



華電國際電力股份有限公司
HUADIAN POWER INTERNATIONAL CORPORATION LIMITED *

Stock Code: 1071



2024

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* For identification purposes only

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The board of directors (the “**Board**”) of Huadian Power International Corporation Limited* (the “**Company**”) hereby announces the unaudited interim condensed consolidated financial statements of the Company and its subsidiaries (the “**Group**”) for the six months ended 30 June 2024 (the “**Period**”) prepared in accordance with the International Accounting Standards 34 “Interim Financial Reporting”. The Group’s interim financial statements for the Period are unaudited, but they have been reviewed by SHINEWING (HK) CPA Limited, the auditor of the Company, in accordance with the Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants. The unmodified review report addressed by the SHINEWING (HK) CPA Limited to the Board of the Company is set out on page 30 to 31. The audit committee of the Company (the “**Audit Committee**”) has also reviewed the 2024 interim report and the relevant financial information of the Group.

BUSINESS REVIEW

During the Period, the turnover of the Group amounted to approximately RMB52,894 million, representing a decrease of approximately 10.43% over the corresponding period in 2023; the profit for the Period attributable to equity holders of the Company amounted to approximately RMB3,432 million, representing an increase of approximately 19.29% over the corresponding period in 2023; the basic earnings per share amounted to approximately RMB0.286, representing an increase of approximately 19.67% over the corresponding period in 2023.

INTERIM DIVIDEND

At the eleventh meeting of the tenth session of the Board of the Company, the Board proposed to declare an interim dividend of RMB0.08 per share (tax inclusive) for 2024 based on the total share capital of 10,227,561,133 shares, totaling approximately RMB818,204.89 thousand (tax inclusive).

THE GROUP’S MAJOR EXISTING ASSETS

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

As at the date of this report, the Group had a total of 45 controlled power generation enterprises which have commenced operations involving a total of 58,815.32 MW controlled installed capacity, primarily including 46,750 MW attributable to coal-fired generating units, 9,600.13 MW attributable to gas-fired generating units and 2,459 MW attributable to hydropower generating units.



THE GROUP'S MAJOR EXISTING ASSETS (CONTINUED)

Details of the Group's major power generating assets which have commenced operations as at the date of this report are as follows:

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

Category	Name of power plant/company	Installed capacity (MW)	Equity interest held by the Company	Generating units
Coal-fired	1 Zouxian Plant	2,575	100%	1 x 635 MW + 1 x 600 MW + 4 x 335 MW
	2 Shiliqian Plant	1,980	100%	2 x 660 MW + 2 x 330 MW
	3 Laicheng Plant	1,200	100%	4 x 300 MW
	4 Fengjie Plant	1,200	100%	2 x 600 MW
	5 Huadian Zouxian Power Generation Company Limited ("Zouxian Company")	2,000	69%	2 x 1,000 MW
	6 Huadian Laizhou Power Generation Company Limited ("Laizhou Company")	4,000	75%	4 x 1,000 MW
	7 Huadian Weifang Power Generation Company Limited ("Weifang Company")	2,000	64.29%	2 x 670 MW + 2 x 330 MW
	8 Huadian Qingdao Power Generation Company Limited ("Qingdao Company") <i>(Note 4)</i>	2,231.08	55%	2 x 505.54 MW + 1 x 320 MW + 3 x 300 MW

THE GROUP'S MAJOR EXISTING ASSETS (CONTINUED)

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

Category	Name of power plant/company	Installed capacity (MW)	Equity interest held by the Company	Generating units
	9 Huadian Zibo Thermal Power Company Limited ("Zibo Company")	950	100%	2 x 330 MW + 2 x 145 MW
	10 Huadian Zhangqiu Power Generation Company Limited ("Zhangqiu Company")	925	87.5%	1 x 335 MW + 1 x 300 MW + 2 x 145 MW
	11 Huadian Tengzhou Xinyuan Thermal Power Company Limited ("Tengzhou Company")	930	93.26%	2 x 315 MW + 2 x 150 MW
Coal-fired	12 Huadian Longkou Power Generation Company Limited ("Longkou Company")	1,540	100%	1 x 660 MW + 4 x 220 MW
	13 Huadian Hubei Power Generation Company Limited ("Hubei Company") (Note 1)	6,855.6	82.56%	2 x 680 MW + 2 x 660 MW + 2 x 640 MW + 6 x 330 MW + 1 x 300 MW + 2 x 185 MW + 2 x 122.8 MW
	14 Anhui Huadian Lu'an Power Generation Company Limited ("Lu'an Company")	1,320	95%	2 x 660 MW



THE GROUP'S MAJOR EXISTING ASSETS (CONTINUED)

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

Category	Name of power plant/company	Installed capacity (MW)	Equity interest held by the Company	Generating units
Coal-fired	15 Anhui Huadian Suzhou Power Generation Company Limited ("Suzhou Company")	1,260	97%	2 x 630 MW
	16 Anhui Huadian Wuhu Power Generation Company Limited ("Wuhu Company")	2,320	65%	1 x 1,000 MW + 2 x 660 MW
	17 Hebei Huadian Shijiazhuang Yuhua Thermal Power Company Limited ("Yuhua Company")	600	20.80%	2 x 300 MW
	18 Hebei Huadian Shijiazhuang Luhua Thermal Power Company Limited ("Luhua Company") ^(Note 2)	661	90%	2 x 330 MW + 1 MW
	19 Huadian Xinxiang Power Generation Company Limited ("Xinxiang Company")	1,320	97.93%	2 x 660 MW
	20 Huadian Luohe Power Generation Company Limited ("Luohe Company")	660	79.11%	2 x 330 MW
	21 Huadian Qudong Power Generation Company Limited ("Qudong Company")	660	90%	2 x 330 MW
	22 Sichuan Guang'an Power Generation Company Limited ("Guang'an Company")	2,400	80%	2 x 600 MW + 4 x 300 MW

THE GROUP'S MAJOR EXISTING ASSETS (CONTINUED)

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

Category	Name of power plant/company	Installed capacity (MW)	Equity interest held by the Company	Generating units
Coal-fired	23 Tianjin Development Area Branch Company of Huadian Power International Corporation Limited ("Tianjin Development Area Branch Company")	510	100%	3 x 170 MW
	24 Guangdong Huadian Pingshi Power Generation Company Limited ("Pingshi Power Generation Company")	600	100%	2 x 300 MW
	25 Guangdong Huadian Shaoguan Thermal Power Company Limited ("Shaoguan Thermal Power Company")	700	100%	2 x 350 MW
	26 Shantou Huadian Power Generation Company Limited ("Shantou Company")	1,360	51%	2 x 680 MW
	27 Shuozhou Thermal Power Branch Company of Huadian Power International Corporation Limited ("Shuozhou Thermal Power Branch Company") <i>(Note 2)</i>	701.2	100%	2 x 350 MW + 1.2 MW
	28 Hunan Huadian Changsha Power Generation Company Limited ("Changsha Company")	1,200	70%	2 x 600 MW
29 Hunan Huadian Changde Power Generation Company Limited ("Changde Company")	1,320	48.98%	2 x 660 MW	
30 Hunan Huadian Pingjiang Power Generation Company Limited ("Pingjiang Company")	2,000	100%	2 x 1,000 MW	

THE GROUP'S MAJOR EXISTING ASSETS (CONTINUED)

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

Category	Name of power plant/company	Installed capacity (MW)	Equity interest held by the Company	Generating units
Gas-fired	31 Hangzhou Huadian Banshan Power Generation Company Limited (" Banshan Company ")	2,415	64%	3 x 415 MW + 3 x 390 MW
	32 Hangzhou Huadian Xiasha Thermal Power Company Limited (" Xiasha Company ")	246	56%	1 x 88 MW + 2 x 79 MW
	33 Hangzhou Huadian Jiangdong Thermal Power Company Limited (" Jiangdong Company ")	960.5	70%	2 x 480.25 MW
	34 Huadian Zhejiang Longyou Thermal Power Company Limited (" Longyou Company ")	405	100%	1 x 130.3 MW + 2 x 127.6 MW + 1 x 19.5 MW
	35 Hebei Huadian Shijiazhuang Thermal Power Company Limited (" Shijiazhuang Thermal Power Company ") (Note 2, 3)	1,310.2	82%	2 x 453.6 MW + 2 x 200 MW + 3 MW
	36 Shijiazhuang Huadian Heat Corporation Limited (" Shijiazhuang Heat Corporation ")	12.55	100%	2 x 4.275 MW + 2 x 2 MW
	37 Tianjin Huadian Fuyuan Thermal Power Company Limited (" Fuyuan Thermal Power Company ") (Note 2)	400.49	100%	2 x 200 MW + 0.49 MW

THE GROUP'S MAJOR EXISTING ASSETS (CONTINUED)

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

Category	Name of power plant/company	Installed capacity (MW)	Equity interest held by the Company	Generating units
Gas-fired	38 Tianjin Huadian Nanjiang Thermal Power Company Limited ("Nanjiang Thermal Power Company")	930	65%	2 x 315 MW + 1 x 300 MW
	39 Guangdong Huadian Shenzhen Energy Company Limited ("Shenzhen Company")	365	100%	1 x 120 MW + 2 x 82 MW + 1 x 81 MW
	40 Huadian Foshan Energy Company Limited ("Foshan Energy Company")	329	90%	4 x 59 MW + 1 x 47.5 MW + 1 x 45.5 MW
	41 Guangdong Huadian Qingyuan Energy Company Limited ("Qingyuan Company")	1,003.2	100%	2 x 501.6 MW



THE GROUP'S MAJOR EXISTING ASSETS (CONTINUED)

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

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

Category	Name of power plant/company	Installed capacity (MW)	Shareholding percentage of Hubei Company	Generating units
Coal-fired	Huadian Hubei Power Generation Company Limited Huangshi Thermal Power Plant ("Huangshi Thermal Power Plant")	330	100%	1 x 330 MW
	Hubei Xisaishan Power Generation Company Limited ("Xisaishan Company")	660	50%	2 x 330 MW
	Hubei Huadian Xisaishan Power Generation Company Limited ("Huadian Xisaishan Company")	1,360	50%	2 x 680 MW
	Hubei Huadian Xiangyang Power Generation Company Limited ("Xiangyang Company")	2,570	60.1%	2 x 640 MW + 3 x 330 MW + 1 x 300 MW
	Hubei Huadian Jiangling Power Generation Company Limited ("Jiangling Company")	1,320	100%	2 x 660 MW
Gas-fired	Huadian Hubei Power Generation Company Limited Wuchang Thermal Power Branch Company ("Wuchang Thermal Power")	370	100%	2 x 185 MW
	Hubei Huadian Xiangyang Gas Turbine Thermal Power Company Limited ("Xiangyang Thermal Power")	245.6	51%	2 x 122.8 MW

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

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

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

THE GROUP'S MAJOR EXISTING ASSETS (CONTINUED)

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

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



THE GROUP'S MAJOR EXISTING ASSETS (CONTINUED)

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

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

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

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

THE CAPACITY OF NEWLY-ADDED GENERATING UNITS

From 1 January 2024 to the date of this report, the details of the Group's newly-added generating units are as follows:

Projects	Category	Capacity (MW)
Qingdao Company	Gas-fired	505.54
Total	/	505.54

GENERATING UNITS APPROVED AND UNDER CONSTRUCTION

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

Company/Project Name	Category	Planned new installed capacity (MW)
Guangdong Huadian Huizhou Energy Company Limited ("Huizhou Company")	Gas-fired generating units	2 x 535
Huadian Jinan Zhangqiu Thermal Power Company Limited ("Zhangqiu Thermal Power")	Gas-fired generating units	2 x 501.65
Huadian (Chongqing) Gas Turbine Power Generation Company Limited ("Chongqing Power Generation")	Gas-fired generating units	2 x 500
Huadian Shantou Energy Company Limited ("Shantou Energy")	Coal-fired generating units	2 x 1,000
Longkou Company	Coal-fired generating units	1 x 660
Zhejiang Huadian Wuxi River Hybrid Pumped Storage Power Generation Company Limited ("Wuxi River Company")	Pumped storage generating unit	298
Total	/	6,031.30

The Group will manage the construction and the pace of commencing operation of its projects in accordance with the national and local energy policies, the conditions of the power market and the Group's overall strategy.



MANAGEMENT DISCUSSION AND ANALYSIS

1 Macroeconomic Conditions and Electricity Demand

According to the data released by the National Bureau of Statistics, after preliminary calculations, the Gross Domestic Product (GDP) in the first half of 2024 amounted to RMB61,683.6 billion, representing an increase of 5.0% over the corresponding period in 2023. According to the data released by the National Energy Administration, power consumption of the entire society in the PRC totaled 4,657.5 billion KWh in the first half of 2024, representing a year-on-year increase of 8.1%. With regard to different industries, the consumption by the primary industry accounted for 62.3 billion KWh, representing a year-on-year increase of 8.8%; the consumption by the secondary industry accounted for 3,067.0 billion KWh, representing a year-on-year increase of 6.9%; and the consumption by the tertiary industry accounted for 852.5 billion KWh, representing a year-on-year increase of 11.7%; and the consumption by urban and rural residents accounted for 675.7 billion KWh, representing a year-on-year increase of 9.0%.

2. Power Generation

During the Period, the power generated by the Group amounted to approximately 101.30 million MWh, representing a decrease of approximately 5.85% over the corresponding period in 2023; the on-grid power sold amounted to approximately 94.71 million MWh, representing a decrease of approximately 5.97% over the corresponding period in 2023. The average utilisation hours of the generating units were 1,741 hours, representing a year-on-year decrease of 192 hours, among which the average utilisation hours of coal-fired generating units were 1,926 hours, representing a year-on-year decrease of 225 hours, and the coal consumption for power supply was 285.28g/KWh, which was remarkably better than the national average. The on-grid tariff was RMB509.94/MWh, representing a decrease of approximately 3.25% compared with the same period of the previous year. The unit price of standard coal for furnace was RMB970.88/ton, representing a decrease of 11.16% over the corresponding period in 2023.



MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

3. Turnover and Profit

During the Period, the turnover of the Group amounted to approximately RMB52,894 million, representing a decrease of approximately 10.43% over the corresponding period in 2023. This was mainly due to the decrease in power generation, on-grid tariff and coal trading volume. The revenue of the Group generated from the sale of electricity amounted to approximately RMB42,877 million, representing a decrease of approximately 9.02% over the corresponding period in 2023. This was mainly due to the decrease in power generation and on-grid tariff. The revenue generated from the sale of heat amounted to approximately RMB5,613 million, representing an increase of approximately 2.39% over the corresponding period in 2023. This was mainly due to the increase in the volume of heat sold. The revenue generated from the sale of coal amounted to approximately RMB4,404 million, representing a decrease of approximately 31.63% over the corresponding period in 2023. This was mainly due to the decrease in coal trading volume.

During the Period, the Group's operating profit amounted to approximately RMB3,365 million, representing an increase of approximately 53.95% over the corresponding period in 2023, which was mainly due to the decrease in fuel prices, electric heating prices and power generation capacity; the profit for the Period attributable to equity holders of the Company amounted to approximately RMB3,432 million, representing an increase of approximately 19.29% over the corresponding period in 2023; the basic earnings per share amounted to approximately RMB0.286, representing an increase of approximately 19.67% over the corresponding period in 2023.



MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

4. Major Operating Expenses

Fuel costs are the major operating expense of the Group. During the Period, the fuel costs of the Group amounted to approximately RMB32,839 million, representing a decrease of approximately 15.43% over the corresponding period in 2023. This was mainly due to the decrease in coal prices, gas prices and power generation.

During the Period, the cost of coal sold of the Group amounted to approximately RMB3,819 million, representing a decrease of approximately 37.64% over the corresponding period in 2023. This was mainly due to the decrease in coal trading volume.

During the Period, the depreciation and amortisation expenses of the Group amounted to approximately RMB5,363 million, representing an increase of approximately 3.90% over the corresponding period in 2023. This was mainly due to the operation of new generating units.

During the Period, the repairs, maintenance and inspection expenses of the Group amounted to approximately RMB1,943 million, representing an increase of approximately 17.79% over the corresponding period in 2023. This was mainly due to the increase in units of generation of controlled mines and the operation of new generating units.

During the Period, the personnel costs of the Group amounted to approximately RMB3,553 million, representing an increase of approximately 3.10% over the corresponding period in 2023. This was mainly due to the increase in employee compensation linked to operating results and the operation of new generating units.

During the Period, the tax and surcharges of the Group amounted to approximately RMB683 million, and the tax and surcharges amounted to approximately RMB428 million for the corresponding period in 2023. This was mainly due to the increase in city construction tax and resource tax of the Group.

During the Period, the other operating expenses of the Group amounted to approximately RMB752 million, representing an increase of approximately 9.93% over the corresponding period in 2023. This was mainly due to the increase in units of generation of controlled mines and the operation of new generating units.



MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

5. Other Revenue and Net Income

During the Period, the other revenue and net income of the Group amounted to approximately RMB863 million, representing an increase of approximately 4.12% over the corresponding period in 2023. This was mainly due to the disposal of land use rights of subsidiaries.

6. Finance Costs

During the Period, the finance costs of the Group amounted to approximately RMB1,660 million, representing a decrease of approximately 10.40% over the corresponding period in 2023. This was mainly due to the greater efforts in capital operation and the lower financing costs of the Group.

7. Share of Results of Associates and Joint Ventures

During the Period, the share of results of associates of the Group amounted to approximately RMB1,994 million, representing a decrease of approximately 12.26% over the corresponding period in 2023. This was mainly due to the decrease in income from the invested coal enterprises of the Group.

8. Income Tax

During the Period, the income tax of the Group amounted to approximately RMB789 million, and the income tax amounted to approximately RMB454 million for the corresponding period in 2023. This was mainly due to the improvement in operating results of the Group.



MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

9. Pledge and Mortgage of Assets

As at 30 June 2024, the Company and its certain subsidiaries have pledged their income stream in respect of the sale of electricity and heat to secure loans amounting to approximately RMB9,852 million (approximately RMB9,936 million at the end of 2023).

As at 30 June 2024, the Company and its certain subsidiaries have mortgaged their generating units and relevant equipment to secure loans amounting to approximately RMB2,133 million (approximately RMB2,289 million at the end of 2023).

10. Indebtedness

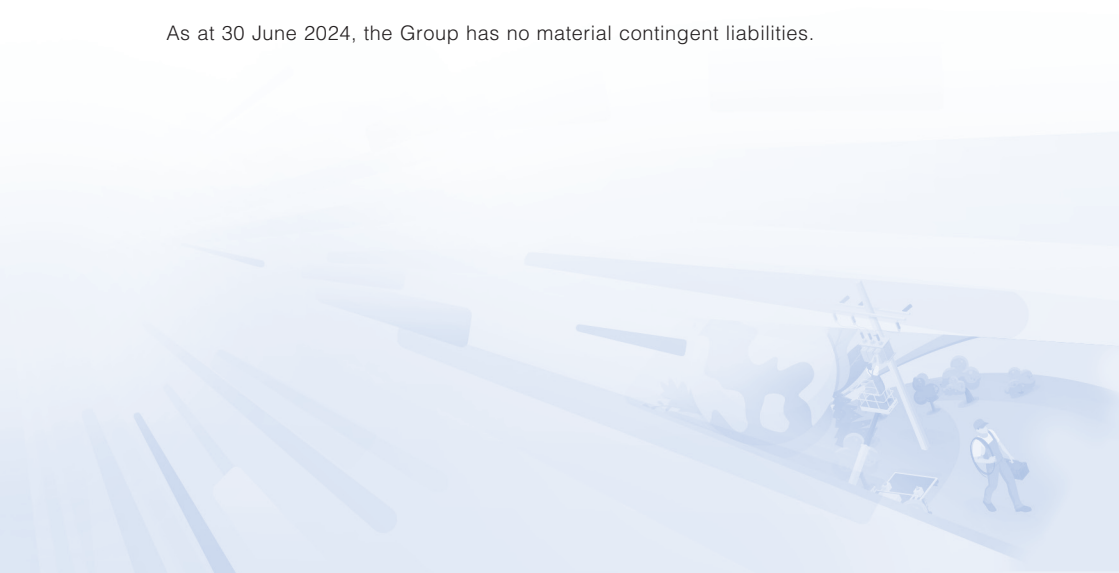
As at 30 June 2024, the total borrowings of the Group amounted to approximately RMB92,846 million, of which borrowings denominated in Euro amounted to approximately EUR6 million. The liabilities to assets ratio was approximately 60.78%, representing a decrease of approximately 1.29 percentage points compared to that at the end of 2023. Borrowings of the Group were mainly at floating rates. In addition, closing balance of super short-term commercial papers of the Group amounted to approximately RMB1,501 million, and the balance of medium-term notes payable and company debentures of the Group (including the portion due within one year) amounted to approximately RMB20,981 million; and the balance of lease liabilities of the Group amounted to approximately RMB178 million.

11. Cash and Cash Equivalents

As at 30 June 2024, the Group had cash and cash equivalents of approximately RMB5,267 million.

12. Contingent Liabilities

As at 30 June 2024, the Group has no material contingent liabilities.



MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

13. Provisions

Provisions represent the Group's best estimate of its liabilities and remedial work costs arising from mine disposal and environmental restoration based on industry practices and historical experience. As at 30 June 2024, the balance of the Group's provisions amounted to approximately RMB149 million.

14. Cash Flow Analysis

In the first half of 2024, the net cash inflow from operating activities of the Group amounted to approximately RMB5,285 million, representing an increase of approximately RMB3,534 million over the corresponding period in 2023, mainly due to the improvement in operating results of the Group. The net cash outflow used in investing activities amounted to approximately RMB2,622 million, representing a decrease of approximately RMB1,419 million over the corresponding period in 2023, mainly due to the decrease of infrastructure fund and increase in cash dividends received from associates. The net cash outflow from financing activities amounted to approximately RMB2,566 million, and the net cash inflow from financing activities amounted to approximately RMB2,905 million for the corresponding period in 2023, mainly due to the increase in repayment of interest-bearing liabilities.

15. Exchange Rate Fluctuation Risk and Related Hedging

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

Save as disclosed herein, information with respect to the Group's other matters as set out in paragraph 32 of Appendix D2 to the Rules Governing the Listing of Securities (the "**Hong Kong Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**") has not changed materially from that included in the Company's 2023 annual report.



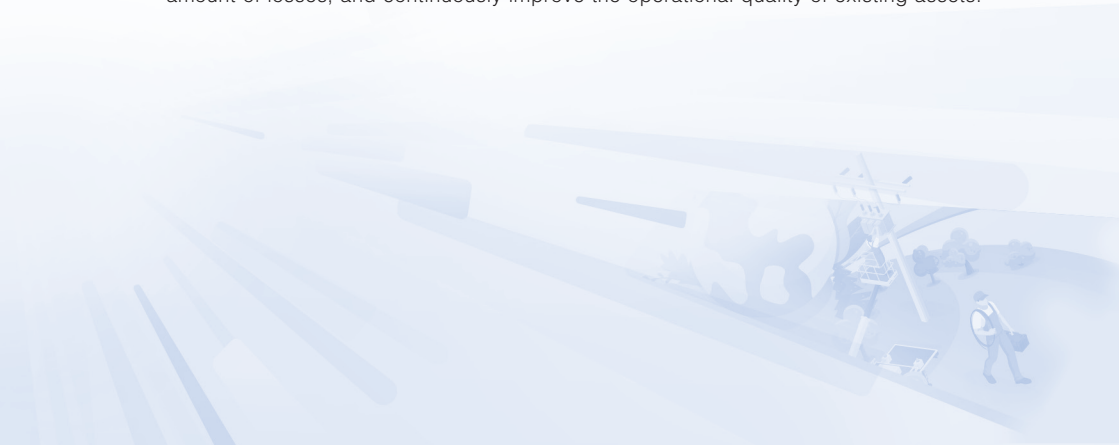
BUSINESS OUTLOOK FOR THE SECOND HALF OF THE YEAR

Amidst intricate and complex international and domestic situations, there are numerous risks and hidden dangers in key areas as well as various challenges in business development. The Group will implement the “14th Five-Year” plan and the development strategy of the Company, scientifically assess market conditions to actively respond to risks and challenges, and unwaveringly ensure the achievement of annual objectives and tasks.

1. Power Market Risks

In order to accelerate the construction of a new power system, China has successively introduced a series of new policies and rules. As China’s energy structure is swiftly shifting towards green, low-carbon adjustments, coal-fired generating units face an increasing trend of low utilization hours, low-load operation and low power growth. With the systematic advancement in the construction of the power market, power commodities showcase clearer energy, capacity, adjustment and environmental values. In the context of the spot market environment and the dual tariff pricing system, it is crucial to control the marginal costs of coal-fired generating units, and old and small generating units face high marginal costs and the risk of declines in both power generation capacity and power prices.

The Group will intensify the research and analysis of market conditions and economic activities with focus on power generation capacity, power price and other key indicators, and guide all companies to coordinate the optimization of power generation strategies in both power generation capacity and power prices, adjust pricing strategies and increase power generation efficiency. The Group will actively follow relevant national and industry policies, proactively adapt to the development needs of the power market in line with the “dual carbon” goal, accelerate the technological upgrade and transformation of coal-fired generating units, and strengthen the analysis of power supply-demand status. The Group will actively implement policies such as the coal-fired power capacity pricing mechanism, the dual tariff pricing system for gas-fired generating units and the gas-electricity linkage, and make every effort to stabilize power prices, thus laying a solid foundation for achieving annual operating targets and tasks. The Group will urge all companies to reverse losses, increase profits and improve quality and efficiency of gas-fired generating units, thus enhancing the advantages of gas turbine segments in profit contribution. The Group will strengthen the governance of loss-making companies, reduce the scope and amount of losses, and continuously improve the operational quality of existing assets.



BUSINESS OUTLOOK FOR THE SECOND HALF OF THE YEAR (CONTINUED)

2. Coal Market Risks

As the Chinese economy gradually recovers, social power consumption continues to rise, and some areas may face tight power supply during peak periods of power consumption such as summer and winter peak seasons and extreme weather conditions. Due to the fundamental role of thermal power in ensuring basic energy supply, coal supply pressure remains high in certain regions. The Group conducts safety and environmental rectification in its main coal-purchasing areas, leading to a decline in coal production. As market coal prices have experienced a staged rebound, the Group suffers certain impacts in its coal reserves and price control efforts.

The Group will closely monitor changes in the coal market, implement the requirements of national policies and give full play to the “ballast stone” role of long-term contracts. The Group will urge all companies to ensure adequate coal reserves, optimize coal procurement and inventory strategies, and take various measures to control procurement costs.

3. Environmental Risks

The Ministry of Ecology and Environment recently issued the Total Quota and Allocation Plan of the Power Generation Industry in the China Carbon Emission Trade Exchange for 2023 and 2024 (Draft for Comments) (《2023、2024 年度全國碳排放權交易發電行業配額總量和分配方案(徵求意見稿)》), indicating a trend of tight balance in quota allocation adjustments. The carbon emission quota of the Group has decreased, and therefore some coal-fired power companies face an increased risk of carbon quota gaps.

The Group will strengthen carbon asset management, and urge all companies to formulate implementation plans based on local conditions according to the requirements of the Low-Carbon Transformation and Construction Action Plan for Coal-fired Electricity (2024-2027) (《煤電低碳化改造建設行動方案(2024 – 2027 年)》). The Group will encourage coal-fired power companies to actively apply low carbon and carbon reduction, and build low-carbon power plants tailored to local conditions.



SIGNIFICANT EVENTS

1. Convening an Extraordinary General Meeting and Change of Non-executive Directors

The Company held the first extraordinary general meeting of 2024 (the “**Extraordinary General Meeting**”) on 26 March 2024, at which Mr. Zhao Wei and Mr. Zeng Qinghua were elected as the Non-executive Directors of the tenth session of the Board of the Company. On the same day, the sixth meeting of the tenth session of the Board of the Company elected Mr. Zhao Wei as a member of the Strategic Committee and Mr. Zeng Qinghua as a member of the Remuneration and Appraisal Committee. Their tenure commenced from the conclusion of the Extraordinary General Meeting and will end at the expiry of the term of the tenth session of the Board.

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

For details, please see the announcements of the Company dated 29 February 2024 and 26 March 2024.



SIGNIFICANT EVENTS (CONTINUED)

2. Amendments to the Articles of Association and its Appendices

In order to implement (i) the latest regulatory requirements in relation to the expanded paperless listing regime and the electronic dissemination of corporate communications by listed issuers (effective from 31 December 2023); (ii) the adjustments to the regulatory rules in Mainland China (including the repeal of the Mandatory Provisions for Articles of Association of Companies Listed Overseas (《到境外上市公司章程必備條款》) and the State Council's Special Regulations on Overseas Offering and Listing of Shares by Joint Stock Limited Companies (《國務院關於股份有限公司境外募集股份及上市的特別規定》) as well as the latest requirements of Guidelines for Articles of Association of Listed Companies (《上市公司章程指引》), the Management Measures for Independent Directors of Listed Companies (《上市公司獨立董事管理辦法》) and the Listed Companies Regulatory Guidance No. 3 – Cash Dividends Distribution by Listed Companies (2023 Revision) (《上市公司監管指引第 3 號 – 上市公司現金分紅(二零二三年修訂)》); and (iii) the relevant requirements of the Work Regulation on Grassroots Organization in State-owned Enterprises of the Communist Party of China (Trial) (《中國共產黨國有企業基層組織工作條例(試行)》), and in accordance with the conversion results of convertible corporate bonds, namely “Huadian Dingzhuan (華電定轉)”, issued by the Company, the Board proposed to amend the relevant provisions of the Articles of Association and its appendices, which form part of the Articles of Association. As all of the “Huadian Dingzhuan (華電定轉)” have been converted into unrestricted outstanding shares of the Company, the total share capital of the Company has been changed from 9,893,709,553 shares to 10,227,561,133 shares accordingly. On 26 April 2024, the eighth meeting of the tenth session of the Board of the Company considered and approved the resolutions in relation to the change of the registered capital and amendments to the Articles of Association of Huadian Power International Corporation Limited and its appendices, and agreed to submit such resolutions to the general meeting of the Company for consideration and approval. On 17 June 2024, the amended Articles of Association and its appendices have taken effect upon consideration and approval at the general meeting of the Company by way of special resolutions.

For details, please refer to the announcements of the Company dated 26 April 2024, 17 June 2024 and the circulars dated 13 May 2024.



SUBSEQUENT EVENTS

1. Proposing to Purchase Assets by Share Issuance and Cash Payment and Raising Ancillary Funds and Connected Transaction

On 1 August 2024, the Company entered into (i) the Asset Purchase Agreement I with China Huadian Corporation Limited (“**China Huadian**”), pursuant to which, the Company conditionally agreed to purchase its 80% equity interests in Jiangsu Huadian Energy Co., Ltd. by way of issuance of shares or a combination of issuance of shares and cash payments; (ii) the Asset Purchase Agreement II with Fujian Huadian Furui Energy Development Co., Ltd., pursuant to which, the Company conditionally agreed to purchase its 51% equity interests in Shanghai Huadian Fuxin Energy Co., Ltd., 100% equity interests in Shanghai Huadian Minhang Energy Co., Ltd., 55.0007% equity interests in Guangzhou University City Huadian New Energy Company Limited, 55% equity interests in Huadian Fuxin Guangzhou Energy Co., Ltd., 70% equity interests in Huadian Fuxin Jiangmen Energy Company Limited, 100% equity interests in Huadian Fuxin Qingyuan Energy Company Limited by way of cash payments; and (iii) the Asset Purchase Agreement III with CHD Power Plant Operation Co., Ltd., pursuant to which, the Company conditionally agreed to purchase its 100% equity interests in CHD Guigang Electric Power Co., Ltd. by way of cash payments. As of the date of this announcement, as the audit and valuation work for the Target Companies has not been completed, the consideration of the Target Assets has not yet been determined and the Asset Purchase Agreements have not yet taken effect.

Upon completion of the transaction, the Company proposed to issue New A Shares to no more than 35 (including 35) qualified target subscribers. The total amount of ancillary funds to be raised shall not exceed 100% of the Consideration Shares’ total value and the number of New A Shares to be issued shall not exceed 30% of the total issued share capital of the Company upon the completion of the issuance of Consideration Shares. The number and price of New A Shares to be issued under the Proposed Issuance of A Shares will be determined in accordance with the relevant requirements of the CSRC.

For details, please see the announcements of the Company dated 19 July 2024, 25 July 2024 and 1 August 2024.



SUBSEQUENT EVENTS (CONTINUED)

2. Proposed Change of Director

On 1 August 2024, Mr. Zhao Bing proposed to resign as the Vice Chairman of the tenth session of the Board and a member of the Strategic Committee of the Board due to personal work adjustment. The resignation shall become effective upon the approval of the appointment of new Director by the shareholders of the Company. Mr. Zhao Bing has confirmed that he has no disagreement with the Board, and there are no matters in relation to his resignation that need to be brought to the attention of the shareholders of the Company.

On 1 August 2024, Mr. Zhu Peng was proposed as a candidate for a Director of the Board at the tenth meeting of the tenth session of the Board, and the proposal was submitted to the general meeting for consideration and approval. The term of Mr. Zhu shall commence from the conclusion of the general meeting and end at the expiry of the term of the tenth session of the Board.

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

3. 2024 Interim Cash Dividend Plan

On 13 August 2024, the Company proposed to distribute a cash dividend of RMB0.08 per share (tax inclusive) to all shareholders whose names appear on the register of members at the record date for the 2024 interim equity distribution. As of 30 June 2024, the total share capital of the Company was 10,227,561,133 shares, based on which the total cash dividend proposed to distribute was RMB818,204.89 thousand (tax inclusive). The Board believes that this plan is in line with the profit distribution policy set out in the Articles of Association and agrees on this profit distribution plan, and agrees to submit the proposal to the general meeting of the Company for consideration.

For details, please see the announcement of the Company dated 13 August 2024.



SHAREHOLDINGS OF SUBSTANTIAL SHAREHOLDERS

So far as the directors of the Company are aware, each of the following persons, not being a director, supervisor, chief executive or members of the senior management of the Company, had an interest or short position as at 30 June 2024 in the Company's shares or underlying shares (as the case may be) which would fall to be disclosed to the Company and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance (the "SFO"), or was otherwise interested in 5% or more of any class of issued share capital of the Company as at 30 June 2024, or was a substantial shareholder (as defined in the Hong Kong Listing Rules) of the Company as at 30 June 2024.

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

(L) = long position

(S) = short position

(P) = lending pool

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

Save as disclosed above and so far as the Directors are aware, as at 30 June 2024, no other person (other than the directors, supervisors, chief executive or members of senior management of the Company) had any interest or short position in the Company's shares or underlying shares (as the case may be) which would fall to be disclosed to the Company and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO and as recorded in the register required to be kept under Section 336 of the SFO, or was a substantial shareholder (as defined in the Hong Kong Listing Rules) of the Company.

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

As at 30 June 2024, none of the directors, supervisors, chief executive or members of the senior management of the Company and their respective associates had any interest or short position in the shares, underlying shares and/or debentures (as the case may be) of the Company and/or any of its associated corporations (as defined in Part XV of the SFO) which was required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the provisions of Divisions 7 and 8 of Part XV of the SFO (including interest or short position which any such director, supervisor, chief executive or member of senior management of the Company was taken or deemed to have under such provisions of the SFO) or which was required to be recorded in the register kept by the Company pursuant to Section 352 of the SFO, or which was required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") adopted by the Company (which for this purpose shall be deemed to apply to the supervisors of the Company to the same extent as it applies to the directors of the Company).

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

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

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



DESIGNATED DEPOSITS AND OVERDUE TIME DEPOSITS

As at 30 June 2024, the Group's deposits placed with financial institutions or other parties did not include any designated or trust deposits or any material time deposits which could not be collected by the Group upon maturity.

MATERIAL LITIGATION

As of 30 June 2024, certain members of the Group were parties to certain litigations arising from the ordinary course of business or acquisition of assets. The management of the Group believes that any possible legal liability which incurred or may incur from the aforesaid litigations will not have any material adverse effect on the financial position and operating results of the Group.

AUDIT COMMITTEE

The unaudited condensed consolidated financial statements for the Period prepared under the International Accounting Standard 34 "Interim Financial Reporting" have been reviewed by the Audit Committee of the Company.

EMPLOYEE REMUNERATION POLICY FOR THE GROUP

As at 30 June 2024, the total number of employees of the Group was 24,232. The Group has always complied with the relevant requirements of the PRC, and determined the salary levels of employees according to its economic benefits. It has established an objective, impartial, scientific and effective remuneration distribution mechanism and staff performance appraisal mechanism, according to the talent concept of "identifying talents through performance, selecting talents through competition and awarding talents through remuneration".



CORPORATE GOVERNANCE

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

The codes on corporate governance of the Company include, but not limited to, its Articles of Association, Rules of Procedures for General Meetings, Rules of Procedures for the Board, Rules of Procedures for Supervisory Committee, the Terms of Reference for the Strategic Committee under the Board, the Terms of Reference for the Audit Committee under the Board, the Terms of Reference for the Remuneration and Appraisal Committee under the Board, and the Terms of Reference for the Nomination Committee under the Board, etc.

The Company has established and improved the standardised operating systems of the general meetings, meetings of the Board and supervisory committee of the Company and its subsidiaries. The independent directors, the Audit Committee and the supervisory committee have actively supervised the preparation of regular reports, whereas non-executive directors and supervisors have performed their duties by carrying out annual reviews and the supervisory committee has further improved its supervisory duties. The Company has upheld transparency and compliance with information disclosures. Trainings regarding corporate governance and regulatory operations were provided to the directors, supervisors and secretaries to the Board of the Company and its subsidiaries. In accordance with the relevant requirements of the risk management and internal control, regular assessments were made on the risk management and internal control of the Company.

In the first half of the year, the Group complied with the environmental, social and governance requirements under the Hong Kong Listing Rules, and continuously tracked the performance indicators of the Group in terms of environmental protection, social responsibility and corporate governance.

The Board adheres to the principles of corporate governance in order to achieve prudent management and enhance value for shareholders. Transparency, accountability and independence are enshrined under these principles. The Board has reviewed the relevant requirements prescribed under the codes on corporate governance adopted by the Company and its actual operations, and has taken the view that the corporate governance practices of the Company during the Period have met the requirements under the code provisions in the Corporate Governance Code ("**Corporate Governance Code**") as contained in Appendix C1 to the Hong Kong Listing Rules. The Company has also adopted the board member diversity policy. In certain aspects, the corporate governance codes adopted by the Company are more stringent than the code provisions set out in the Corporate Governance Code, the major particulars of which are as follows:



CORPORATE GOVERNANCE (CONTINUED)

- The Company has formulated the Code on Trading in Securities of Huadian Power International Corporation Limited for Directors and Supervisors and the Code on Trading in Securities of Huadian Power International Corporation Limited for Employees, which are on terms no less lenient than those set out in the Model Code.
- In addition to the Audit Committee, the Remuneration and Appraisal Committee and the Nomination Committee, the Company has established the Strategic Committee and has stipulated the Terms of Reference for the Strategic Committee.
- In the first half of 2024, a total of five Board meetings were held by the Company.
- The Audit Committee comprises five members, including two non-executive directors and three independent non-executive directors.

By order of the Board
Huadian Power International Corporation Limited*
Dai Jun
Chairman

Beijing, the PRC
 22 August 2024

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

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

* For identification purpose only



Report on Review of Condensed Consolidated Financial Statements



SHINEWING (HK) CPA Limited
17/F, Chubb Tower, Windsor House,
311 Gloucester Road,
Causeway Bay, Hong Kong

信永中和(香港)會計師事務所有限公司
香港銅鑼灣告士打道311號
皇室大廈安達人壽大樓17樓

**TO THE BOARD OF DIRECTORS OF
HUADIAN POWER INTERNATIONAL CORPORATION LIMITED**
(Incorporated in the People's Republic of China with limited liability)

INTRODUCTION

We have reviewed the condensed consolidated financial statements of Huadian Power International Corporation Limited (the “**Company**”) and its subsidiaries (hereinafter collectively referred to as the “**Group**”) set out on pages 32 to 80, which comprise the condensed consolidated statement of financial position as of 30 June 2024 and the related condensed consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the six-month period then ended, and other explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard (“**IAS**”) 34 “Interim Financial Reporting” issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with IAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

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



Report on Review of Condensed Consolidated Financial Statements (Continued)

CONCLUSION

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

SHINEWING (HK) CPA Limited

Certified Public Accountants

Wong Hon Kei, Anthony

Practising Certificate Number: P05591

Hong Kong
22 August 2024



Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2024

	Notes	Six months ended 30 June	
		2024	2023
		RMB'000 (Unaudited)	RMB'000 (Unaudited)
Turnover	4	52,893,953	59,053,025
Operating expenses			
Fuel costs		(32,839,062)	(38,828,764)
Costs of coal sold		(3,819,329)	(6,125,012)
Depreciation and amortisation		(5,363,419)	(5,161,889)
Repairs, maintenance and inspection		(1,943,475)	(1,649,938)
Personnel costs		(3,552,666)	(3,445,875)
Administration expenses		(575,350)	(543,822)
Taxes and surcharges		(683,219)	(427,603)
Other operating expenses	7(b)	(751,942)	(684,020)
		(49,528,462)	(56,866,923)
Operating profit		3,365,491	2,186,102
Investment income	5	225,266	11,533
Other revenue and net income		863,463	829,301
Interest income from bank deposits		28,579	44,415
Finance costs	6	(1,660,406)	(1,853,160)
Share of results of associates		1,993,958	2,272,579
Profit before taxation	7(a)	4,816,351	3,490,770
Income tax expense	8	(788,816)	(453,845)
Profit for the period		4,027,535	3,036,925



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

For the six months ended 30 June 2024

	Notes	Six months ended 30 June	
		2024	2023
		RMB'000 (Unaudited)	RMB'000 (Unaudited)
Other comprehensive (expense) income:			
<i>Item that may be subsequently reclassified to profit or loss:</i>			
Share of other comprehensive expense of investees accounted for under the equity method (with nil tax effect)		(14,179)	(13,225)
<i>Item that will not be reclassified to profit or loss:</i>			
Share of other comprehensive (expense) income (non-recycling) of investees accounted for under the equity method (with nil tax effect)		(25,327)	9,388
Other comprehensive expense for the period (net of tax)	9	(39,506)	(3,837)
Total comprehensive income for the period		3,988,029	3,033,088
Profit for the period attributable to:			
Equity holders of the Company		3,431,773	2,876,840
Non-controlling interests		595,762	160,085
		4,027,535	3,036,925
Total comprehensive income for the period attributable to:			
Equity holders of Company		3,392,672	2,872,853
Non-controlling interests		595,357	160,235
		3,988,029	3,033,088
Earnings per share	10		
– Basic (RMB)		0.286	0.239
– Diluted (RMB)		N/A	0.236

Condensed Consolidated Statement of Financial Position

As at 30 June 2024

	<i>Notes</i>	At 30 June 2024	At 31 December 2023
		<i>RMB'000</i> (Unaudited)	<i>RMB'000</i> (Audited)
Non-current assets			
Property, plant and equipment	11	131,165,965	134,616,966
Right-of-use assets		5,365,673	5,355,393
Construction in progress	12	7,715,208	7,352,868
Investment properties		69,710	70,881
Intangible assets		1,849,988	1,892,131
Goodwill		1,032,483	1,032,483
Interests in associates		46,038,471	44,240,623
Financial assets at fair value through profit or loss		364,482	351,434
Other non-current assets	13	542,938	471,640
Deferred tax assets		2,233,318	2,510,363
		196,378,236	197,894,782
Current assets			
Inventories		5,543,522	4,500,583
Trade debtors and bills receivables	14	10,280,401	12,336,707
Deposits, other receivables and prepayments	15	7,792,435	6,196,940
Tax recoverable		57,978	92,329
Restricted deposits	16	261,323	284,880
Cash and cash equivalents	17	5,267,090	5,170,277
		29,202,749	28,581,716



Condensed Consolidated Statement of Financial Position (Continued)

As at 30 June 2024

	Notes	At 30 June 2024	At 31 December 2023
		RMB'000 (Unaudited)	RMB'000 (Audited)
Current liabilities			
Bank loans		29,332,753	26,789,426
Loans from shareholders		1,465,800	737,354
State loans		1,854	1,886
Other loans	18(a)	3,248,080	4,402,494
Long-term debentures payable – current portion	18(b)	15,184,057	14,196,421
Short-term debentures payable	18(c)	1,501,226	–
Amount due to the parent company		29,630	13,269
Lease liabilities		79,762	24,635
Trade creditors and bills payable	19	9,545,678	11,282,248
Other payables and contract liabilities	20	6,109,933	5,570,645
Tax payable		186,999	178,289
		<u>66,685,772</u>	<u>63,196,667</u>
Net current liabilities		<u>(37,483,023)</u>	<u>(34,614,951)</u>
Total assets less current liabilities		<u>158,895,213</u>	<u>163,279,831</u>



Condensed Consolidated Statement of Financial Position (Continued)

As at 30 June 2024

	Notes	At 30 June 2024	At 31 December 2023
		<i>RMB'000</i> (Unaudited)	<i>RMB'000</i> (Audited)
Non-current liabilities			
Bank loans		48,356,271	49,678,407
Loans from shareholders		4,093,910	5,020,370
State loans		43,542	45,631
Other loans	18(a)	6,303,528	6,856,509
Long-term debentures payable	18(b)	5,796,494	9,794,241
Lease liabilities		98,582	46,621
Provisions		148,704	147,142
Deferred governments grants		1,386,427	1,465,681
Deferred income	21	2,649,662	2,753,802
Deferred tax liabilities		1,531,181	1,560,912
Retirement benefit obligations		6,438	8,240
		70,414,739	77,377,556
Net assets		88,480,474	85,902,275
Capital and reserves			
Share capital		10,227,561	10,227,561
Perpetual capital securities	22	31,000,000	30,656,009
Reserves		32,491,011	30,755,089
Equity attributable to equity holders of the Company		73,718,572	71,638,659
Non-controlling interests		14,761,902	14,263,616
Total equity		88,480,474	85,902,275

The condensed consolidated financial statements on pages 32 to 80 were approved and authorized for issue by the board of directors 22 August 2024 and are signed on its behalf by:

Dai Jun
Director

Li Guoming
Director

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2024

	Attributable to equity holders of the Company											
	Share capital	Capital reserve	Statutory surplus reserve	Discretionary surplus reserve	Revaluation reserve	Fair value reserve	Retained profits	Convertible bonds reserve	Perpetual capital securities	Total	Non-controlling interest	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000 (note 23)	RMB'000	RMB'000	RMB'000
Balance at 1 January 2023	9,969,858	14,952,439	4,716,596	68,089	44,726	93,026	8,116,650	41,250	23,506,213	61,408,847	11,597,593	73,006,440
Profit for the period	-	-	-	-	-	-	2,402,367	-	474,473	2,876,840	160,085	3,036,925
Other comprehensive (expense) income for the period (note 9)	-	-	-	-	-	(3,987)	-	-	-	(3,987)	150	(3,837)
Total comprehensive (expense) income for the period	-	-	-	-	-	(3,987)	2,402,367	-	474,473	2,872,853	160,235	3,033,088
Conversion of convertible bonds	357,703	1,159,931	-	-	-	-	-	(41,250)	-	1,476,384	-	1,476,384
Capital injection from non-controlling shareholders	-	-	-	-	-	-	-	-	-	-	112,500	112,500
Issue of perpetual capital securities	-	(2,102)	-	-	-	-	-	-	11,500,000	11,497,898	-	11,497,898
Redemption of perpetual capital securities	-	-	-	-	-	-	-	-	(4,000,001)	(4,000,001)	-	(4,000,001)
Appropriation of specific reserve	-	-	407,987	-	-	-	(407,987)	-	-	-	-	-
Utilisation of specific reserve	-	-	(197,222)	-	-	-	197,222	-	-	-	-	-
Dividends recognised as distribution (note 23)	-	-	-	-	-	-	(2,045,512)	-	-	(2,045,512)	-	(2,045,512)
Distributions payable to holders of perpetual capital securities (note 22)	-	-	-	-	-	-	-	-	(629,344)	(629,344)	-	(629,344)
Others	-	116,833	-	-	-	-	-	-	-	116,833	7,258	124,091
Balance at 30 June 2023 (unaudited)	10,227,561	16,227,101	4,927,361	68,089	44,726	89,039	8,262,740	-	30,851,341	70,697,958	11,877,586	82,575,544

Condensed Consolidated Statement of Changes in Equity (Continued)

For the six months ended 30 June 2024

	Attributable to equity holders of the Company											Total equity
	Share capital	Capital reserve	Statutory surplus reserve	Discretionary surplus reserve	Revaluation reserve	Fair value reserve	Retained profits	Convertible bonds reserve	Perpetual capital securities	Total	Non-controlling interest	
	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	
Balance at 1 January 2024 (audited)	10,227,561	16,088,015	4,943,943	68,089	44,726	174,396	9,435,920	-	30,656,009	71,638,659	14,263,616	85,902,275
Profit for the period	-	-	-	-	-	-	2,920,209	-	511,564	3,431,773	595,762	4,027,535
Other comprehensive expense for the period (note 9)	-	-	-	-	-	(39,101)	-	-	-	(39,101)	(405)	(39,506)
Total comprehensive (expense) income for the period	-	-	-	-	-	(39,101)	2,920,209	-	511,564	3,392,672	595,357	3,988,029
Capital injection from non-controlling shareholders issued of perpetual capital securities	-	-	-	-	-	-	-	-	-	-	66,998	66,998
Redemption of perpetual capital securities	-	-	-	-	-	-	-	-	2,000,000	2,000,000	-	2,000,000
Appropriation of specific reserve	-	-	405,433	-	-	-	(405,433)	-	-	-	-	-
Utilisation of specific reserve	-	-	(179,152)	-	-	-	179,152	-	-	-	-	-
Dividends recognised as distribution (note 23)	-	-	-	-	-	-	(1,534,134)	-	-	(1,534,134)	-	(1,534,134)
Dividends paid to non-controlling shareholders	-	-	-	-	-	-	-	-	-	-	(160,139)	(160,139)
Distributions payable to holders of perpetual capital securities (note 22)	-	-	-	-	-	-	-	-	(667,573)	(667,573)	-	(667,573)
Share of reserve of associates	-	382,090	-	-	-	-	-	-	-	382,090	702	382,792
Others	-	-	-	-	-	-	6,858	-	-	6,858	(4,632)	2,226
Balance at 30 June 2024 (unaudited)	10,227,561	16,470,105	5,170,224	68,089	44,726	135,295	10,602,572	-	31,000,000	73,718,572	14,761,902	88,480,474



Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2024

		Six months ended 30 June	
	Notes	2024	2023
		<i>RMB'000</i> (Unaudited)	<i>RMB'000</i> (Unaudited)
Cash generated from operations		5,803,616	1,906,223
PRC enterprise income tax paid		(519,102)	(155,487)
Net cash generated from operating activities		5,284,514	1,750,736
Net cash used in investing activities	25	(2,621,583)	(4,041,078)
Net cash (used in) generated from financing activities	25	(2,566,118)	2,905,349
Increase in cash and cash equivalents		96,813	615,007
Cash and cash equivalents at 1 January		5,170,277	5,907,615
Cash and cash equivalents at 30 June		5,267,090	6,522,622



Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2024

1. GENERAL

Huadian Power International Corporation Limited (the “**Company**”) was established in the People’s Republic of China (the “**PRC**”) on 28 June 1994 as a joint stock limited company.

The Company and its subsidiaries (together referred to as the “**Group**”) are principally engaged in the generation and sale of electricity, heat and coal. Majority of electricity generated is supplied to the local power grid companies where the power plants are located.

The condensed consolidated financial statements are presented with Renminbi (“**RMB**”), which is also the functional currency of the Company.

2. BASIS OF PREPARATION

The condensed consolidated financial statements of the Group for six months ended 30 June 2024 have been prepared in accordance with International Accounting Standard (“**IAS**”) 34 “Interim Financial Reporting” issued by International Accounting Standards Board (“**IASB**”) as well as the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

At 30 June 2024, the Group had net current liabilities of approximately RMB37,483 million and certain capital commitments (see note 24). The directors of the Company, are of the opinion that, taking into account the current operation of the Group, the unutilised banking facilities available to the Group as well as debentures and bonds registered in the PRC interbank debenture market which has not been issued, the Group has sufficient working capital to enable it to meet in full its financial obligations as and when they fall due in the coming twelve months from the end of the reporting period. Therefore, these condensed consolidated financial statements have been prepared on a going concern basis.



Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2024

3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values, as appropriate.

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2024 are the same as those presented in the Group's annual consolidated financial statements for the year ended 31 December 2023.

Application of amendments to IFRSs

In the current interim period, the Group has applied, for the first time, the following amendments to IFRSs issued by the IASB, which are effective for the Group's financial year beginning on 1 January 2024:

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

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



Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2024

4. TURNOVER

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

	Six months ended 30 June	
	2024	2023
	<i>RMB' 000</i> (Unaudited)	<i>RMB' 000</i> (Unaudited)
Revenue from contracts with customers within the scope of IFRS 15		
– Sale of electricity	42,876,950	47,129,670
– Sale of heat	5,613,342	5,482,148
– Sale of coal	4,403,661	6,441,207
	52,893,953	59,053,025

The chief operating decision makers review the Group's revenue and profit as a whole, which are determined in accordance with the Group's accounting policies for resources allocation and performance assessment. Therefore, the Group has only one operating and reportable segment and no further segment information is presented in the condensed consolidated financial statements. The Group's major customers are the power grid operators in relation to the sale of electricity. The revenue from sale of electricity, heat and coal are recognised at a point in time. The Group's non-current assets are mainly located in the PRC and the Group's revenue is mainly derived in the PRC.



Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2024

5. INVESTMENT INCOME

	Six months ended 30 June	
	2024	2023
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Interest income from other long-term receivables	7,419	7,378
Loss on disposal of financial assets measured at fair value through other comprehensive income ("FVOCI")	(5,330)	(3,123)
Gain on disposal of subsidiaries	223,177	–
Others	–	7,278
	225,266	11,533

6. FINANCE COSTS

	Six months ended 30 June	
	2024	2023
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Interest on loans and other financial liabilities	1,673,975	1,925,359
Interest on lease liabilities	3,996	5,028
Interest on convertible bonds	–	15,139
Other finance costs	16,106	10,247
Net foreign exchange (gain) loss	(1,175)	2,856
Less: interest capitalised	(32,496)	(105,469)
	1,660,406	1,853,160

The borrowing costs have been capitalised at an average rate of 2.90% (six months ended 30 June 2023: 3.25%) per annum for construction in progress.

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2024

7. PROFIT BEFORE TAXATION

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

	Six months ended 30 June	
	2024	2023
	<i>RMB'000</i> (Unaudited)	<i>RMB'000</i> (Unaudited)
Amortisation		
– Intangible assets	54,085	55,231
Depreciation		
– Property, plant and equipment	5,183,533	4,949,082
– Right-of-use assets	124,630	156,556
– Investment properties	1,171	1,020
Total amortisation and depreciation	5,363,419	5,161,889
Reversal of impairment loss recognised under expected credit loss model, net (included in administration expenses)		
– Trade debtors and bills receivables	(381)	(7,551)
– Deposits, other receivables and prepayments	–	(250)
Included in other revenue and net income:		
– Government grants	(261,471)	(259,122)
– Net gain on disposal of property, plant and equipment and right-of-use assets	(395,735)	(111,601)
– Net income from sale of materials	(92,404)	(287,390)

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2024

7. PROFIT BEFORE TAXATION (CONTINUED)

(b) Other operating expenses:

	Six months ended 30 June	
	2024	2023
	RMB' 000 (Unaudited)	RMB' 000 (Unaudited)
Heating	364,214	313,149
Power charges	152,190	137,833
Water charges	222,523	217,922
Environmental restoration expense	—	10,728
Other expense relating to short-term leases	13,015	4,388
Total other operating expenses	751,942	684,020

8. INCOME TAX EXPENSE

	Six months ended 30 June	
	2024	2023
	RMB' 000 (Unaudited)	RMB' 000 (Unaudited)
Current tax – PRC Enterprise Income Tax		
Charge for the period	536,407	303,793
Under (over)-provision in respect of prior years	5,095	(8,043)
	541,502	295,750
Deferred tax		
Origination and reversal of temporary differences and tax losses	247,314	158,095
	788,816	453,845

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2024

8. INCOME TAX EXPENSE (CONTINUED)

The charge for PRC Enterprise Income Tax is calculated at the statutory rate of 25% (six months ended 30 June 2023: 25%) on the estimated assessable profits of the Group for the six months ended 30 June 2024 determined in accordance with relevant enterprise income tax rules and regulations, except for certain subsidiaries of the Group which are taxed at preferential rate of 15% (six months ended 30 June 2023: taxed at preferential rates of 15%).

9. OTHER COMPREHENSIVE (EXPENSE) INCOME

	Six months ended 30 June	
	2024	2023
	RMB' 000 (Unaudited)	RMB' 000 (Unaudited)
Share of other comprehensive expense of investees accounted for under the equity method	(14,179)	(13,225)
Share of other comprehensive (expense) income (non-recycling) of investees accounted for under the equity method	(25,327)	9,388
Other comprehensive expense, net of income tax	(39,506)	(3,837)

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2024

10. EARNINGS PER SHARE

(a) Basic earnings per share

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

	Six months ended 30 June	
	2024	2023
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Profit attributable to equity holders of the Company	3,431,773	2,876,840
Less: Profit attributable to holders of perpetual capital securities (note 23)	(511,564)	(474,473)
Profit attributable to equity shareholders	2,920,209	2,402,367
Weighted average number of ordinary shares in issue	10,227,561,133	10,036,783,843
Basic earnings per share (RMB)	0.286	0.239

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2024

10. EARNINGS PER SHARE (CONTINUED)

(b) Diluted earnings per share

Diluted earnings per share is calculated by adjusting the weighted average number ordinary shares outstanding to assume exercise/conversion of all dilutive potential ordinary shares. During the six months ended 30 June 2023, the Company has one category of dilutive potential ordinary shares which is the convertible bonds. They are assumed to have been converted into ordinary shares, and profits attributable to the equity shareholders of the Company is adjusted to eliminate the interest expenses of the convertible bonds.

	Six months ended 30 June
	<u>2023</u>
	<i>RMB'000</i> (Unaudited)
Profit attributable to equity shareholders (note 10(a))	2,402,367
Add: Interest expense on liability component of convertible bonds	<u>15,139</u>
Profit for the purpose of diluted earnings per share	<u>2,417,506</u>
Weighted average number of ordinary shares in issue	10,036,783,843
Effect of dilutive potential ordinary shares: Convertible bonds	<u>190,777,290</u>
Weighted average number of ordinary share in issue for the purpose of diluted earnings per share	<u>10,227,561,133</u>
Diluted earnings per share (RMB)	<u><u>0.236</u></u>

No diluted earnings per share is presented for the six months ended 30 June 2024 as there is no potential ordinary shares in issue during the period.



Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2024

11. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2024, addition of property, plant and equipment amounted to approximately RMB1,844 million (six months ended 30 June 2023: RMB9,685 million), including approximately RMB1,725 million (six months ended 30 June 2023: RMB8,825 million) through transfer from construction in progress.

During the six months ended 30 June 2024, the Group disposed of certain property, plant and equipment with an aggregate carrying amount of approximately RMB2.7 million (six months ended 30 June 2023: RMB98.4 million) for cash proceeds of approximately RMB19.0 million (six months ended 30 June 2023: RMB210 million), resulting in a gain on disposal of approximately RMB16.3 million (six months ended 30 June 2023: RMB111.6 million).

As at 30 June 2024, the carrying value of property, generators and related machinery of property, plant and equipment held as collateral of the sales and leaseback agreement signed by the Group for financing purposes (note 18(a)) was approximately RMB1,593 million (31 December 2023: RMB1,133 million).

12. CONSTRUCTION IN PROGRESS

	Six months ended 30 June	
	2024	2023
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Additions	2,087,299	2,301,143
Transfer to property, plant and equipment	(1,724,959)	(8,824,672)



Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2024

13. OTHER NON-CURRENT ASSETS

	At 30 June 2024	At 31 December 2023
	<i>RMB'000</i> (Unaudited)	<i>RMB'000</i> (Audited)
Other long-term receivables with fixed-rated and non-current feature (<i>note</i>)	155,024	155,045
Deductible value added tax and other taxes	343,271	279,859
Others	44,643	36,736
	542,938	471,640

Notes: Other long-term receivables are balances due from an associate (note 27(a)).



Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2024

14. TRADE DEBTORS AND BILLS RECEIVABLES

	At 30 June 2024	At 31 December 2023
	<i>RMB'000</i> (Unaudited)	<i>RMB'000</i> (Audited)
Trade debtors and bills receivable for the sale of electricity	8,557,840	11,014,323
Trade debtors and bills receivable for the sale of heat	1,578,587	1,045,354
Trade debtors and bills receivable for the sale of coal	498,440	631,877
	10,634,867	12,691,554
Less: allowance for impairment	(354,466)	(354,847)
	10,280,401	12,336,707
Analysed into:		
– At amortised cost	10,327,280	12,326,729
– At FVOCI (<i>Note</i>)	307,587	364,825
	10,634,867	12,691,554

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2024

14. TRADE DEBTORS AND BILLS RECEIVABLES (CONTINUED)

Note:

The Group's bills receivables are managed with a business model under which bills receivables are held to collect contractual cash flows or endorsed to suppliers prior to their expiry date. Accordingly, these bills receivables are classified as financial assets at FVOCI.

As at 30 June 2024, bank acceptance bills discounted of approximately RMB1,877 million (31 December 2023: RMB3,078 million) were derecognised by the Group (the "Derecognised Bills"). In accordance with the Law of Negotiable Instruments in the PRC, the holders of the Derecognised Bills have a right of recourse against the Group if the PRC banks default (the "Continuing Involvement"). In the opinion of the directors, the Group has transferred substantially all risk and rewards relating to the Derecognised Bills. Accordingly, it has derecognised the full carrying amounts of the Derecognised Bills and the associated trade payables. In the opinion of the directors, the fair values of the Group's Continuing Involvement in the Derecognised Bills are not significant. Losses related to derecognition of the Derecognised Bills was RMB2 million (30 June 2023: RMB3 million) in total and charged to profit or loss.

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

	At 30 June 2024	At 31 December 2023
	<i>RMB'000</i> (Unaudited)	<i>RMB'000</i> (Audited)
Within 1 year	10,031,578	12,201,336
1 to 2 years	177,963	117,309
2 to 3 years	65,672	17,660
Over 3 years	5,188	402
	10,280,401	12,336,707

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2024

15. DEPOSITS, OTHER RECEIVABLES AND PREPAYMENTS

	At 30 June 2024	At 31 December 2023
	<i>RMB'000</i> (Unaudited)	<i>RMB'000</i> (Audited)
Financial assets		
– Dividends receivables	611,774	728,639
– Deposits	56,972	56,688
– Machinery and equipment related receivables	189,099	211,404
– Other receivables	982,449	655,433
	1,840,294	1,652,164
Less: allowance for impairment (<i>Note</i>)	(261,892)	(262,998)
Deductible Value Added Tax	1,496,279	1,449,812
Prepayments	4,519,876	3,185,062
Others	197,878	172,900
	7,792,435	6,196,940

Note:

Expected credit losses (“ECLs”) are estimated by applying a loss rate approach with reference to the historical loss record of the Group. 12-month ECLs are applied as there has no significant increase in credit risk since initial recognition. The loss rate is adjusted to reflect the current conditions and forecasts of future economic conditions, as appropriate. As at 30 June 2024, 12-month ECLs of deposits and other receivables of the Group amounted to approximately RMB262 million (31 December 2023: RMB263 million).

16. RESTRICTED DEPOSITS

Restricted deposits mainly represent performance bonds and frozen deposits at banks and other financial institutions.

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2024

17. CASH AND CASH EQUIVALENTS

	At 30 June 2024	At 31 December 2023
	<i>RMB'000</i> (Unaudited)	<i>RMB'000</i> (Audited)
Cash at banks and in hand	38,001	52,953
Cash at other financial institutions	5,229,089	5,117,324
	5,267,090	5,170,277

18. BORROWINGS

(a) Other loans

	At 30 June 2024	At 31 December 2023
	<i>RMB'000</i> (Unaudited)	<i>RMB'000</i> (Audited)
Due within 1 year:		
– short-term other loans	2,078,423	2,883,281
– current portion of long-term other loans	1,169,657	1,519,213
	3,248,080	4,402,494
Due after 1 year but within 2 years	2,241,231	1,898,175
Due after 2 years but within 5 years	1,847,664	2,593,161
Due after 5 years	2,214,633	2,365,173
	6,303,528	6,856,509
	9,551,608	11,259,003

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2024

18. BORROWINGS (CONTINUED)

(a) Other loans (Continued)

Other loans are mainly borrowed from China Huadian Finance Corporation Limited (“**China Huadian Finance**”), an associate of the Group, and fellow subsidiaries of the Company. Other loans bear interest rates ranging from 0.90 % to 4.65% (31 December 2023: 2.29% to 4.65%) per annum as at 30 June 2024, with maturities from 2024 to 2038 (31 December 2023: 2024 to 2038).

During the period, the Group has entered 1 newly sales and leaseback agreement with an independent financial leasing company with contract terms of 8 year, in order to sell certain property, generator and related machinery and equipment (note 11) and in the meantime, leased back those assets. According to the agreement, the Group has an option to buy back the equipment at a nominal price (RMB1) when the lease term expires. The substance of the transaction was to obtain financing secured by relevant assets within the leasing period and repaid them in instalment. Meanwhile, the Group has signed a finance lease agreement with a fellow subsidiary of the Company (note 26). As at 30 June 2024, the loans mentioned above bear interest rate ranging from 3.00% to 4.65% (31 December 2023: ranging from 3.10% to 4.65%) per annum and will be due in 2024 to 2038 (31 December 2023: 2024 to 2038).

As at 30 June 2024, the other loans borrowed from China Huadian Finance and a fellow subsidiary totaling of approximately RMB1,304 million (31 December 2023: RMB684 million) are secured by the income stream in respect of the sale of electricity.

Apart from the aforementioned secured loans, all of the other loans are unsecured. All of the other loans are denominated in RMB.



Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2024

18. BORROWINGS (CONTINUED)

(b) Long-term debentures payable

	At 30 June 2024	At 31 December 2023
	<i>RMB'000</i> (Unaudited)	<i>RMB'000</i> (Audited)
First tranche of medium-term notes for the year of 2019	–	3,091,624
First tranche of green mid-term notes for the year of 2021	2,358,765	2,323,335
Second tranche of medium-term notes for the year of 2021	2,566,213	2,527,578
Third tranche of medium-term notes for the year of 2021	2,049,164	2,017,758
Fourth tranche of medium-term notes for the year of 2021	1,847,158	1,814,864
Fifth tranche of medium-term notes for the year of 2021	2,556,437	2,514,694
First tranche of company debentures for the year of 2022 (Energy Supply Assurance Bond)	2,534,936	2,571,281
First tranche of medium-term notes for the year of 2022 (Revolutionary Base Area Bond)	2,025,892	2,054,668
Second tranche of medium-term notes for the year of 2022 (Type 1)	1,005,576	1,020,322
Second tranche of medium-term notes for the year of 2022 (Type 2)	1,005,875	1,022,842
Third tranche of medium-term notes for the year of 2022	–	1,521,438
Second tranche of company debentures for the year of 2022	1,529,820	1,510,258
Second tranche of medium-term notes for the year of 2024	1,500,715	–
	20,980,551	23,990,662
Less: Long-term debentures due within one year	(15,184,057)	(14,196,421)
	5,796,494	9,794,241

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2024

18. BORROWINGS (CONTINUED)

(b) Long-term debentures payable (Continued)

As at 30 June 2024, the effective interest rates of the long-term debentures are ranging from 2.14% to 3.61% (31 December 2023: 2.63% to 4.08%) per annum after considering the effect of issue costs.

(c) Short-term debentures payable

On 12 June 2024, the Group issued the short-term debenture notes for the year of 2024 in PRC interbank debenture market. The note was issued at a total par value of RMB1,500 million with a maturity period of 90 days and bears interest at 1.7% per annum. The tranche is unsecured.

19. TRADE CREDITORS AND BILLS PAYABLE

As at 30 June 2024, the ageing analysis of trade creditors and bills payable, presented based on the invoice date, is as follows:

	At 30 June 2024	At 31 December 2023
	RMB' 000 (Unaudited)	RMB' 000 (Audited)
Within 1 year	7,690,046	9,165,850
1 to 2 years	918,200	1,089,175
Over 2 years	937,432	1,027,223
	9,545,678	11,282,248

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2024

20. OTHER PAYABLES AND CONTRACT LIABILITIES

	At 30 June 2024	At 31 December 2023
	<i>RMB' 000</i> (Unaudited)	<i>RMB' 000</i> (Audited)
Financial liabilities		
– Construction deposits	1,025,894	1,114,601
– Consideration payables on acquisitions	296,644	296,644
– Wages payables	298,833	215,801
– Payables for sewage charges	420	1,740
– Dividend payables to non-controlling interest	3,590	110,146
– Dividend payable to shareholders	1,503,401	–
– Distribution payables to holders of perpetual capital securities	511,364	412,541
– Others (Note (i))	619,291	581,190
	4,259,437	2,732,663
Other tax payables	598,588	671,065
Contract liabilities	1,244,939	2,157,646
Receipts in advance	6,969	9,271
	6,109,933	5,570,645

Note:

- (i) Others mainly include payables on service fees, water charges and other miscellaneous items.
- (ii) All of the other payables of the Group are expected to be settled or recognised as income within one year or are repayable on demand.



Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2024

21. DEFERRED INCOME

Deferred income represents the unearned portion of upfront installation fees received from customers for connecting the customers' premises to the heat network of the Group. The amount is deferred and recognised in profit or loss on a straight-line basis over the expected useful life of the relevant assets installed, which approximates to the expected terms of service contracts for sale of heat.

The upfront installation fee recognised for the six months ended 30 June 2024 amounting to approximately RMB119 million (six months ended 30 June 2023: RMB116 million) is included in "Other revenue and net income" in the condensed consolidated statement of profit or loss and other comprehensive income.

22. PERPETUAL CAPITAL SECURITIES

During the six months ended 30 June 2024, the Company issued 1 tranche of public perpetual capital security, which is the 1st tranche of renewable medium-term notes for the year of 2024 to third parties with a principal amount of RMB2.0 billion.

During the six months ended 30 June 2023, the Company issued 6 tranches of public perpetual capital securities, which included (1) 1st tranche of renewable medium-term notes for the year of 2023; (2) 2nd tranche of renewable medium-term notes for the year of 2023; (3) 3rd tranche of renewable medium-term notes for the year of 2023; (4) 4th tranche of renewable medium-term notes for the year of 2023; (5) 5th tranche of renewable medium-term notes for the year of 2023 and (6) 6th tranche of renewable medium-term notes for the year of 2023 to third parties with total principal amount of RMB11.5 billion.

The perpetual capital securities are issued at par value with an initial distribution rate of 2.80% (2023: 2.88% to 3.77%). The interests of perpetual capital securities are recorded as distributions, which are payable annually after the approval of the directors of the Company and may be deferred at the discretion of the Company unless compulsory distribution payment events (distribution to ordinary shareholders of the Company or reduction of the registered capital of the Company) occurred.



Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2024

22. PERPETUAL CAPITAL SECURITIES (CONTINUED)

The perpetual capital securities have no fixed maturity date and are redeemable at the Company's discretion in whole in accordance with their terms. The Company is entitled to redeem the perpetual capital securities at par value plus payable interest (including all deferred interest) on the 2, 3 or 5 years and each of the subsequent interest payment dates of the perpetual bonds.

The applicable distribution rate will be reset on first call date and each renewal period after first call date, to the sum of the applicable benchmark interest rate, the initial spread and 300 basis points per annum.

The directors of the Company are of the opinion that the Group has no contractual obligation to repay the principal or to pay any distribution for the perpetual capital securities. Therefore, the perpetual capital securities are classified as equity instrument and recorded in equity in the condensed consolidated statements of financial position. During the six months ended 30 June 2024, the profit attributable to holders of perpetual capital securities, based on the applicable distribution rate, was approximately RMB512 million (six months ended 30 June 2023: RMB474 million).

The above financial instruments do not have definite maturity period, and it will exist until the right of redemption is exercised. The Company has the rights to defer payment of principal and interest.



Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2024

22. PERPETUAL CAPITAL SECURITIES (CONTINUED)

Movement of the perpetual capital securities is as follows:

	Principal	Distribution	Total
	RMB' 000	RMB' 000	RMB' 000
As at 1 January 2023 (audited)	23,350,001	156,212	23,506,213
Issue of perpetual capital securities	11,500,000	–	11,500,000
Profit attributable to holders of perpetual capital securities (note 10(a))	–	474,473	474,473
Distributions payable to holders of perpetual capital securities	–	(629,344)	(629,344)
Redemption of perpetual capital securities	(4,000,001)	–	(4,000,001)
As at 30 June 2023 (unaudited)	<u>30,850,000</u>	<u>1,341</u>	<u>30,851,341</u>
As at 1 January 2024 (audited)	30,500,001	156,008	30,656,009
Issue of perpetual capital securities	2,000,000	–	2,000,000
Profit attributable to holders of perpetual capital securities (note 10(a))	–	511,564	511,564
Distributions payable to holders of perpetual capital securities	–	(667,572)	(667,572)
Redemption of perpetual capital securities	(1,500,001)	–	(1,500,001)
As at 30 June 2024 (unaudited)	<u>31,000,000</u>	<u>–</u>	<u>31,000,000</u>

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2024

23. DIVIDENDS

- (a) A final dividend of RMB0.15 per share in respect of the year ended 31 December 2023 (six months ended 30 June 2023: RMB0.20 per share in respect of the year ended 31 December 2022) was declared to the equity shareholders of the Company and approved on 17 June 2024. The aggregate amount of the final dividend declared amounted to approximately RMB1,534 million (six months ended 30 June 2023: RMB2,045 million).
- (b) Subsequent to the end of the reporting period, an interim dividend of RMB0.08 per share in aggregate amount of RMB818 million in respect of the three months ended 31 March 2024, has been proposed by the directors of the Company and is subject to approval by the shareholders in the forthcoming general meeting. Other than the above, no dividend was proposed during the six months ended 30 June 2024 and 2023.

24. CAPITAL COMMITMENTS

	At 30 June 2024	At 31 December 2023
	<i>RMB' 000</i> (Unaudited)	<i>RMB' 000</i> (Audited)
Contracted for but not provided in the condensed consolidated financial statements		
– Development of power plants	2,765,722	4,369,950
– Improvement projects and others	745,070	594,100
	3,510,792	4,964,050

For commitment with related parties, please refer to note 26(e) for details.



Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2024

25. NOTES TO CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Six months ended 30 June	
	2024	2023
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Investing activities		
Payment for the purchase of property, plant and equipment, construction in progress, right-of-use assets and intangible assets	(3,409,236)	(4,358,533)
Proceeds from disposal of property, plant and equipment and right-of-use assets	61,521	209,924
Investment in associates	(13,048)	(73,693)
Interest received	31,040	38,578
Withdrawal of restricted deposits	69,555	118,278
Placement of restricted deposits	(45,998)	(25,806)
Dividends received	656,263	27,434
Cash inflow from disposal of subsidiaries, net	58,043	–
Other investing activities	(29,723)	22,740
Net cash used investing activities	(2,621,583)	(4,041,078)

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2024

25. NOTES TO CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

	Six months ended 30 June	
	2024	2023
	RMB' 000 (Unaudited)	RMB' 000 (Unaudited)
Financing activities		
Debtures		
– Net proceeds from debtures	3,000,000	–
– Repayment of debtures	(4,500,000)	(2,000,000)
Loans		
– Proceeds from loans	42,226,649	48,523,624
– Repayment of loans	(42,761,356)	(49,681,817)
Lease liabilities		
– Payment for principal portion of lease liabilities	(30,089)	(91,062)
Bills financing		
– Proceeds from bank acceptance bills discounted	105,200	856,527
– Repayment of bank acceptance bills	(340,107)	(1,882,449)
Issued of perpetual capital securities	2,000,000	11,500,000
Redemption of perpetual capital securities	(1,500,000)	(4,000,001)
Capital injection from non-controlling interests	66,998	112,500
Dividends paid to non-controlling interest	(258,473)	(97,826)
Dividends on perpetual capital securities	(568,750)	(325,350)
Other financing activities	(6,190)	(8,797)
Net cash (used in) generated from financing activities	(2,566,118)	2,905,349

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2024

26. MATERIAL RELATED PARTY TRANSACTIONS

(a) Transactions with shareholders, fellow subsidiaries, associates and other connected persons

Shareholders, fellow subsidiaries, associates and other connected persons that had material transactions with the Group are as follows:

<u>Name of related parties</u>	<u>Nature of relationship</u>
China Huadian Corporation Limited ("China Huadian")	Parent and ultimate holding company of the Company
China Huadian Engineering Corporation and its subsidiaries	Fellow subsidiaries of the Company
Guodian Nanjing Automation Company Limited and its subsidiaries	Fellow subsidiaries of the Company
CHD Power Plant Operation Company Limited and its subsidiaries	Fellow subsidiaries of the Company
China Huadian Materials Company Limited and its subsidiaries	Fellow subsidiaries of the Company
China Huadian Capital Holdings Company Limited and its subsidiaries	Fellow subsidiaries of the Company
China Huadian Clean Energy Company Limited	A fellow subsidiary of the Company



Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2024

26. MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Transactions with shareholders, fellow subsidiaries, associates and other connected persons (Continued)

Shareholders, fellow subsidiaries, associates and other connected persons that had material transactions with the Group are as follows: (Continued)

Name of related parties	Nature of relationship
Huadian Shanxi Energy Company Limited and its subsidiaries	Fellow subsidiaries of the Company
Huadian Jiangsu Energy Limited Company and its subsidiaries	Fellow subsidiaries of the Company
Huadian Shaanxi Energy Company Limited	A fellow subsidiary of the Company
Huadian Sichuan Power Company Limited and its subsidiaries	Fellow subsidiaries of the Company
China Huadian Electrical Constructions Technical and Economic Consulting Centre	A fellow subsidiary of the Company
Huadian Inner Mongolia Energy Company Limited and its subsidiaries	Fellow subsidiaries of the Company
China Huadian Advanced Training Centre	A fellow subsidiary of the Company
Fujian Huadian Furui Energy Development Company Limited and its subsidiaries	Fellow subsidiaries of the Company
China Huadian Hong Kong Company Limited and its subsidiaries	Fellow subsidiaries of the Company



Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2024

26. MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Transactions with shareholders, fellow subsidiaries, associates and other connected persons (Continued)

Shareholders, fellow subsidiaries, associates and other connected persons that had material transactions with the Group are as follows: (Continued)

Name of related parties	Nature of relationship
Guizhou Wujiang Hydroelectric Development Company Limited and its subsidiaries	Fellow subsidiaries of the Company
Huadian Electric Power Research Institute Company Limited and its subsidiaries	Fellow subsidiaries of the Company
Huadian Asset Management (Tianjin) Company Limited and its subsidiaries	Fellow subsidiaries of the Company
China Huadian Group Carbon Assets Operation Company Limited	A fellow subsidiary of the Company
Huadian Yunnan Power Generation Company Limited and its subsidiaries	Fellow subsidiaries of the Company
Huadian Commercial Factoring (Tianjin) Company Limited and its subsidiaries	Fellow subsidiaries of the Company
Huadian Liaoning Energy Company Limited	A fellow subsidiary of the Company
China Huadian Finance Corporation Limited	An associate of the Group

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2024

26. MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Transactions with shareholders, fellow subsidiaries, associates and other connected persons (Continued)

Shareholders, fellow subsidiaries, associates and other connected persons that had material transactions with the Group are as follows: (Continued)

Name of related parties	Nature of relationship
Huadian Coal Industry Group Company Limited	An associate of the Group
CNNP CHD Hebei Nuclear Power Company Limited	An associate of the Group
Huadian Jinshan River Upstream Hydropower Development Company Limited	An associate of the Group
Huadian Property Company Limited	An associate of the Group
Beijing Huabin Investment Company Limited	A subsidiary of an associate of the Group
Beijing Huabin Property Management Company Limited	A subsidiary of an associate of the Group
Yankuang Energy Group Company Limited (“ Yankuang Energy ”) (Note (i))	A connected person of the Group

Notes:

- (i) Yankuang Energy is a substantial minority shareholder of a non-wholly owned subsidiary of the Company.



Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2024

26. MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Transactions with shareholders, fellow subsidiaries, associates and other connected persons (Continued)

The Group had the following material transactions with related parties during the six months ended 30 June 2024 and 2023:

	Six months ended 30 June	
	2024	2023
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
<i>Purchase of electricity from</i> A fellow subsidiary	260,535	57,239
<i>Sale of coal to</i> Fellow subsidiaries	4,372,228	5,783,519
<i>Purchase of coal from</i> China Huadian	4,326,127	3,058,110
Associates	2,319,840	628,661
Fellow subsidiaries	756,042	1,013,793
A connected person	1,479,136	1,428,656
<i>Purchase of natural gas from</i> A fellow subsidiary	—	2,327
<i>Sale of equipment to</i> An associate	3,043	2,715
<i>Other services income from</i> China Huadian	27,540	34,620
Fellow subsidiaries	21,764	22,231

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2024

26. MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Transactions with shareholders, fellow subsidiaries, associates and other connected persons (Continued)

The Group had the following material transactions with related parties during the six months ended 30 June 2024 and 2023: (Continued)

	Six months ended 30 June	
	2024	2023
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
<i>Purchase of construction service and equipment from</i>		
Fellow subsidiaries	314,240	454,548
<i>Loans proceeds obtained from</i>		
China Huadian	–	1,349,310
Associates	9,564,300	14,144,880
Fellow subsidiaries	1,954,394	1,149,137
<i>Loans repaid to</i>		
China Huadian	200,000	1,350,000
Associates	11,794,750	17,136,425
Fellow subsidiaries	1,037,310	182,042
<i>Bills receivables discounted to</i>		
Associates	93,427	731,983
<i>Derecognised bills receivables collected by</i>		
Associates	62,427	1,228,524
<i>Interest paid to</i>		
China Huadian	97,197	104,591
An associate	132,162	151,744
Fellow subsidiaries	26,785	22,140

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2024

26. MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Transactions with shareholders, fellow subsidiaries, associates and other connected persons (Continued)

The Group had the following material transactions with related parties during the six months ended 30 June 2024 and 2023: (Continued)

	Six months ended 30 June	
	2024	2023
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
<i>Interest received from</i>		
An associate	29,351	36,359
<i>Rental and property management service expenses paid to</i>		
Associates	36,037	27,863
Fellow subsidiaries	7,707	4,993
<i>Other services expenses paid to</i>		
China Huadian	28,875	44,894
Associates	1,774	5,763
Fellow subsidiaries	99,135	54,612
<i>Capital injection to</i>		
Associates	36,000	73,693

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2024

26. MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Transactions with shareholders, fellow subsidiaries, associates and other connected persons (Continued)

The balances due from/(to) shareholders, fellow subsidiaries, associates and other connected persons are as follows:

	Six months ended 30 June	
	2024	2023
	<i>RMB'000</i> (Unaudited)	<i>RMB'000</i> (Unaudited)
<i>Construction in progress and related construction material prepayments</i>		
Fellow subsidiaries	23,265	45,326
<i>Trade debtors and bills receivable</i>		
China Huadian		–
Associates	49,549	3,451
Fellow subsidiaries	350,861	559,457
<i>Deposits, other receivables and prepayments</i>		
China Huadian	385,455	340,553
Associates	467,954	99,094
Fellow subsidiaries	18,497	73,772
A connected person	–	112,663

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2024

26. MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Transactions with shareholders, fellow subsidiaries, associates and other connected persons (Continued)

The balances due from/(to) shareholders, fellow subsidiaries, associates and other connected persons are as follows: (Continued)

	At 30 June 2024	At 31 December 2023
	RMB'000 (Unaudited)	RMB'000 (Audited)
<i>Dividend receivables</i>		
An associate	280,550	–
<i>Other long-term receivables</i>		
An associate	155,024	155,045
<i>Cash and cash equivalents and restricted deposits</i>		
An associate	5,432,070	5,383,662
<i>Loans from a shareholder</i>		
China Huadian	(5,559,452)	(5,757,466)
<i>Other loans</i>		
An associate	(7,280,413)	(9,512,855)
A fellow subsidiary	(1,998,488)	(1,381,532)
<i>Trade creditors and bills payable</i>		
China Huadian	(462,562)	(332)
Associates	(25,225)	(8,199)
Fellow subsidiaries	(1,229,019)	(1,924,722)
A connected person	(266,411)	(106,251)

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2024

26. MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Transactions with shareholders, fellow subsidiaries, associates and other connected persons (Continued)

The balances due from/(to) shareholders, fellow subsidiaries, associates and other connected persons are as follows: (Continued)

	At 30 June 2024	At 31 December 2023
	<i>RMB'000</i> (Unaudited)	<i>RMB'000</i> (Audited)
<i>Other payables</i>		
China Huadian	(6,740)	(5,741)
An associate	(706)	(940)
Fellow subsidiaries	(85,935)	(117,084)
<i>Contract liabilities</i>		
Fellow subsidiaries	(916,487)	(85,573)
An associate	(17,699)	(21,275)

(b) Transactions with key management personnel

Remuneration for key management personnel, including amounts paid to the Company's directors and supervisors is as follows:

	Six months ended 30 June	
	2024	2023
	<i>RMB'000</i> (Unaudited)	<i>RMB'000</i> (Unaudited)
Salaries and other emoluments	1,613	1,858
Retirement benefits	191	275
	1,804	2,133

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2024

26. MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(c) Contributions to defined contribution retirement plans

The Group participates in various defined contribution retirement plans organised by municipal and provincial governments and China Huadian for its staff. As at 30 June 2024 and 31 December 2023, there was no material outstanding contribution to the post-employment benefit plans.

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

China Huadian is a PRC state-owned enterprise. Government-related entities, other than entities under China Huadian, over which the PRC government has control, joint control or significant influence are also considered as related parties of the Group ("**other government-related entities**"). The majority of the business activities of the Group are conducted with other government-related entities.

The transactions between the Group and other government-related entities are conducted in the ordinary course of the Group's business within normal business operations. The Group has established its approval process for sales of electricity, purchase of products and services and its financing policy for borrowing. Such approval processes and financing policy do not depend on whether the counterparties are government-related entities or not.



Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2024

26. MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

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

Having considered the potential for transactions to be impacted by related party relationships, the Group's approval processes and financing policy, and information that would be necessary for an understanding of the potential effect of the relationship on the condensed consolidated financial statements, the directors believe that the following transactions are collectively significant for disclosure purpose:

- sale of electricity to the grid

The Group sells substantially all its electricity to local government-related power grid companies, and the tariff of electricity is regulated by relevant government. For the six months ended 30 June 2024, management estimates that the aggregate amount of the Group's sales transactions with other government-related entities are at least 99% (six months ended 30 June 2023: 99%) of its sale of electricity.

- depositing and borrowing

The Group deposits most of its cash in government-related financial institutions, and also obtains most of short-term and long-term loans from these financial institutions in the ordinary course of business. The interest rates of the bank deposits and loans are regulated by the People's Bank of China.

- other transactions

Other collectively significant transactions with other government-related entities include a large portion of fuel purchases, and property, plant and equipment construction. The pricing and the selection of suppliers and service providers are not dependent on whether the counterparties are government-related entities or not.



Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2024

26. MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(e) Commitments with related parties

Commitments with related parties are as follows:

	At 30 June 2024	At 31 December 2023
	<i>RMB'000</i> (Unaudited)	<i>RMB'000</i> (Audited)
Capital commitments	171,137	200,797
Commitment on properties rental and management fees	11,047	119,003
	182,184	319,800

27. CONTINGENT LIABILITIES

As at 30 June 2024, certain of the Group's subsidiaries were the defendant in certain lawsuits for events occurred. As at the date of the financial statements, the lawsuits were in progress of which the final outcomes cannot be determined at present. The management of the Group considered that the outcome of these outstanding lawsuits will not result in significant adverse effect on the financial position and operating results of the Group.

Apart from the above, the Group has no other material contingent liabilities as at 30 June 2024 (31 December 2023: nil).

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2024

28. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENT

(a) Fair value of the Group's financial assets that are measured at fair value on recurring basis

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

Financial assets	Fair value as at		Fair value hierarchy	Valuation technique(s) and key inputs
	30 June 2024	31 December 2023		
	RMB'000	RMB'000		
Bills receivables measured at FVOCI (included in trade debtors and bills receivables) (note 14)	307,587	364,825	Level 2	Future cash flows are estimates based on discount rate observed in the available market.
Financial assets at fair value through profit or loss ("FVPL") – unlisted equity securities	364,482	351,434	Level 3	The financial assets at FVPL are unlisted equity securities. The fair value is measured by applying income approach and considered the expected distributable profits of the investments.

During the reporting period there is no transfer between instruments in Level 1 and Level 2 or transfer into or out of level 3.



Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2024

28. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENT (CONTINUED)

(b) Financial instruments carried at other than fair value

Except as detailed in the following table, the directors of the Company consider that the carrying amounts of financial assets and financial liabilities recognised in the condensed consolidated financial statements approximate their fair values.

	30 June 2024		31 December 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Fixed-rate borrowings and debentures payable	31,712,542	31,719,393	38,336,928	38,297,492

The fair value measurements of above financial liabilities are within the level 2 category, which have been determined based on a discounted cash flow analysis, with the most significant input being the discount rate that reflects the credit risk of the Group entities.

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2024

29. EVENTS AFTER THE REPORTING PERIOD

Subsequent to 30 June 2024, the Group had the following non-adjusting events:

- (a) In July 2024, the Group issued the third tranche of medium-term notes for the year of 2024 in the PRC interbank debenture market. The medium-term note was issued at a total par value of RMB2,500 million with an initial maturity period of 3 years and bears interest at 2.17% per annum. The tranche is unsecured.
- (b) In August 2024, the Group issued the fourth tranche of medium-term notes (Type 1 and Type 2) for the year of 2024 in the PRC interbank debenture market. The medium-term note (Type 1) was issued at a total par value of RMB1,000 million with an initial maturity period of 3 years and bears interest at 2.05% per annum. The medium-term note (Type 2) was issued at a total par value of RMB1,000 million with an initial maturity period of 3 years and bears interest at 2.17% per annum. The tranche is unsecured.
- (c) In August 2024, the Group issued the fifth tranche of medium-term notes for the year of 2024 in the PRC interbank debenture market. The medium-term note was issued at a total par value of RMB1,300 million with an initial maturity period of 3 years and bears interest at 2.07% per annum. The tranche is unsecured.
- (d) The Company has received a notice from its controlling shareholder, China Huadian Corporation Ltd. ("**Huadian Group**"), which intends to plan an asset restructuring in relation to the Company. The Company intends to purchase 80% equity interests of Huadian Jiangsu Energy Co., Ltd., 51% of the equity interests of Shanghai Huadian Fuxin Energy Co., Ltd., 100% of the equity interests of Shanghai Huadian Minhang Energy Co., Ltd., 55% of the equity interests of Guangzhou University City Huadian New Energy Company Limited, 55% equity interests of Huadian Fuxin Guangzhou Energy Co., Ltd., 70% of the equity interests of Huadian Fuxin Jiangmen Energy Company Limited, 100% of equity interests of Huadian Fuxin Qingyuan Energy Company Limited, held by Fujian Huadian Furui Energy Development Co., Ltd. and 100% of the equity interests of CHD Guigang Electric Power Co., Ltd. held by CHD Power Plant Operation Co., Ltd. by way of issuing ordinary shares (A Shares) and cash.

Details of above transactions are set out in the Company's announcements dated 18 July 2024.

