(149,122)</u></u>

An ageing analysis of accounts and notes receivables based on the invoice date was as follows:

	<b>As at 31 December</b>	
	<b>2025</b>	2024
Within 1 year	<b>45,903,465</b>	46,977,508
Between 1 and 2 years	<b>517,615</b>	401,481
Between 2 and 3 years	<b>267,911</b>	588,608
Over 3 years	<b>801,405</b>	254,749
Total	<b><u>47,490,396</u></b>	<b><u>48,222,346</u></b>

As at 31 December 2025, the maturity period of the notes receivable ranged from 1 to 12 months (31 December 2024: from 1 to 12 months).

## **7. Dividends of ordinary shares and cumulative distribution of other equity instruments**

### ***(a) Dividends of ordinary shares***

On 24 June 2025, upon the approval from shareholders at the annual general meeting, the Company declared a cash dividend of RMB0.27 (inclusive of tax) (2023:RMB0.20) for each ordinary share amounting to RMB4,238 million for the year of 2024. (2023: RMB3,140 million).

On 24 March 2026, the Board of Directors proposed a cash dividend of RMB0.40 (inclusive of tax) for each ordinary share amounting to RMB6,279 million for the year 2025. This proposal is subject to the approval of the shareholders at the annual general meeting.

### ***(b) Cumulative distribution of other equity instruments***

The other equity instruments were recorded as equity in the consolidated financial statements. For the year ended 31 December 2025, the net profit attributable to holders of other equity instruments, based on the applicable interest rates, was RMB2,773 million, and the cumulative distribution paid in 2025 was RMB2,906 million.

## 8. Long-term bonds

Outstanding corporate bonds, medium-term notes and debt financing instruments (including long-term bonds due within one year) of the Group as at 31 December 2025 are summarised as follows:

Type of Instruments	Face Value	Issuance Date	Initial Period	Initial		Issue Price	Balance as at 31 December 2024		Interest Amortisation	Repayment	Foreign		Interest Payable	Balance as at 31 December 2025
				Distribution Rate	Effective Rate		Issued Amount	Exchange Gain			Currency Translation Differences			
2016 1st corporate bonds (10 years)	1,200,000	June 2016	10 years	3.98%	3.98%	1,200,000	1,226,476	47,760	11	47,760	-	-	26,432	1,226,487
2018 2nd corporate bonds (10 years)	5,000,000	September 2018	10 years	5.05%	5.05%	5,000,000	5,078,315	252,500	30	252,500	-	-	78,171	5,078,345
2019 1st corporate bonds (10 years)	2,300,000	April 2019	10 years	4.70%	4.70%	2,300,000	2,374,989	108,100	14	108,100	-	-	74,930	2,375,003
2020 SinoSing oversea bonds (5 years)	2,108,865	February 2020	5 years	2.25%	2.32%	2,108,865	2,189,444	6,587	439	2,261,025	(29,073)	93,628	-	-
2020 SinoSing oversea bonds (10 years)	2,108,865	February 2020	10 years	2.63%	2.72%	2,108,865	2,181,561	55,964	2,127	57,165	(124,656)	56,771	20,274	2,114,602
2021 1st corporate bonds (10 years)	1,500,000	May 2021	10 years	3.97%	3.97%	1,500,000	1,536,239	59,550	9	59,550	-	-	36,219	1,536,248
2021 2nd corporate bonds (10 years)	3,500,000	June 2021	10 years	3.97%	3.97%	3,500,000	3,579,226	138,950	21	138,950	-	-	79,182	3,579,247
2021 3rd corporate bonds (10 years)	1,800,000	June 2021	10 years	3.99%	3.99%	1,800,000	1,838,195	71,820	10	71,820	-	-	38,173	1,838,205
2022 1st medium-term bonds (10 years)	1,500,000	February 2022	10 years	3.74%	3.80%	1,500,000	1,542,554	56,077	715	56,100	-	-	47,647	1,543,246
2022 2nd medium-term bonds (3 years)	3,000,000	March 2022	3 years	2.84%	2.89%	3,000,000	3,070,524	14,472	204	3,085,200	-	-	-	-
2022 3rd medium-term bonds (10 years)	1,500,000	April 2022	10 years	3.70%	3.76%	1,500,000	1,533,396	55,500	715	55,500	-	-	38,622	1,534,111
2022 1st medium-term notes (JiangSu 3 years)	500,000	April 2022	3 years	2.92%	2.92%	500,000	510,000	4,600	-	514,600	-	-	-	-
2022 6th medium-term notes (3 years)	2,000,000	August 2022	3 years	2.40%	2.51%	2,000,000	2,018,464	28,406	1,130	2,048,000	-	-	-	-
2024 1st medium-term notes (10 years)	1,000,000	January 2024	10 years	2.91%	2.97%	1,000,000	1,027,828	29,096	(2,376)	29,100	-	-	27,426	1,025,448
2024 1st green medium-term-notes (3 years)	2,500,000	April 2024	3 years	2.20%	2.21%	2,500,000	2,539,880	55,000	(373)	55,000	-	-	39,781	2,539,507

Type of Instruments	Face Value	Issuance Date	Initial Period	Initial Distribution Rate	Effective Rate	Issue Price	Balance as at		Interest Amortisation	Repayment	Foreign Exchange		Interest Payable	Balance as at 31 December 2025
							31 December 2024	Issued Amount			Gain	Translation Differences		
2024 2nd medium-term notes (20 years)	1,000,000	May 2024	20 years	2.74%	2.77%	1,000,000	1,016,096	-	27,400	27,400	-	-	17,716	1,014,921
2024 3th medium-term notes (10 years)	2,000,000	May 2024	10 years	2.68%	2.69%	2,000,000	2,033,806	-	53,600	53,600	-	-	33,775	2,032,325
2024 4th medium-term notes (15 years)	2,000,000	July 2024	15 years	2.50%	2.51%	2,000,000	2,024,659	-	50,000	50,000	-	-	24,658	2,023,167
2024 5th medium-term notes (15 years)	2,000,000	July 2024	15 years	2.54%	2.55%	2,000,000	2,024,090	-	50,800	50,800	-	-	24,078	2,022,311
2024 6th medium-term notes (15 years)	2,000,000	July 2024	15 years	2.44%	2.45%	2,000,000	2,021,249	-	48,800	48,800	-	-	21,258	2,019,084
2024 7th medium-term notes (10 years)	1,500,000	August 2024	10 years	2.26%	2.27%	1,500,000	1,513,617	-	33,900	33,900	-	-	13,560	1,512,532
2024 8th medium-term notes (10 years)	1,300,000	August 2024	10 years	2.36%	2.37%	1,300,000	1,311,730	-	30,680	30,680	-	-	11,684	1,311,239
2024 9th medium-term notes (3 years)	1,500,000	November 2024	3 years	2.09%	2.10%	1,500,000	1,503,540	-	31,350	31,350	-	-	3,607	1,503,351
2025 1st medium-term notes (10 years)	2,000,000	January 2025	10 years	2.00%	2.04%	2,000,000	-	2,000,000	38,575	-	-	-	38,575	2,037,467
2025 2nd medium-term notes(3 years)	2,000,000	February 2025	3 years	1.80%	1.81%	2,000,000	-	2,000,000	31,167	-	-	-	31,167	2,031,046
2025 3th medium-term notes(5 years)	2,000,000	March 2025	5 years	2.12%	2.14%	2,000,000	-	2,000,000	34,152	-	-	-	34,152	2,033,703
2025 11th medium-term notes(3 years)	1,500,000	June 2025	3 years	1.67%	1.69%	1,500,000	-	1,500,000	13,863	-	-	-	13,863	1,513,770
2025 12th medium-term notes(5 years)	2,000,000	July 2025	5 years	1.81%	1.82%	2,000,000	-	2,000,000	16,761	-	-	-	16,761	2,016,663
2025 1st Technology Innovation Corporate Bond	2,500,000	November 2025	5 years	1.98%	1.99%	2,500,000	-	2,500,000	6,103	-	-	-	6,103	2,504,953
Huanceng Shandong MTN001	2,000,000	October 2025	3 years	1.95%	1.95%	2,000,000	-	2,000,000	7,583	-	-	-	7,583	2,007,583
<b>Total</b>	<b>58,817,730</b>					<b>58,817,730</b>	<b>45,695,878</b>	<b>14,000,000</b>	<b>1,459,116</b>	<b>9,166,900</b>	<b>(153,729)</b>	<b>150,399</b>	<b>805,397</b>	<b>51,974,564</b>

As at 31 December 2025, the Company provided guarantees for long-term bonds of approximately RMB2,109 million (31 December 2024: RMB4,313 million) of the Company's overseas subsidiary.

The maturity profile of the Group’s long-term bonds as at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

	<b>As at 31 December</b>	
	<b>2025</b>	2024
Within 1 year	<b>3,479,175</b>	9,797,896
After 1 year but within 2 years	<b>1,398,458</b>	2,375,746
After 2 years but within 5 years	<b>20,509,196</b>	14,324,627
After 5 years	<b>37,146,620</b>	28,369,300
<b>Total</b>	<b><u>62,533,449</u></b>	<b><u>54,867,569</u></b>

## 9. Accounts payable and other liabilities

Accounts payable and other liabilities comprised of:

	<b>As at 31 December</b>	
	<b>2025</b>	2024
Accounts and notes payables	<b>21,295,392</b>	19,174,888
Payables to contractors for construction	<b>30,438,675</b>	31,222,084
Retention payables to contractors	<b>3,616,066</b>	2,020,874
Refund of government subsidies*	–	1,500,000
Others	<b>6,553,111</b>	8,115,636
<b>Total</b>	<b><u>61,903,244</u></b>	<b><u>62,033,482</u></b>

\* As at 31 December 2024, the payable for the refund of government subsidies was RMB1.5 billion, which represented the demolition and relocation compensation for Huaneng Power International, Inc. Jining Power Plant (“**Jining Power Plant**”) and should be paid by a subsidiary of the Company, Huaneng Shandong Power Generation Co., Ltd. (“**Shandong Power**”) to Jining Municipal Government. In 2021, Shandong Power received the demolition and relocation compensation of RMB1.5 billion for Jining Power Plant, which was recorded as other non-current liabilities and amortised into other income in subsequent years. In September 2024, Jining Municipal Government sent a letter of notice to Shandong Power about the proposed termination of the former agreement with Shandong Power with regards to the demolition and relocation of Jining Power Plant as it believed that the demolition and relocation of Jining Power Plant could not be achieved due to various reasons. Meanwhile, Jining Municipal Government also requested Shandong Power to return the previously received compensation of demolition and relocation of RMB1.5 billion. After friendly negotiations with Jining Municipal Government, the Company will refund the demolition and relocation compensation of RMB1.5 billion, of which RMB0.403 billion was offset against the balance of other non-current liabilities and RMB1.097 billion was offset against other income.

As at 31 December 2025 and 31 December 2024, the accounts and notes payables and other liabilities were non-interest-bearing.

The carrying amounts of accounts payable and other liabilities are denominated in the following currencies:

	<b>As at 31 December</b>	
	<b>2025</b>	2024
RMB	<b>58,691,600</b>	58,530,352
S\$ (RMB equivalent)	<b>1,361,648</b>	1,642,594
US\$ (RMB equivalent)	<b>770,958</b>	923,792
JPY (RMB equivalent)	<b>8,919</b>	50,066
PKR (RMB equivalent)	<b>1,069,858</b>	886,298
HKD (RMB equivalent)	–	252
EUR (RMB equivalent)	<b>246</b>	114
GBP (RMB equivalent)	<b>15</b>	14
<b>Total</b>	<b><u>61,903,244</u></b>	<b><u>62,033,482</u></b>

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

	<b>As at 31 December</b>	
	<b>2025</b>	2024
Within 1 year	<b>20,987,292</b>	18,710,816
Between 1 to 2 years	<b>127,184</b>	135,151
Over 2 years	<b>180,916</b>	328,921
<b>Total</b>	<b><u>21,295,392</u></b>	<b><u>19,174,888</u></b>

## 10. Other equity instruments

### (a) Other equity instruments as at 31 December 2025

Type of Instruments	Issuance Date	Category	Initial Distribution Rate	Issue Price	Number	Par Value	Initial Period	Conversion Condition	Conversion Result
Yingda Insurance Financing Plan (1st)	September 2018	Equity Instrument	5.79%	–	–	3,283,000	8 years	None	None
Yingda Insurance Financing Plan (2nd)	September 2018	Equity Instrument	5.79%	–	–	827,000	8 years	None	None
Yingda Insurance Financing Plan (3rd)	September 2018	Equity Instrument	5.79%	–	–	890,000	8 years	None	None
China Life Financing Plan (1st)	September 2019	Equity Instrument	5.05%	–	–	2,070,000	8 years	None	None
PICC Financing Plan (1st)	September 2019	Equity Instrument	5.10%	–	–	930,000	10 years	None	None
China Life Financing Plan (2nd)	October 2019	Equity Instrument	5.05%	–	–	2,260,000	8 years	None	None
PICC Financing Plan (2nd)	October 2019	Equity Instrument	5.10%	–	–	1,740,000	10 years	None	None
China Life Financing Plan (3rd)	April 2020	Equity Instrument	4.75%	–	–	3,570,000	8 years	None	None
PICC Financing Plan (3rd)	April 2020	Equity Instrument	4.75%	–	–	930,000	10 years	None	None
PICC Financing Plan (4th)	August 2020	Equity Instrument	4.60%	–	–	3,000,000	10 years	None	None
Huaneng Trust (1st)	September 2022	Equity Instrument	2.91%	–	–	2,500,000	5 years	None	None
Huaneng Trust (2nd)	October 2022	Equity Instrument	3.06%	–	–	3,050,000	5 years	None	None
Huaneng Trust (3rd)	November 2022	Equity Instrument	3.11%	–	–	4,000,000	5 years	None	None
Huaneng Trust (4th)	November 2022	Equity Instrument	3.11%	–	–	4,000,000	5 years	None	None
2023 medium-term notes (1st Energy Supply Bond)	January 2023	Equity Instrument	3.93%	0.1	30,000,000	3,000,000	3 years	None	None
2023 medium-term notes (2nd Energy Supply Bond)	February 2023	Equity Instrument	3.74%	0.1	30,000,000	3,000,000	3 years	None	None
2023 medium-term notes (3rd Energy Supply Bond)	February 2023	Equity Instrument	3.55%	0.1	30,000,000	3,000,000	3 years	None	None
2023 medium-term notes (4th Energy Supply Bond)	February 2023	Equity Instrument	3.58%	0.1	25,000,000	2,500,000	3 years	None	None
2023 medium-term notes (5th Energy Supply Bond)	March 2023	Equity Instrument	3.61%	0.1	30,000,000	3,000,000	3 years	None	None
2023 medium-term notes (7th Energy Supply Bond)	March 2023	Equity Instrument	3.53%	0.1	25,000,000	2,500,000	3 years	None	None
Huaneng Trust (5th)	December 2024	Equity Instrument	2.40%	–	–	2,051,000	5 years	None	None
2025 medium-term notes(4th)	March 2025	Equity Instrument	2.28%	0.1	15,000,000	1,500,000	3 years	None	None

<u>Type of Instruments</u>	<u>Issuance Date</u>	<u>Category</u>	<u>Initial Distribution Rate</u>	<u>Issue Price</u>	<u>Number</u>	<u>Par Value</u>	<u>Initial Period</u>	<u>Conversion Condition</u>	<u>Conversion Result</u>
2025 medium-term notes(5th)	March 2025	Equity Instrument	2.20%	0.1	15,000,000	1,500,000	3 years	None	None
2025 medium-term notes(6th)	April 2025	Equity Instrument	2.06%	0.1	20,000,000	2,000,000	3 years	None	None
2025 medium-term notes(7th)	April 2025	Equity Instrument	2.06%	0.1	15,000,000	1,500,000	3 years	None	None
2025 medium-term notes(8th)	April 2025	Equity Instrument	2.05%	0.1	20,000,000	2,000,000	3 years	None	None
2025 medium-term notes(9th)	June 2025	Equity Instrument	1.97%	0.1	20,000,000	2,000,000	3 years	None	None
2025 medium-term notes(10th)	June 2025	Equity Instrument	1.95%	0.1	15,000,000	1,500,000	3 years	None	None
2025 Technology Innovation Perpetual Corporate Bonds (1st)	July 2025	Equity Instrument	2.15%	0.1	20,000,000	2,000,000	10 years	None	None
2025 Technology Innovation Perpetual Corporate Bonds (2nd)	August 2025	Equity Instrument	2.30%	0.1	20,000,000	2,000,000	10 years	None	None
2025 Technology Innovation Perpetual Corporate Bonds (3rd, Series I)	September 2025	Equity Instrument	2.04%	0.1	25,000,000	2,500,000	3 years	None	None
2025 Technology Innovation Perpetual Corporate Bonds (3rd, Series II)	September 2025	Equity Instrument	2.48%	0.1	5,000,000	500,000	10 years	None	None
2025 Technology Innovation Perpetual Corporate Bonds (4th)	September 2025	Equity Instrument	2.33%	0.1	15,000,000	1,500,000	5 years	None	None
2025 Technology Innovation Perpetual Corporate Bonds (5th, Series I)	October 2025	Equity Instrument	2.10%	0.1	8,000,000	800,000	3 years	None	None
2025 Technology Innovation Perpetual Corporate Bonds (5th, Series II)	October 2025	Equity Instrument	2.32%	0.1	12,000,000	1,200,000	5 years	None	None
2025 Technology Innovation Perpetual Corporate Bonds (6th, Series II)	October 2025	Equity Instrument	2.28%	0.1	10,000,000	1,000,000	5 years	None	None
2025 Technology Innovation Perpetual Corporate Bonds (6th, Series I)	October 2025	Equity Instrument	2.05%	0.1	10,000,000	1,000,000	3 years	None	None
Total						<u>76,601,000</u>			

**(b) Changes of other equity instruments during 2025**

Type of Instruments	As at 1 January 2025		Issuance		Cumulative distributions			As at 31 December 2025		
	Number	Amount	Number	Amount	Accrued distribution	Distribution payment	Redemption value	Other reduction	Number	Amount
Yingda Insurance Financing Plan (1st)	-	3,288,808	-	-	192,726	192,726	-	-	-	3,288,808
Yingda Insurance Financing Plan (2nd)	-	828,463	-	-	48,548	48,548	-	-	-	828,463
Yingda Insurance Financing Plan (3rd)	-	891,575	-	-	52,247	52,247	-	-	-	891,575
China Life Financing Plan (1st)	-	2,031,091	-	-	105,987	105,987	-	-	-	2,031,091
PICC Financing Plan (1st)	-	930,923	-	-	48,089	48,089	-	-	-	930,923
China Life Financing Plan (2nd)	-	2,249,983	-	-	115,715	115,715	-	-	-	2,249,983
PICC Financing Plan (2nd)	-	1,741,726	-	-	89,973	89,973	-	-	-	1,741,726
2020 Perpetual Corporate Bond (1st) (type II)	10,000,000	1,029,956	-	-	8,544	38,500	1,000,000	-	-	-
China Life Financing Plan (3rd)	-	3,631,868	-	-	171,930	171,930	-	-	-	3,631,868
PICC Financing Plan (3rd)	-	930,859	-	-	44,789	44,789	-	-	-	930,859
PICC Financing Plan (4th)	-	3,002,683	-	-	139,917	139,917	-	-	-	3,002,683
2022 medium-term notes (5th)	20,000,000	2,026,169	-	-	32,431	58,600	2,000,000	-	-	-
2022 medium-term notes (8th)	5,000,000	504,608	-	-	9,292	13,900	500,000	-	-	-
Huaneng Trust (1st)	-	2,525,113	-	-	72,750	72,750	-	-	-	2,525,113
Huaneng Trust (2nd)	-	3,076,848	-	-	93,330	93,330	-	-	-	3,076,848
2022 medium-term notes (9th)	20,000,000	2,012,034	-	-	43,566	55,600	2,000,000	-	-	-
2022 medium-term notes (10th)	20,000,000	2,010,285	-	-	44,115	54,400	2,000,000	-	-	-
2022 medium-term notes (11th)	25,000,000	2,510,749	-	-	55,751	66,500	2,500,000	-	-	-
Huaneng Trust (3rd)	-	4,023,857	-	-	124,400	124,400	-	-	-	4,023,857
Huaneng Trust (4th)	-	4,028,629	-	-	124,400	124,400	-	-	-	4,028,629
2023 medium-term notes (1st Energy SupplyBond)	30,000,000	3,112,746	-	-	117,885	117,900	-	-	30,000,000	3,112,731

Type of Instruments	As at 1 January 2025			Issuance			Cumulative distributions			As at 31 December 2025		
	Number	Amount	Number	Amount	Number	Amount	Accrued distribution	Distribution payment	Redemption value	Other reduction	Number	Amount
2023 medium-term notes (2nd Energy Supply Bond)	30,000,000	3,100,244	-	-	-	-	112,167	112,200	-	-	30,000,000	3,100,211
2023 medium-term notes (3rd Energy Supply Bond)	30,000,000	3,092,824	-	-	-	-	106,461	106,500	-	-	30,000,000	3,092,785
2023 medium-term notes (4th Energy Supply Bond)	25,000,000	2,576,540	-	-	-	-	89,464	89,500	-	-	25,000,000	2,576,504
2023 medium-term notes (5th Energy Supply Bond)	30,000,000	3,090,201	-	-	-	-	108,300	108,300	-	-	30,000,000	3,090,201
2023 medium-term notes (6th)	20,000,000	2,055,562	-	-	-	-	12,038	67,600	2,000,000	-	-	-
2023 medium-term notes (7th Energy Supply Bond)	25,000,000	2,571,809	-	-	-	-	88,250	88,250	-	-	25,000,000	2,571,809
2023 medium-term notes (8th)	20,000,000	2,046,901	-	-	-	-	17,699	64,600	2,000,000	-	-	-
2023 medium-term notes (9th)	20,000,000	2,046,083	-	-	-	-	18,117	64,200	2,000,000	-	-	-
2023 medium-term notes (10th)	15,000,000	1,532,905	-	-	-	-	14,195	47,100	1,500,000	-	-	-
2023 medium-term notes (11th)	20,000,000	2,033,898	-	-	-	-	25,302	59,200	2,000,000	-	-	-
2023 medium-term notes (12th)	15,000,000	1,524,720	-	-	-	-	19,080	43,800	1,500,000	-	-	-
2023 medium-term notes (13th)	20,000,000	2,020,041	-	-	-	-	34,959	55,000	2,000,000	-	-	-
2023 medium-term notes (14th)	20,000,000	2,019,219	-	-	-	-	41,781	61,000	2,000,000	-	-	-
2023 medium-term notes (15th)	20,000,000	2,017,214	-	-	-	-	44,386	61,600	2,000,000	-	-	-
Huaneng Trust (5th)	-	2,053,562	-	-	-	-	49,223	46,525	-	-	-	2,056,260
2025 medium-term notes(4th)	-	-	15,000,000	1,500,000	-	-	26,892	-	-	-	15,000,000	1,526,892
2025 medium-term notes(5th)	-	-	15,000,000	1,500,000	-	-	25,496	-	-	-	15,000,000	1,525,496
2025 medium-term notes(6th)	-	-	20,000,000	2,000,000	-	-	30,138	-	-	-	20,000,000	2,030,138
2025 medium-term notes(7th)	-	-	15,000,000	1,500,000	-	-	22,434	-	-	-	15,000,000	1,522,434
2025 medium-term notes(8th)	-	-	20,000,000	2,000,000	-	-	29,205	-	-	-	20,000,000	2,029,205
2025 medium-term notes(9th)	-	-	20,000,000	2,000,000	-	-	22,561	-	-	-	20,000,000	2,022,561

Type of Instruments	As at 1 January 2025		Issuance		Cumulative distributions			As at 31 December 2025		
	Number	Amount	Number	Amount	Accrued distribution	Distribution payment	Redemption value	Other reduction	Number	Amount
2025 medium-term notes(10th)	-	-	15,000,000	1,500,000	16,348	-	-	-	15,000,000	1,516,348
2025 Technology Innovation Perpetual Corporate Bonds (2nd)	-	-	20,000,000	2,000,000	17,140	-	-	-	20,000,000	2,017,140
2025 Technology Innovation Perpetual Corporate Bonds (3rd, Series II)	-	-	25,000,000	2,500,000	15,789	-	-	-	25,000,000	2,515,789
2025 Technology Innovation Perpetual Corporate Bonds (3rd, Series I)	-	-	5,000,000	500,000	3,839	-	-	-	5,000,000	503,839
2025 Technology Innovation Perpetual Corporate Bonds (5th, Series I)	-	-	8,000,000	800,000	3,498	-	-	-	8,000,000	803,498
2025 Technology Innovation Perpetual Corporate Bonds (5th, Series II)	-	-	12,000,000	1,200,000	5,797	-	-	-	12,000,000	1,205,797
2025 Technology Innovation Perpetual Corporate Bonds (1st)	-	-	20,000,000	2,000,000	19,203	-	-	-	20,000,000	2,019,203
2025 Technology Innovation Perpetual Corporate Bonds (4th)	-	-	15,000,000	1,500,000	9,384	-	-	-	15,000,000	1,509,384
2025 Technology Innovation Perpetual Corporate Bonds (6th, Series II)	-	-	10,000,000	1,000,000	4,060	-	-	-	10,000,000	1,004,060
2025 Technology Innovation Perpetual Corporate Bonds (6th, Series I)	-	-	10,000,000	1,000,000	3,651	-	-	-	10,000,000	1,003,651
Total	440,000,000	80,170,696	245,000,000	24,500,000	2,773,242	2,905,576	27,000,000	-	415,000,000	77,538,362

## 11. Additional financial information to the consolidated statement of financial position

As at 31 December 2025, the net current liabilities of the Group amounted to approximately RMB83,312 million (31 December 2024: RMB82,438 million). On the same date, total assets less current liabilities were approximately RMB444,897 million (31 December 2024: RMB416,839 million).

## 12. Profit before income tax expense

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

	For the year ended 31 December	
	2025	2024
Total interest expense	<b>8,082,182</b>	8,658,252
Less: amounts capitalised in property, plant and equipment	<b>1,007,078</b>	871,792
Interest expense charged to the consolidated statement of profit or loss and other comprehensive income	<b>7,075,104</b>	7,786,460
Including: Interest expense on lease liabilities	<b>273,539</b>	296,106
Depreciation of property, plant and equipment	<b>26,463,338</b>	25,184,490
Depreciation of investment properties	<b>28,836</b>	26,059
Depreciation of right-of-use assets	<b>1,299,105</b>	1,091,219
	<b>27,791,279</b>	26,301,768
Included in other investment gain		
-(Gain)/loss from disposal of investments in associates and subsidiaries	<b>(6,748)</b>	4,103
– Dividends on other equity instrument investments	<b>(6,430)</b>	(761)
– Ineffective portion of changes in fair value of cash flow hedge	<b>4,316</b>	–
– Others	<b>(7,154)</b>	(7,989)
	<b>(16,016)</b>	(4,647)

	<b>For the year ended</b>	
	<b>31 December</b>	
	<b>2025</b>	2024
Included in other operating expenses:		
– Operating expense of Ruyi Pakistan Energy	<b>2,676,340</b>	1,925,195
– Other materials expense	<b>1,466,401</b>	1,584,670
– Electricity charges	<b>1,137,303</b>	840,774
– Cost of sales of raw materials	<b>629,773</b>	1,166,569
– Water charges	<b>410,108</b>	583,581
– Insurance expense	<b>627,851</b>	546,510
– Cleaning, greening and fire protection expense	<b>407,050</b>	412,926
– Transportation allowance	<b>203,318</b>	207,237
– Pollutant charge and carbon emission trading cost*	<b>185,242</b>	387,035
– Water conservancy fund and disabled security fund	<b>131,386</b>	134,229
– Test and inspection expense	<b>436,961</b>	386,804
– Service charge	<b>871,872</b>	1,086,861
– Heating pipeline related cost	<b>155,214</b>	159,397
– Auditors’ remuneration-audit services	<b>30,336</b>	56,033
– Other consulting expense	<b>156,833</b>	148,899
– Office expense	<b>249,212</b>	241,620
– Minimum lease payments under operating leases, lease payments not included in the measurement of lease liabilities	<b>433,789</b>	530,499
– Amortisation of other non-current assets	<b>172,750</b>	114,893
– Property management expense	<b>133,477</b>	139,258
– Information technology maintenance expense	<b>178,931</b>	133,975
– Travel expense	<b>203,556</b>	198,512
– Business entertainment expense	<b>21,029</b>	32,741
– Research and development expenditure	<b>1,919,917</b>	1,524,082
– Net loss on disposal of non-current assets	<b>32,696</b>	594,377
Included in other operating expenses: (continued)		
– Recognition of provision for inventory obsolescence	<b>32,970</b>	43,076
– Impairment loss on property, plant and equipment	<b>1,950,764</b>	1,610,720
– Impairment loss on right-of-use assets	<b>25,648</b>	17,747
– Impairment loss on goodwill	<b>100,908</b>	–
– Impairment loss on other non-current assets**	<b>34,815</b>	42,597
– Government grants***	<b>(1,144,244)</b>	(120,719)
– Donations	<b>56,694</b>	65,165

	<b>For the year ended 31 December</b>	
	<u>2025</u>	<u>2024</u>
– Penalty	<b>244,639</b>	106,020
– Safety production expense	<b>1,466,396</b>	1,640,000
– Service fees on transmission and transformer facilities of Huaneng International Power Development Company	<b>47,947</b>	47,947
– Others	<b>1,630,635</b>	1,742,183
<b>Total</b>	<b><u>17,318,517</u></b>	<b><u>18,331,413</u></b>

\* The Group receives free quotas of carbon emission rights from the government on an annual basis and recognises the received free quota at the nominal amount (i.e., nil). When the annual actual emissions exceed the free quota of carbon emission rights, the Group should purchase the quota of carbon emission rights from other parties and recognises the emission costs as other operating expenses.

\*\* In 2025, the impairment loss on other non-current assets included impairment losses of RMB13 million on pre-construction cost and an impairment loss of RMB22 million on intangible assets recognised in other non-current assets.

\*\*\* In 2025, the government grants related to income mainly included heat supply subsidy of RMB289 million (2024: RMB304 million), thermal coal subsidy of RMB302 million (2024: RMB315 million), VAT reduction and rebate of RMB247 million (2024: RMB164 million) and environmental subsidy of RMB159 million (2024: RMB144 million). In 2024, the government grant recognised in prior years that is expected to be returned by Huaneng Power International, Inc. Jining Power Plant (“**Jining Power Plant**”) is RMB1,097 million.

### 13. Earnings per share

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

	<b>For the year ended 31 December</b>	
	<u>2025</u>	<u>2024</u>
Consolidated net profit attributable to equity holders of the Company	<b>14,536,770</b>	10,184,633
Less: distribution of other equity instruments	<b>2,773,242</b>	2,924,430
Consolidated net profit attributable to ordinary shareholders of the Company	<b><u>11,763,528</u></b>	<u>7,260,203</u>
Weighted average number of the Company's outstanding ordinary shares ('000) *	<b><u>15,698,093</u></b>	<u>15,698,093</u>
Basic and diluted earnings per share (RMB)	<b><u>0.75</u></b>	<u>0.46</u>

\* Weighted average number of ordinary shares:

	<u>2025</u>	<u>2024</u>
	<b>'000</b>	<b>'000</b>
Issued ordinary shares at 1 January	<b><u>15,698,093</u></b>	<u>15,698,093</u>
Weighted average number of ordinary shares at 31 December	<b><u>15,698,093</u></b>	<u>15,698,093</u>

\* There was no dilutive effect on earnings per share since the Company had no dilutive potential ordinary shares for the years ended 31 December 2025 and 2024.

## 14. Contingent liabilities

Disputes over responsibilities for damage caused by vessel collision over the 400MW Offshore Wind Power Project of Shengdong Rudong Offshore Windpower Co., Ltd. (“**Shengdong Rudong**”).

Shengdong Rudong, a subsidiary of the Company, was in charge of the construction and operation of a 400MW Offshore Wind-power Project. As stipulated by the construction contract signed between Shengdong Rudong and CCCC Third Harbor Engineering Bureau Co., Ltd. (“**CCCC Third Harbor Bureau**”) on 18 April 2019, CCCC Third Harbor Bureau was responsible for the construction of the offshore wind farm and related construction safety management. On 1 August 2019, a vessel chartering contract was signed between CCCC Third Harbor Bureau and Nantong Ocean Water Construction Engineering Co., Ltd. (“**Nantong Water Construction**”). As stipulated by the contract, Vessel “Wen Qiang 8”, which was owned by Nantong Water Construction, would be chartered by CCCC Third Harbor Bureau as the construction operation vessel. During the chartering period, Nantong Water Construction was responsible for the safety of Vessel “Wen Qiang 8” and the security of the personnel on board.

On 22 September 2019, in order to evade typhoon, Vessel “Wen Qiang 8” anchored nearby the 32# wind turbine pile foundation of Shengdong Rudong 400MW Offshore Wind-farm located around Nantong coastal area. Affected by strong wind, violent waves and big tides, the anchor steel cable was broken, leading to dragging-of-anchor of Vessel “Wen Qiang 8”, and collision with the pipeline bridge of land-island access of Nantong Gang Yangkou Port. The pipeline bridge, bearing line pipes, and Vessel “WenQiang 8” all suffered damages from this collision accident, constituting a relatively large level of water traffic accident.

The above accident has resulted in three lawsuits, with the litigation claiming amount being approximately RMB703 million in total. Shengdong Rudong, together with other several entities, were joint defendants. The second court hearing has been held by the court in December 2023, according to the situation of prior two court hearings, considering the large amount of litigation, and joint defendants may benefit the limitation of liability for maritime claims, etc., a provision of RMB70 million was recognised in other operating expenses in 2023 by Shengdong Rudong.

In April 2024, the Shanghai Maritime Court made a first-instance judgement in this case, ruling that Shengdong Rudong had no liability. The plaintiff, dissatisfied with the first-instance judgement, filed an appeal for a second-instance trial. In September 2024, the Shanghai Higher People’s Court made a second-instance judgement, ruling to dismiss the appeal and uphold the original judgement.

In May 2025, Shengdong Rudong received materials such as the retrial application and the response notice.

In August 2025, the Supreme People’s Court of the People’s Republic of China issued a civil ruling, dismissing the plaintiff’s retrial application.

In November 2025, the plaintiff filed a protest application with the Shanghai People’s Procuratorate.

On January 22, 2026, Shengdong Rudong received a notice of acceptance from the Shanghai People’s Procuratorate, and the case has entered the review stage.

Shengdong Rudong believes that there are still significant uncertainties surrounding the case at present and therefore will not reverse the provision recognized in 2023.

## **B. FINANCIAL INFORMATION EXTRACTED FROM CONSOLIDATED FINANCIAL STATEMENTS PREPARED UNDER PRC GAAP**

*(Amount expressed in units of RMB unless otherwise stated)*

### **1. Financial Highlights and Financial Ratios**

	Unit	For the year ended 31 December		Fluctuation %
		2025	2024	
Operating revenue	RMB	229,288,057,955	245,550,923,498	(6.62)
Profit before income tax expense	RMB	23,643,942,299	18,086,112,274	30.73
Net profit attributable to equity holders of the Company	RMB	14,409,553,809	10,135,493,813	42.17
Net profit attributable to equity holders of the Company less non-recurring items	RMB	13,481,553,258	10,521,564,395	28.13
Basic and diluted earnings per share	RMB/share	0.74	0.46	61.37
Basic earnings per share less non-recurring items	RMB/share	0.68	0.48	40.95

		For the year ended 31 December		
	Unit	2025	2024	Fluctuation %
Weighted average of return on equity	%	19.04	13.14	Increase of 5.90 percentage points
Weighted average of return on equity less non-recurring items	%	17.53	13.84	Increase of 3.69 percentage points
Net cash flow provided by operating activities	RMB	67,212,899,994	50,530,261,245	33.02
Total assets	RMB	611,789,826,893	586,842,753,960	4.25
Equity attributable to equity holders of the Company	RMB	142,468,648,190	137,414,784,587	3.68

*Note:* The formula of financial ratio

Earnings per share	=	Consolidated net profit attributable to ordinary shareholders of the Company/ Weighted average number of the Company's outstanding ordinary shares
Weighted average of the return on equity	=	Consolidated net profit attributable to equity holders of the Company/Weighted average number of equity attributable to equity holders of the Company (exclusive of non-controlling interests) *100%

## 2. ITEMS AND AMOUNTS OF NON-RECURRING ITEMS

(Amount expressed in units of RMB unless otherwise stated)

	<b>For the year ended 31 December 2025</b>
Net gain on disposal of non-current assets, including the reversal of impairment loss on assets	(45,603,697)
Government grants recognized in profit or loss for the current period (except for government grants that are closely related to normal business operations, comply with national policies and regulations, are enjoyed according to determined standards, and have a sustained impact on profit or loss) ( <i>Note 1</i> )	877,760,714
Profit and loss from entrusting others to invest or manage assets	(73,691,103)
Custody fee income obtained from entrusted operation	320,761,136
Reversal of loss allowances for receivables and contract assets individually tested for impairments	27,201,072
Profits and losses from entrusted loan	383,632
Non-operating income and expenses besides items above	53,235,933
Other items recorded in the profit and loss in accordance with the definition of non-recurring items	15,819,727
	<hr/>
	1,175,867,414
Impact of income tax	(121,631,749)
Impact of non-controlling interests (net of tax)	(126,235,114)
	<hr/>
	928,000,551
	<hr/> <hr/>

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

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

	The Amount of 2025	Reason
Value-added tax levied immediately returned and refund of individual income tax handling fee	294,192,457	Closely related to the Company's normal operating businesses.
Carbon emissions trading costs	157,114,575	Closely related to the Company's normal operating businesses.
Carbon emissions trading incomes	166,948,090	Closely related to the Company's normal operating businesses.

### 3. INCOME STATEMENTS

*(Amount expressed in units of RMB unless otherwise stated)*

	For the year ended 31 December			
	2025 Consolidated	2024 Consolidated	2025 Company	2024 Company
<b>Operating revenue</b>	<b>229,288,057,955</b>	245,550,923,498	<b>26,516,452,127</b>	28,680,844,219
Less: Operating cost	<b>186,990,711,967</b>	208,363,182,422	<b>22,927,224,311</b>	26,192,327,917
Taxes and surcharges	<b>2,759,239,541</b>	2,008,686,296	<b>422,840,569</b>	359,826,170
Selling expenses	<b>315,382,633</b>	267,175,475	<b>6,477,104</b>	4,357,517
General and administrative expenses	<b>7,102,898,009</b>	6,805,380,322	<b>1,771,509,956</b>	1,778,717,131
Research and development expenses	<b>1,919,916,696</b>	1,658,380,654	<b>187,149,523</b>	142,348,032
Financial expenses	<b>6,754,094,260</b>	7,440,778,109	<b>1,945,681,403</b>	1,988,709,343
Including: Interest expenses	<b>7,075,103,710</b>	7,786,459,958	<b>2,165,275,821</b>	2,110,750,937
Interest income	<b>354,584,242</b>	605,918,637	<b>198,549,315</b>	145,527,402
Add: Other income	<b>1,161,936,717</b>	193,140,697	<b>75,104,520</b>	(982,178,720)
Investment income	<b>1,140,751,353</b>	1,242,971,766	<b>8,409,403,377</b>	5,793,320,678
Including: investment income from associates and joint ventures	<b>1,120,506,232</b>	1,238,324,558	<b>854,554,684</b>	999,455,331
Gain on changes in fair value	<b>(4,315,871)</b>	–	–	–
Credit losses	<b>(110,598,585)</b>	13,781,224	<b>(46,998,299)</b>	(40,624,723)
Impairment losses	<b>(2,017,128,369)</b>	(1,714,140,378)	<b>(144,418,056)</b>	(1,425,192,679)
Gain on disposal of non-current assets	<b>186,766,087</b>	291,347	<b>6,130</b>	32,349

	For the year ended 31 December			
	2025	2024	2025	2024
	<u>Consolidated</u>	<u>Consolidated</u>	<u>Company</u>	<u>Company</u>
<b>Operating profit</b>	<b>23,803,226,181</b>	18,743,384,876	<b>7,548,666,933</b>	1,559,915,014
Add: Non-operating income	<b>708,872,464</b>	553,834,859	<b>61,915,095</b>	89,338,282
Less: Non-operating expenses	<b>868,156,346</b>	1,211,107,461	<b>121,879,886</b>	190,430,425
<b>Profit before income tax expense</b>	<b>23,643,942,299</b>	18,086,112,274	<b>7,488,702,142</b>	1,458,822,871
Less: Income tax expense	<b>4,138,879,288</b>	3,976,566,330	–	144,795,190
<b>Net profit</b>	<b><u>19,505,063,011</u></b>	<u>14,109,545,944</u>	<b><u>7,488,702,142</u></b>	<u>1,314,027,681</u>
1) Classification according to the continuity of operation				
– Continuous operating net profit	<b><u>19,505,063,011</u></b>	<u>14,109,545,944</u>	<b><u>7,488,702,142</u></b>	<u>1,314,027,681</u>
2) Classification according to ownership				
– Net profit to equity holders of the Company	<b>14,409,553,809</b>	10,135,493,813		
– Net profit to non-controlling interests	<b><u>5,095,509,202</u></b>	<u>3,974,052,131</u>		
<b>Other comprehensive income, net of tax</b>	<b><u>(433,628,054)</u></b>	<u>148,724,387</u>	<b><u>(52,297,038)</u></b>	<u>(85,496,717)</u>
Other comprehensive income attributable to equity holders of the Company, net of tax	<b><u>(285,776,742)</u></b>	<u>48,763,104</u>	<b><u>(52,297,038)</u></b>	<u>(85,496,717)</u>
Items that will not be reclassified to profit or loss:				
Share of other comprehensive income of investees accounted for under the equity method (non-recycling)	<b>33,452,090</b>	(56,273,834)	<b>33,452,090</b>	(56,273,833)
Fair value changes of other equity instrument investments	<b>(81,791,103)</b>	(39,752,661)	<b>(81,791,103)</b>	(39,752,661)

	For the year ended 31 December			
	2025 <u>Consolidated</u>	2024 <u>Consolidated</u>	2025 <u>Company</u>	2024 <u>Company</u>
Items that may be reclassified subsequently to profit or loss:				
Share of other comprehensive income of investees accounted for under the equity method (recycling)	(3,958,025)	10,529,777	(3,958,025)	10,529,777
Effective portion of cash flow hedge	(554,697,964)	225,242,143	-	-
Translation differences of the financial statements of foreign operations	321,218,260	(90,982,321)	-	-
Other comprehensive income attributable to non-controlling interests, net of tax	(147,851,312)	99,961,283	-	-
<b>Total comprehensive income</b>	<b><u>19,071,434,957</u></b>	<b><u>14,258,270,331</u></b>	<b><u>7,436,405,104</u></b>	<b><u>1,228,530,964</u></b>
Attributable to:				
– Equity holders of the Company	<b><u>14,123,777,067</u></b>	10,184,256,917		
– Non-controlling interests	<b><u>4,947,657,890</u></b>	<b><u>4,074,013,414</u></b>		
Earnings per share				
– Basic (RMB/share)	<b><u>0.74</u></b>	<b><u>0.46</u></b>		
– Diluted (RMB/share)	<b><u>0.74</u></b>	<b><u>0.46</u></b>		

#### 4. RECONCILIATION OF FINANCIAL STATEMENTS BETWEEN PRC GAAP AND IFRS ACCOUNTING STANDARDS

*(Amounts expressed in units of RMB unless otherwise stated)*

The financial statements, which have been prepared by the Group in conformity with Accounting Standards for Business Enterprises (“**PRC GAAP**”), differ in certain respects from those of IFRS accounting standards. The major impact of adjustments for IFRS accounting standards, on the net consolidated profit and equity attributable to equity holders of the Company, is summarised as follows:

	<b>For the year ended 31 December</b>	
	<u>2025</u>	<u>2024</u>
<b>Consolidated net profit attributable to equity holders of the Company under PRC GAAP</b>	<b>14,409,553,809</b>	10,135,493,813
<b>Impact of IFRS accounting standards adjustments:</b>		
Differences in accounting treatment on business combinations under common control, depreciation, amortisation, disposal and impairment of assets acquired in business combinations under common control (a)	<b>(638,945,719)</b>	(601,352,337)
Difference on depreciation related to borrowing costs capitalised in previous years (b)	<b>(2,619,985)</b>	(5,814,895)
Difference on reserve funds (c)	<b>507,018,618</b>	378,689,381
Others	<b>25,122,754</b>	(36,349,629)
Applicable deferred income tax impact on the GAAP differences above (d)	<b>134,387,903</b>	161,473,170
Profit attributable to non-controlling interests on the adjustments above	<b>102,252,118</b>	152,493,061
<b>Consolidated net profit attributable to equity holders of the Company under IFRS accounting standards</b>	<b><u>14,536,769,498</u></b>	<u>10,184,632,564</u>

**(a) *Differences in accounting treatment on business combinations under common control and depreciation, amortisation, disposal and impairment under common control***

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

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

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

Under IFRS accounting standards, the Company and its subsidiaries have adopted the purchase method to account for the acquisitions above. The assets and liabilities acquired in acquisitions were recorded at fair value by the acquirer. The excess of the acquisition cost over the proportionate share of fair value of net identifiable assets acquired was recorded as goodwill. Goodwill is not amortised but is tested annually for impairment

and carried at cost less accumulated impairment losses. The operating results of the acquirees are consolidated in the operating results of the Company and its subsidiaries from the acquisition dates onwards. The contingent consideration not classified as equity is measured at fair value at each reporting date with the changes in fair value recognised in profit or loss, if such changes are not measurement period adjustments.

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

**(b) *Effect of depreciation on the capitalisation of borrowing costs in previous years***

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

**(c) *EFFECT OF RESERVE FUNDS***

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

**(d) *DEFERRED INCOME TAX IMPACT ON GAAP DIFFERENCES***

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