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

Stock Code: 1071

2026
INTERIM REPORT

www.hdpi.com.cn

* For identification purposes only

The board of directors (the "**Board**") of Huadian Power International Corporation Limited* (the "**Company**") hereby announces the unaudited interim consolidated financial statements of the Company and its subsidiaries (the "**Group**") for the six months ended 30 June 2026 (the "**Reporting Period**") prepared in accordance with the Accounting Standards for Business Enterprises. At the same time, the audit committee of the Board of the Company (the "**Audit Committee**") has also reviewed the 2026 interim report and the relevant financial information of the Group.

BUSINESS REVIEW

During the Reporting Period, the operating revenue of the Group amounted to approximately RMB54,264 million, representing a decrease of approximately 9.49% year-on-year. The net profit attributable to shareholders of the Company amounted to approximately RMB3,105 million, representing a decrease of approximately 20.47% year-on-year. The basic income per share amounted to approximately RMB0.25, representing a decrease of approximately 24.24% year-on-year.

INTERIM DIVIDEND

At the 3rd meeting of the eleventh session of the Board of the Company, the Board proposed to declare an interim dividend of RMB0.09 per share (tax inclusive) for 2026 based on the total share capital of 11,611,774,184 shares, and the total dividend payout will amount to approximately RMB1,045,059.68 thousand (tax inclusive). The 2026 interim dividend is expected to be distributed to eligible H shareholders on or before 31 December 2026. The 2026 interim cash dividend plan shall be submitted to the general meeting for consideration. The Company will disclose further information in relation to the 2026 interim cash dividend plan in due course.

THE GROUP'S MAJOR EXISTING ASSETS

The Group is one of the largest comprehensive energy companies in the PRC, primarily engaged in the construction and operation of power plants, including large-scale efficient coal-fired, gas-fired generating units and hydropower projects. The Group's power generating assets which have commenced operations are located in 15 provinces, autonomous regions and municipalities across the PRC at prime locations, mainly in the electricity and heat load centers or regions with abundant coal resources.

As of the date of this report, the Group has a total of 57 controlled power generation enterprises which have commenced operations involving a total of 78,645.598 MW controlled installed capacity, primarily including 53,980 MW attributable to coal-fired generating units, 22,173.048 MW attributable to gas-fired generating units, 2,459 MW attributable to hydropower generating units, and 33.55 MW attributable to photovoltaic generating units (including photovoltaic generating units for own use).

THE GROUP'S MAJOR EXISTING ASSETS (CONTINUED)

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

1. Details of Controlled Thermal Power Generating Units

Category		Name of company	Installed capacity *(MW)*	Equity interest held by the Company	Generating units
Thermal power	1	Zouxian Plant	2,610	100%	2 x 635 MW + 4 x 335 MW
	2	Shiliquan Plant	1,980	100%	2 x 660 MW + 2 x 330 MW
	3	Laicheng Plant	1,340	100%	4 x 335 MW
	4	Fengjie Plant *(Note 3)*	1,200.9	100%	2 x 600 MW + 0.9 MW
	5	Huadian Zouxian Power Generation Company Limited ("**Zouxian Company**")	2,030	69%	1 x 1,000 MW + 1 x 1,030 MW
	6	Huadian Laizhou Power Generation Company Limited ("**Laizhou Company**")	4,100	75%	2 x 1,050 MW + 2 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**") *(Note 5)*	2,281.08	55%	2 x 505.54 MW + 1 x 330 MW + 2 x 320 MW + 1 x 300 MW
	9	Huadian Zibo Thermal Power Company Limited ("**Zibo Company**")	950	100%	2 x 330 MW + 2 x 145 MW

THE GROUP'S MAJOR EXISTING ASSETS (CONTINUED)

1. Details of Controlled Thermal Power Generating Units (Continued)

Category		Name of company	Installed capacity *(MW)*	Equity interest held by the Company	Generating units
Thermal power	10	Huadian Zhangqiu Power Generation Company Limited ("**Zhangqiu Company**")	670	87.50%	2 x 335 MW
	11	Huadian Jinan Zhangqiu Thermal Power Company Limited ("**Zhangqiu Thermal Power**")	1,003.3	70%	2 x 501.65 MW
	12	Huadian Tengzhou Xinyuan Thermal Power Company Limited ("**Tengzhou Company**")	1,000	93.26%	2 x 350 MW + 2 x 150 MW
	13	Huadian Longkou Power Generation Company Limited ("**Longkou Company**")	1,320	100%	2 x 660 MW
	14	Huadian Hubei Power Generation Company Limited ("**Hubei Company**") *(Note 1)*	6,886.5	82.56%	2 x 680 MW + 2 x 660 MW + 2 x 640 MW + 7 x 330 MW + 2 x 185 MW + 2 x 122.8 MW + 0.9 MW
	15	Anhui Huadian Lu'an Power Generation Company Limited ("**Lu'an Company**")	1,320	95%	2 x 660 MW
	16	Anhui Huadian Suzhou Power Generation Company Limited ("**Suzhou Company**")	1,260	97%	2 x 630 MW

THE GROUP'S MAJOR EXISTING ASSETS (CONTINUED)

1. Details of Controlled Thermal Power Generating Units (Continued)

Category		Name of company	Installed capacity *(MW)*	Equity interest held by the Company	Generating units
Thermal power	17	Anhui Huadian Wuhu Power Generation Company Limited ("**Wuhu Company**")	2,320	65%	1 x 1,000 MW + 2 x 660 MW
	18	Hebei Huadian Shijiazhuang Yuhua Thermal Power Company Limited ("**Yuhua Company**")	600	20.80%	2 x 300 MW
	19	Hebei Huadian Shijiazhuang Luhua Thermal Power Company Limited ("**Luhua Company**") *(Note 3)*	661	18.74%	2 x 330 MW + 1 MW
	20	Hebei Huadian Shijiazhuang Thermal Power Company Limited ("**Shijiazhuang Thermal Power Company**") *(Note 3, 5)*	1,311.65	82%	2 x 453.6 MW + 2 x 200 MW + 4.45 MW
	21	Shijiazhuang Huadian Heat Corporation Limited ("**Shijiazhuang Heat Corporation**")	12.55	100%	2 x 4.275 MW + 2 x 2 MW
	22	Huadian Xinxiang Power Generation Company Limited ("**Xinxiang Company**")	1,320	20.53%	2 x 660 MW
	23	Huadian Luohe Power Generation Company Limited ("**Luohe Company**")	660	79.11%	2 x 330 MW
	24	Huadian Qudong Power Generation Company Limited ("**Qudong Company**")	660	20.79%	2 x 330 MW

THE GROUP'S MAJOR EXISTING ASSETS (CONTINUED)

1. Details of Controlled Thermal Power Generating Units (Continued)

Category		Name of company	Installed capacity *(MW)*	Equity interest held by the Company	Generating units
Thermal power	25	Sichuan Guang'an Power Generation Company Limited ("**Guang'an Company**")	2,400	80%	2 x 600 MW + 4 x 300 MW
	26	Tianjin Huadian Fuyuan Thermal Power Company Limited ("**Fuyuan Company**") *(Note 3)*	400.49	100%	2 x 200 MW + 0.49 MW
	27	Tianjin Huadian Nanjiang Thermal Power Company Limited ("**Nanjiang Company**")	930	65%	2 x 315 MW + 1 x 300 MW
	28	Tianjin Development Area Branch Company of Huadian Power International Corporation Limited ("**Tianjin Development Area Branch Company**")	510	100%	3 x 170 MW
	29	Guangdong Huadian Pingshi Power Generation Company Limited ("**Pingshi Company**") *(Note 4)*	617.3	100%	2 x 300 MW + 17.3 MW
	30	Guangdong Huadian Shaoguan Thermal Power Company Limited ("**Shaoguan Company**")	700	100%	2 x 350 MW
	31	Shantou Huadian Power Generation Company Limited ("**Shantou Company**")	1,360	51%	2 x 680 MW
	32	Guangdong Huadian Shenzhen Energy Company Limited ("**Shenzhen Company**")	365	100%	1 x 120 MW + 2 x 82 MW + 1 x 81 MW

THE GROUP'S MAJOR EXISTING ASSETS (CONTINUED)

1. Details of Controlled Thermal Power Generating Units (Continued)

Category		Name of company	Installed capacity *(MW)*	Equity interest held by the Company	Generating units
Thermal power	33	Huadian Foshan Energy Company Limited ("**Foshan Energy Company**")	329	90%	4 x 59 MW + 1 x 47.5 MW + 1 x 45.5 MW
	34	Guangdong Huadian Qingyuan Energy Company Limited ("**Qingyuan Company**")	1,003.2	100%	2 x 501.6 MW
	35	Guangdong Huadian Huizhou Energy Company Limited ("**Huizhou Company**")	1,070.1	100%	2 x 535.05 MW
	36	Guangzhou University City Huadian New Energy Company Limited ("**University City Company**") *(Note 3)*	185.74	55.0007%	2 x 78 MW + 3 x 9.78 MW + 0.4 MW
	37	Huadian Fuxin Guangzhou Energy Company Limited ("**Guangzhou Company**")	1,338.6	55%	2 x 669.3 MW
	38	Huadian Fuxin Jiangmen Energy Company Limited ("**Jiangmen Company**")	230	70%	2 x 115 MW
	39	Huadian Fuxin Qingyuan Energy Company Limited ("**Qingyuan Energy**")	75	100%	1 x 75 MW
	40	Shuozhou Thermal Power Branch Company of Huadian Power International Corporation Limited ("**Shuozhou Thermal Power Branch Company**") *(Note 3)*	701.2	100%	2 x 350 MW + 1.2 MW

THE GROUP'S MAJOR EXISTING ASSETS (CONTINUED)

1. Details of Controlled Thermal Power Generating Units (Continued)

Category		Name of company	Installed capacity *(MW)*	Equity interest held by the Company	Generating units
Thermal power	41	Hunan Huadian Changsha Power Generation Company Limited ("**Changsha Company**")	1,200	70%	2 x 600 MW
	42	Hunan Huadian Changde Power Generation Company Limited ("**Changde Company**")	1,320	48.98%	2 x 660 MW
	43	Hunan Huadian Pingjiang Power Generation Company Limited ("**Pingjiang Company**")	2,000	100%	2 x 1,000 MW
	44	Hangzhou Huadian Banshan Power Generation Company Limited ("**Banshan Company**")	2,415	64%	3 x 415 MW + 3 x 390 MW
	45	Hangzhou Huadian Xiasha Thermal Power Company Limited ("**Xiasha Company**")	246	56%	1 x 88 MW + 2 x 79 MW
	46	Hangzhou Huadian Jiangdong Thermal Power Company Limited ("**Jiangdong Company**") *(Note 7)*	960.5	51%	2 x 480.25 MW
	47	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
	48	Shanghai Huadian Fuxin Energy Company Limited ("**Shanghai Company**")	26.4	51%	6 x 4.4 MW
	49	Shanghai Huadian Minhang Energy Company Limited ("**Minhang Company**") *(Note 3)*	188.86	100%	2 x 60 MW + 2 x 33.7 MW + 1.46 MW

THE GROUP'S MAJOR EXISTING ASSETS (CONTINUED)

1. Details of Controlled Thermal Power Generating Units (Continued)

Category		Name of company	Installed capacity *(MW)*	Equity interest held by the Company	Generating units
Thermal power	50	Jiangsu Huadian Energy Company Limited ("**Jiangsu Company**") *(Note 2)*	13,747.818	80%	4 x 1,000 MW + 2 x 660 MW + 2 x 494.6 MW + 4 x 475 MW + 2 x 426 MW + 4 x 390 MW + 2 x 330 MW + 1 x 310 MW + 5 x 220 MW + 2 x 200 MW + 2 x 180 MW + 2 x 50 MW + 2 x 40 MW + 3 x 31.607 MW + 1 x 15.134 MW + 1 x 5.383 MW + 1.28 MW
	51	CHD Guigang Electric Power Company Limited ("**Guigang Company**")	1,260	100%	2 x 630 MW
	52	Huadian (Chongqing) Gas Turbine Power Generation Company Limited ("**Chongqing Gas Turbine**")	1,100.24	100%	2 x 550.12 MW

THE GROUP'S MAJOR EXISTING ASSETS (CONTINUED)

1. Details of Controlled Thermal Power Generating Units (Continued)

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

Category	Name of company	Installed capacity *(MW)*	Shareholding percentage of Hubei Company	Generating units
Coal-fired generating	Huadian Hubei Power Generation Company Limited Huangshi Thermal Power Branch Company ("**Huangshi Thermal Power**")	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 ("**Xisaishan Power Generation**")	1,360	50%	2 x 680 MW
	Hubei Huadian Xiangyang Power Generation Company Limited ("**Xiangyang Company**")	2,600	60.10%	2 x 640 MW + 4 x 330 MW
	Hubei Huadian Jiangling Power Generation Company Limited ("**Jiangling Company**")	1,320	20.80%	2 x 660 MW
Gas-fired generating	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**") *(Note 3)*	246.5	51.01%	2 x 122.8 MW + 0.9 MW

THE GROUP'S MAJOR EXISTING ASSETS (CONTINUED)

1. Details of Controlled Thermal Power Generating Units (Continued)

Note 2: Details of the installed generating units of Jiangsu Company are as follows:

Category	Name of company	Installed capacity *(MW)*	Shareholding percentage of Jiangsu Company	Generating units
Coal-fired generating	Jiangsu Huadian Energy Company Limited Jurong Power Generation Branch Company ("**Jiangsu Jurong Company**")	2,000	100%	2 x 1,000 MW
	Jiangsu Huadian Jurong Power Generation Company Limited ("**Huadian Jurong Company**")	2,000	51.72%	2 x 1,000 MW
	Shanghai Huadian Electric Power Development Company Limited Wangting Power Generation Branch Company ("**Shanghai Wangting Company**") *(Note 5)*	2,619.2	100%	2 x 660 MW + 2 x 494.6 MW + 1 x 310 MW
	Jiangsu Huadian Yihua Thermal Power Company Limited ("**Yihua Company**")	100	51%	2 x 50 MW
Gas-fired generating	Jiangsu Huadian Qishuyan Power Generation Company Limited ("**Qishuyan Company**") *(Note 6)*	2,130	41.5%	2 x 475 MW + 2 x 390 MW + 2 x 200 MW
	Jiangsu Huadian Wangting Natural Gas Power Generation Company Limited ("**Jiangsu Wangting Company**")	780	55%	2 x 390 MW
	Jiangsu Huadian Wujiang Thermal Power Company Limited ("**Wujiang Company**")	360	84.43%	2 x 180 MW
	Jiangsu Huadian Yangzhou Power Generation Company Limited ("**Yangzhou Company**") *(Note 5)*	1,610	55.29%	2 x 475 MW + 2 x 330 MW
	Jiangsu Huadian Kunshan Thermal Power Company Limited ("**Kunshan Company**")	852	60%	2 x 426 MW

THE GROUP'S MAJOR EXISTING ASSETS (CONTINUED)

1. Details of Controlled Thermal Power Generating Units (Continued)

Category	Name of company	Installed capacity *(MW)*	Shareholding percentage of Jiangsu Company	Generating units
Gas-fired generating	Jiangsu Huadian Yizheng Thermal Power Company Limited ("**Yizheng Company**")	660	23.26%	3 x 220 MW
	Jiangsu Huadian Jinhu Energy Company Limited ("**Jinhu Company**")	80	48.46%	2 x 40 MW
	Jiangsu Huadian Tongzhou Thermal Power Company Limited ("**Tongzhou Company**")	440	65%	2 x 220 MW
	Jiangsu Huadian Yangzhou Zhongran Energy Company Limited ("**Zhongran Energy**")	115.338	56.23%	3 x 31.607 MW + 1 x 15.134 MW + 1 x 5.383 MW
Photovoltaic generating	Jiangsu Huadian Energy Sales Co., Ltd ("**Jiangsu Energy Sales**") *(Note 4)*	1.28	100%	1.28 MW

Note 3: The 0.9 MW generating units of Fengjie Plant, the 0.9 MW generating units of Xiangyang Thermal Power, the 1 MW generating units of Luhua Company, the 4.45 MW generating units of Shijiazhuang Thermal Power Company, the 0.49 MW generating units of Fuyuan Company, the 0.4 MW generating units of University City Company, the 1.2 MW generating units of Shuozhou Thermal Power Branch Company and the 1.46 MW generating units of Minhang Company are photovoltaic generating units for own use.

Note 4: The 17.3 MW generating units of Pingshi Company and the 1.28 MW generating units of Jiangsu Energy Sales are on-grid photovoltaic generating units.

THE GROUP'S MAJOR EXISTING ASSETS (CONTINUED)

1. Details of Controlled Thermal Power Generating Units (Continued)

Note 5: Among the generating units of Qingdao Company, the two 505.54 MW generating units are gas-fired generating units and the other generating units are coal-fired generating units; among the generating units of Shijiazhuang Thermal Power Company, the two 200 MW generating units are coal-fired generating units and the other generating units are gas-fired generating units; among the generating units of Shanghai Wangting Company, the two 494.6 MW generating units are gas-fired generating units and the other generating units are coal-fired generating units; among the generating units of Yangzhou Company, the two 330 MW generating units are coal-fired generating units and the other generating units are gas-fired generating units.

Note 6: The generating units of Qishuyan Company include two 200 MW gas-fired generating units of Jiangsu Huadian Qishuyan Thermal Power Company Limited, in which Qishuyan Company holds 51% of the shares.

Note 7: Jiangdong Company is the target company of the public REITs project issued by the Company. The public fund raises funds by offering fund units, of which the Company subscribes for 51% of the fund units. The public fund uses the raised funds to subscribe for asset-backed securities and establishes an asset-backed special plan. The asset-backed special plan directly holds 100% equity interest in Jiangdong Company.

THE GROUP'S MAJOR EXISTING ASSETS (CONTINUED)

2. Details of Controlled Hydropower Generating Units

	Name of company	Installed capacity *(MW)*	Equity interest held by the Company	Generating units
1	Sichuan Huadian Luding Hydropower Company Limited ("**Luding Hydropower**")	920	100%	4 x 230 MW
2	Sichuan Huadian Za-gunao Hydroelectric Development Company Limited ("**Za-gunao Hydroelectric**")	591	64%	3 x 65 MW + 3 x 56 MW + 3 x 46 MW + 3 x 30 MW
3	Sichuan Huadian Power Investment Company Limited ("**Sichuan Power Investment**") *(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
4	Hebei Huadian Complex Pumping-storage Hydropower Company Limited ("**Hebei Hydropower**") *(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

THE GROUP'S MAJOR EXISTING ASSETS (CONTINUED)

2. Details of Controlled Hydropower Generating Units (Continued)

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

Category	Name of company	Installed capacity *(MW)*	Shareholding percentage of Sichuan Power Investment	Generating units
Hydropower	Lixian Xinghe Power Company Limited ("**Lixian Company**")	67	100%	3 x 11 MW + 4 x 8.5 MW
	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: The 0.5 MW photovoltaic generating units of Hebei Hydropower are on-grid photovoltaic generating units.

3. Details of Controlled Photovoltaic Generating Units

	Name of company	Installed capacity *(MW)*	Equity interest held by the Company	Generating units
1	Huadian Changjiang (Hubei) Smart Energy Technology Company Limited ("**Changjiang Smart Energy**") *(Note)*	3.67	83.2%	3.67 MW

Note: Changjiang Smart Energy is 51% directly owned by the Company, with a 39% indirect equity interest held by Hubei Company.

THE GROUP'S MAJOR EXISTING ASSETS (CONTINUED)

4. The Installed Capacity of Newly-Added Generating Units

From 1 January 2026 to the date of this report, the details of the Group's newly-added generating unit are as follows:

Projects	Category	Capacity *(MW)*
Chongqing Gas Turbine	Gas-fired generating units	1,100.24
Total	**/**	**1,100.24**

5. Generating Units Approved and under Construction

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

Company/Project Name	Category	Capacity *(MW)*
Huadian Jiangsu Wangting Energy Development Company Limited ("**Wangting Company**")	Coal-fired generating units	2 x 660
Shantou Huadian Energy Company Limited ("**Shantou Energy**")	Coal-fired generating units	2 x 1,000
Zibo Company	Coal-fired generating units	2 x 350
Zhejiang Huadian Wuxi River Hybrid Pumped Storage Power Generation Company Limited ("**Wuxi River Company**")	Pumped storage generating units	298
Huadian (Lingbao) Pumped Storage Co., Ltd ("**Lingbao Company**")	Pumped storage generating units	1,200
Huadian Jingyu Pumped Storage Co., Ltd. ("**Jingyu Company**")	Pumped storage generating units	1,800
Huadian Yongchang Pumped Storage Co., Ltd ("**Yongchang Company**")	Pumped storage generating units	1,200
Anhui Huadian Xixingchong Pumped Storage Power Generation Company Limited ("**Xixingchong Company**")	Pumped storage generating units	1,200
Ningxia Huadian Niushoushan Pumped Storage Power Generation Company Limited ("**Niushoushan Company**")	Pumped storage generating units	1,400
Huadian (Yiyuan) Pumped Storage Power Co., Ltd. ("**Yiyuan Company**")	Pumped storage generating units	1,800
Total	**/**	**12,918**

Note: The Group will adjust the project construction and commissioning schedule 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 2026 amounted to RMB69,570.4 billion, representing an increase of 4.7% over the last year. According to the data released by the National Energy Administration, power consumption of the entire society in the PRC totaled 5,099.9 billion KWh in the first half of 2026, representing a year-on-year increase of 5.3%. With regard to different industries, the consumption by the primary industry accounted for 71.1 billion KWh, representing a year-on-year increase of 4.9%. The consumption by the secondary industry accounted for 3,305.7 billion KWh, representing a year-on-year increase of 5.1%, among which the consumption by the industrial sector accounted for 3,276.0 billion KWh, representing a year-on-year increase of 5.3%, and the consumption by the high-tech and equipment manufacturing industry accounted for 600.8 billion KWh, representing a year-on-year increase of 9.8%. The consumption by the tertiary industry accounted for 991.6 billion KWh, representing a year-on-year increase of 8.0%, among which the consumption by the EV charging and battery swap service industry and the internet data service industry accounted for 81.0 billion KWh and 49.4 billion KWh respectively, representing a growth rate of 56.9% and 44.0% respectively. The consumption by urban and rural residents accounted for 731.5 billion KWh, representing a year-on-year increase of 3.1%.

2. Power Generation

During the Reporting Period, the power generated by the Group amounted to approximately 107.79 million MWh, representing a decrease of approximately 10.65% over the corresponding period of the previous year; the on-grid power sold amounted to 101.04 million MWh, representing a decrease of approximately 10.82% over the corresponding period of the previous year. The average utilization hours of the Group's generating units were 1,382 hours, among which the utilization hours of coal-fired generating units were 1,639 hours, the utilization hours of gas-fired generating units were 732 hours, and the utilization hours of hydropower generating units were 1,398 hours. The coal consumption for power supply was 286.40 g/kWh, which was remarkably better than the national average. The on-grid tariff was RMB517.78/MWh, representing an increase of approximately RMB0.99/MWh over the corresponding period of the previous year, or a year-on-year increase of approximately 0.19%. The unit price of standard coal converted by coal as fire was RMB833.75/ton, representing a decrease of approximately 2.00% over the corresponding period of the previous year.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

3. Operating Revenue and Profit

During the Reporting Period, the operating revenue of the Group amounted to approximately RMB54,264 million, representing a decrease of approximately 9.49% year-on-year. This was mainly due to the decrease in power generation.

During the Reporting Period, the Group's total profit amounted to approximately RMB5,297 million, representing a decrease of approximately 10.89% year-on-year; the net profit attributable to shareholders of the Company amounted to approximately RMB3,105 million, representing a decrease of approximately 20.47% year-on-year; the basic income per share amounted to approximately RMB0.25, representing a decrease of approximately 24.24% year-on-year.

4. Operating Costs

During the Reporting Period, the operating costs of the Group amounted to approximately RMB47,916 million, representing a decrease of approximately 10.48% year-on-year. Details are as follows:

During the Reporting Period, the fuel costs of the Group amounted to approximately RMB33,212 million, representing a decrease of approximately 12.49% year-on-year. This was mainly due to the decrease in coal consumption.

During the Reporting Period, the depreciation and amortisation expenses of the Group amounted to approximately RMB6,393 million, representing a decrease of approximately 3.90% year-on-year. This was mainly due to the combined effect of the cessation of depreciation provision for certain assets whose depreciation period has expired and the increase in depreciation of newly-commissioned projects.

During the Reporting Period, the employee compensation of the Group amounted to approximately RMB4,810 million, representing an increase of approximately 3.72% year-on-year. This was mainly due to the increase in employee compensation of newly-commissioned projects and subsidiaries linked to operating results.

During the Reporting Period, the repairs, maintenance and inspection expenses of the Group amounted to approximately RMB1,559 million, representing a decrease of approximately 34.01% year-on-year. This was mainly due to the decrease in power generation.

During the Reporting Period, the other production costs of the Group amounted to approximately RMB1,659 million, representing an increase of approximately 1.58% year-on-year. This was mainly due to the increase in newly-commissioned projects.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

5. Tax and Surcharges

During the Reporting Period, the tax and surcharges of the Group amounted to approximately RMB785 million, representing a decrease of approximately 2.66% year-on-year. This was mainly due to the decrease in power generation.

6. Finance Costs

During the Reporting Period, the finance costs of the Group amounted to approximately RMB1,469 million, representing a decrease of approximately 10.15% year-on-year. This was mainly due to the greater efforts in capital operation and the lower financing costs.

7. Investment Income

During the Reporting Period, the investment income of the Group amounted to approximately RMB1,265 million, representing a decrease of approximately 49.03% year-on-year. This was mainly due to the decrease in income from the invested enterprises.

8. Income Tax Expenses

During the Reporting Period, the income tax of the Group amounted to approximately RMB1,094 million, representing an increase of approximately 10.65% year-on-year. This was mainly due to the improvement in operating results of subsidiaries.

9. Pledge and Mortgage of Assets

As at 30 June 2026, certain subsidiaries of the Company have pledged their income stream in respect of the sale of electricity and heat to secure loans amounting to approximately RMB7,644 million (approximately RMB8,328 million at the end of 2025).

As at 30 June 2026, certain subsidiaries of the Company have mortgaged their generating units and relevant equipment to secure loans amounting to approximately RMB1,308 million (approximately RMB1,559 million at the end of 2025).

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

10. Indebtedness

As at 30 June 2026, the total borrowings of the Group amounted to approximately RMB95,715 million, of which borrowings denominated in Euro amounted to approximately EUR5.44 million. The liabilities to assets ratio (being the total liabilities of the Group as at 30 June 2026 divided by total assets) was approximately 60.68%. Borrowings of the Group were mainly at floating rates. Short-term borrowings and long-term borrowings due within one year amounted to approximately RMB52,935 million, and long-term borrowings due after one year amounted to approximately RMB42,780 million. In addition, closing balance of super short-term commercial papers payable of the Group amounted to approximately RMB4,508 million. The balance of medium-term notes (including the portion due within one year) and private placement directional debt financing instruments (including the portion due within one year) of the Group amounted to approximately RMB32,314 million. The closing balance of lease liabilities of the Group amounted to approximately RMB1,011 million.

11. Contingent Liabilities

As of 30 June 2026, the Group had no material contingent liabilities.

12. 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 2026, the balance of the Group's provisions amounted to approximately RMB125 million.

13. Cash Flow Analysis

In the first half of 2026, the net cash inflow from operating activities of the Group amounted to approximately RMB9,131 million, and the net cash inflow from operating activities amounted to approximately RMB15,463 million for the corresponding period in 2025, mainly due to the combined effect of the decrease in electricity revenue and the decrease in fuel procurement expenditure of the Group. The net cash outflow used in investing activities amounted to approximately RMB3,624 million, and the net cash outflow used in investing activities amounted to approximately RMB5,366 million for the corresponding period in 2025, mainly due to the decrease in investment expenditure on infrastructure construction projects. The net cash outflow from financing activities amounted to approximately RMB6,472 million, and the net cash outflow from financing activities amounted to approximately RMB10,156 million for the corresponding period in 2025, mainly due to the repayment of liabilities and the payment of consideration for merger and acquisition in the previous year.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

14. Exchange Rate Fluctuation Risk and Related Hedging

The Group mainly engages in business that sources income from 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 on The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**") (the "**Hong Kong Listing Rules**") has not changed materially from that included in the Company's 2025 annual report.

BUSINESS OUTLOOK FOR THE SECOND HALF OF THE YEAR

In the first half of 2026, facing the complex landscape featuring turbulence and intertwined shifts in the external environment and the overlapping of new developments and long-standing issues domestically, China's economy withstood pressures and sustained a generally stable momentum as it shifted toward new and higher-quality growth. Looking ahead to the second half of the year, the economy will continue its recovery trend amid divergence, but there are many external instabilities and uncertainties; the domestic imbalance between strong supply and weak demand persists, and the foundation for continued economic rebound still needs to be consolidated. It is essential to respond to various uncertainties with the certainty of high-quality development and strive to achieve a good start for the 15th Five-Year Plan.

1. Power Market

At present, China's power industry is at an overlapping stage of accelerated energy transition and deepening market-oriented reform. The power market risks confronting thermal power enterprises are multi-dimensional and pervasive, posing challenges to the operating returns of enterprises. From the perspective of supply and demand pattern, the installed capacity and power generation of new energy nationwide maintain rapid growth, and the pace of clean energy substitution accelerates, crowding out traditional thermal power generation; meanwhile, the overall growth rate of power supply capacity is higher than the growth rate of total social power demand; the overall power supply and demand is at a loose state, resulting in pressure on thermal power unit utilization hours and narrower space for power generation growth. From the perspective of market trading, after new energy has fully participated in the medium- and long-term power market, with its relatively low marginal power generation cost, it has increased the market supply volume, exerting downward pressure on market tariffs; coupled with the nationwide rollout of the electricity spot market, market trading entities have become more diversified and competition has grown more fierce. The frequency and magnitude of power price fluctuations have increased, and the uncertainty of market operation has significantly increased. In this context, thermal power enterprises face the pressure of a declining share of power generation volume, as well as the challenge of downward shift in market power prices. The dual pressure jointly squeezes the overall profit margins of thermal power enterprises.

The Company will continue to strengthen research and judgment on power market policies, enhance benchmarking and optimize operations. It will dynamically optimize trading strategies for medium- and long-term, spot and ancillary service markets, strengthen production-sales coordination, and consolidate and expand non-power revenue. The Company will also optimize carbon market trading and compliance strategies, unlock value-added income from carbon assets, proactively study and seek to capture policy dividends from gas-fired power tariffs, and hedge against downward pressure on volume and price from multiple dimensions.

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

2. Coal Market

At present, the fuel market risks mainly come from a combination of phased fluctuations on the demand side and geopolitical uncertainties on the supply side. From the perspective of domestic demand, the macroeconomic recovery process drives the increase in power consumption of the entire society. During peak electricity consumption periods such as peak summer and peak winter, coupled with the impact of extreme weathers such as extreme high temperatures and cold waves, thermal power bears an increased responsibility for ensuring supply, and the demand for thermal coal will show a significant seasonal rebound. The relatively loose state of coal supply and demand may face phased adjustments, exposing coal prices to risk of phased upward fluctuation. From the perspective of international supply, there are uncertainties in geopolitical conflicts that impact the global energy market, and turmoil in the Middle East and other regions will directly affect the trend of international energy prices. For thermal power enterprises, fuel market volatility highlights the tension between ensuring supply and controlling prices: on the one hand, they must fulfill the responsibility of ensuring energy supply, maintain stable thermal coal supply, and firmly hold the bottom line against coal-shortage-induced unit shutdowns; on the other hand, they must control fuel costs and cope with the cost pressure from rising coal prices. Although long-term agreements can serve as a stabilizing force, issues such as the volatility of spot coal prices and the increased difficulty of seasonal inventory deployment have still increased the complexity of fuel cost control, testing enterprises' capabilities in optimization of procurement strategies and refined inventory management.

The Company will resolutely shoulder the responsibility of ensuring energy supply, refine supply security measures for "peak summer" and "peak winter", ensure emergency reserves and cost effective deployment of thermal coal, and uphold the bottom line against coal-shortage-induced unit shutdowns. We will expand coal sourcing channels, dynamically optimize procurement strategies, and strengthen fuel supply security and price control capability. Also, we will improve emergency response to extreme weathers, coordinate seasonal inventory deployment, and hedge against the cost pressure from phased coal price volatility via refined management.

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

3. Environmental Protection

Against the backdrop of the in-depth advancement of the national "dual carbon" strategy and the tighter ecological and environmental regulation, the environmental protection risks faced by thermal power enterprises manifest across multiple dimensions, encompassing compliance costs, carbon compliance costs, and technological retrofit costs, and demonstrating persistent and mandatory characteristics. In terms of routine environmental regulation, the national environmental policies in key regions such as the Beijing-Tianjin-Hebei region and the Yangtze River Economic Belt continue to be deepened and improved, with pollutant emission standards being raised. Grassroots enterprises face mounting cost outlays for environmental facility operation and maintenance, pollution treatment consumables and environmental monitoring. The central ecological and environmental protection inspection has become a regular practice. Environmental compliance supervision features wider coverage and stricter law enforcement standards, putting forward higher requirements for environmental compliance across enterprises' full production workflows. In terms of carbon emission control, the allocation of carbon quotas under the national carbon market continues to tighten, and coupled with the impact of the quota carry-forward policy, price volatility risk in the carbon market has increased, putting enterprises' carbon emission compliance costs under upward pressure. The national requirements for total carbon emission control are continuously increasing, with clear policy orientation for promoting the low-carbon transformation of coal power. Enterprises apply low-carbon technologies and implement energy-saving and carbon-reducing retrofits for generating units. The relevant technological R&D, equipment upgrading and engineering retrofits all require capital investment, which will push up enterprises' capital expenditure and operating costs in the short term. Overall, the dual requirements of pollution reduction and carbon reduction have put thermal power enterprises under twofold pressure from environmental compliance costs and low-carbon transformation costs.

The Company will strictly implement environmental protection policies, earnestly fulfill principal responsibilities, intensify pollution-prevention and control efforts, and ensure compliance with pollutants emission standards. The Company will conduct comprehensive assessments and formulate energy-saving and consumption-reducing measures. The Company will promote the "three transformations linkage" and low-carbon retrofits of coal-fired power generating units to reduce coal consumption and emissions. The Company will conduct carbon quota trading in accordance with laws and regulations, unlock income from carbon assets, and hedge against the dual cost pressure of environmental compliance and carbon compliance.

SIGNIFICANT EVENTS

1. Re-election of the Board

On 28 May 2026, the Board of the Company convened the 2025 annual general meeting and conducted the re-election of the Board. Mr. Liu Lei, Mr. Li Quancheng and Mr. Li Guoming were elected and appointed as executive directors of the eleventh session of the Board; Mr. Zhu Peng, Mr. Zeng Qinghua, Ms. Cao Min and Ms. Lin Lin were elected and appointed as non-executive directors of the eleventh session of the Board; and Mr. Wang Yuesheng, Ms. Shen Ling, Mr. Huang Kemeng and Ms. Su Min were elected and appointed as independent non-executive directors of the eleventh session of the Board. Mr. Wang Xiaobo ceased to serve as a non-executive director of the Company due to the re-election of the Board, and Mr. Feng Zhenping ceased to serve as an independent non-executive director of the Company due to the re-election of the Board.

In accordance with the laws and regulations of the PRC and the Articles of Association, the Company elected Mr. Zhu Yueguang as an employee director of the eleventh session of the Board through democratic procedures.

For details, please refer to the announcements of the Company dated 26 March 2026 and 28 May 2026, and the circular dated 6 May 2026.

2. Election of Chairman and Vice Chairmen, Appointment of Members of Board Committees and Appointment of Senior Management

On 28 May 2026, the Company convened the 1st meeting of the eleventh session of the Board, at which Mr. Liu Lei was elected as the Chairman of the Company, Mr. Li Quancheng and Mr. Zhu Peng were elected as the Vice Chairmen of the Company, and the following Board members were appointed as members of the respective Board committees:

Strategic Committee: Liu Lei (Chairman), Zhu Peng, Li Guoming, Zhu Yueguang and Su Min

Audit Committee: Shen Ling (Chairman), Cao Min, Lin Lin, Wang Yuesheng, Huang Kemeng and Su Min

Remuneration and Appraisal Committee: Wang Yuesheng (Chairman), Zeng Qinghua, Lin Lin, Shen Ling and Huang Kemeng

Nomination Committee: Su Min (Chairman), Li Quancheng, Lin Lin, Wang Yuesheng and Huang Kemeng

SIGNIFICANT EVENTS (CONTINUED)

2. Election of Chairman and Vice Chairmen, Appointment of Members of Board Committees and Appointment of Senior Management (Continued)

In addition, Mr. Li Quancheng was appointed as general manager of the Company. Upon the nomination of Mr. Li Quancheng, Mr. Li Kanyu was appointed as deputy general manager of the Company; Mr. Li Guoming was appointed as chief financial officer of the Company; Mr. Zhu Yueguang was appointed as deputy general manager of the Company; and Mr. Gao Mingcheng was appointed as general counsel of the Company. Upon the nomination of the Chairman, Mr. Qin Jiehai was appointed as Secretary to the Board of the Company.

For details, please refer to the announcement of the Company dated 28 May 2026.

3. Listing of Certain Restricted Shares

The total number of restricted shares issued to specific objects for raising ancillary funds in the Company's purchase of assets by share issuance and cash payment and raising ancillary funds and related party transaction was 705,349,794 shares. According to the Certificate of Securities Change Registration issued by the Shanghai Branch of China Securities Depository and Clearing Corporation Limited on 22 August 2025, the registration procedures for the new shares issued for raising ancillary funds have been completed, and the date of listing and trading is 24 February 2026.

For details, please refer to the announcement of the Company dated 6 February 2026.

SHAREHOLDINGS OF SUBSTANTIAL SHAREHOLDERS

So far as the directors of the Company are aware, each of the following persons, not being a director, chief executive or members of the senior management of the Company, had an interest or short position as at 30 June 2026 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 2026, or was a substantial shareholder (as defined in the Hong Kong Listing Rules) of the Company as at 30 June 2026.

Name of shareholder	Type 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 Corporation Limited ("China Huadian")	A shares	5,213,062,481 (L)	44.89%	52.69%	–	Beneficial owner
	H shares	85,862,000 (L) Note 1	0.74%	–	5.00%	Interests in a controlled corporation
Shandong Development & Investment Holding Group Co., Ltd.	A shares	731,781,709 (L)	6.30%	7.40%	–	Beneficial owner
Pacific Asset Management Co., Ltd. Note 2	H shares	120,550,000 (L)	1.04%	–	7.02%	Others

(L) = long position

(S) = short position

(P) = lending pool

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

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

Save as disclosed above and so far as the directors are aware, as at 30 June 2026, no other person (other than the directors, 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 otherwise a substantial shareholder (as defined in the Hong Kong Listing Rules) of the Company.

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

As at 30 June 2026, none of the directors, 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, 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.

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

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the Reporting 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 2026, 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 2026, 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 consolidated financial statements during the Reporting Period prepared under the Accounting Standards for Business Enterprises have been reviewed by the Audit Committee of the Company.

GROUP'S EMPLOYEE REMUNERATION POLICY

As at 30 June 2026, the total number of employees of the Group was 29,985. 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".

GROUP'S EMPLOYEE TRAINING PLAN

During the Reporting Period, we, following the strategy of the Group, adhered to the demand-oriented approach and proceeded with the establishment of training system. The annual training content has been systematically designed with a focus on aspects such as company law, energy law, mergers and acquisitions and reorganisation, internal control and compliance, related party transactions, development trends of conventional energy, and bidding and procurement. We have intensified efforts to promote full-staff training, so as to provide strong talent guarantee and intellectual support for the Group's development.

SUBSEQUENT EVENTS

Following the Reporting Period and up to the latest practicable date prior to the issuance of this report (i.e. 5 September 2026), the Company had no material subsequent events.

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 ("**Company Law**"), 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 corporate governance codes of the Company include, but not limited to, the following documents:

1. Articles of Association;
2. Rules of Procedures for General Meetings and the Board (currently part of the Articles of Association);
3. Terms of Reference for the Strategic Committee, the Audit Committee, the Remuneration and Appraisal Committee and the Nomination Committee under the Board;
4. Administrative Measures on Authorisation by the Board;
5. Rules of Procedures for Investment Projects;
6. Working System for Independent Directors;
7. Working Regulations for the General Manager;
8. Working System for the Secretary to the Board;
9. Working Procedures for the Annual Report of the Audit Committee;
10. Information Disclosure Management System;
11. Registration and Management System for Insiders of Inside Information;
12. Investor Relations Management System;
13. Connected Transaction Management System;
14. Administrative Measures for Fundraising;
15. Code on Trading in Securities of the Company for Directors;
16. Management System for the Departure of Directors and Senior Management; and
17. Code on Trading in Securities of the Company for Employees.

The Company has established and improved the standardised operating systems of the general meetings and Board meetings of the Company and its subsidiaries. The independent directors and the Audit Committee have actively supervised the preparation of regular reports, whereas non-executive directors have performed their duties by carrying out annual reviews. The Company has upheld transparency and standardised information disclosures. Trainings regarding corporate governance and regulatory operations were provided to the directors 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.

CORPORATE GOVERNANCE (CONTINUED)

In the first half of 2026, 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 in these principles.

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

– The Company has formulated the Code on Trading in Securities of Huadian Power International Corporation Limited for Directors, and has also formulated the Code on Trading in Securities of Huadian Power International Corporation Limited for Employees. These provisions are on terms no more lenient than those set out in the Model Code as contained in Appendix C3 to the Hong Kong Listing Rules.

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

– In the first half of 2026, a total of three Board meetings were held by the Company.

– The Audit Committee comprises six members, including two non-executive directors and four independent non-executive directors.

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

Beijing, the PRC
27 August 2026

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

Liu Lei (Chairman, Executive Director), Li Quancheng (Vice Chairman, Executive Director), Zhu Peng (Vice Chairman, Non-executive Director), Cao Min (Non-executive Director), Zeng Qinghua (Non-executive Director), Lin Lin (Non-executive Director), Li Guoming (Executive Director), Zhu Yueguang (Executive Director), Wang Yuesheng (Independent Non-executive Director), Shen Ling (Independent Non-executive Director), Huang Kemeng (Independent Non-executive Director) and Su Min (Independent Non-executive Director).

* *For identification purposes only*

Consolidated Balance Sheet

30 June 2026

(Unless otherwise stated, amounts are expressed in RMB'000)

Item	Notes	30 June 2026	31 December 2025
Current assets:			
Cash and cash equivalents	V.1	**6,001,819**	6,982,918
Bills receivable	V.2	**156,853**	330,951
Accounts receivable	V.3	**10,896,423**	11,530,241
Financing accounts receivable	V.4	**246,281**	281,149
Prepayments	V.6	**4,859,411**	4,090,810
Other receivables	V.5	**2,306,282**	1,778,077
Inventories	V.7	**5,138,248**	5,439,429
Contract assets		**8,161**	8,288
Non-current assets due within one year	V.8	**96,539**	96,552
Other current assets	V.9	**2,054,500**	2,173,443
Total current assets		**31,764,517**	32,711,858
Non-current assets:			
Debt investments	V.10	**231,362**	231,362
Long-term equity investments	V.11	**50,693,603**	50,122,529
Other equity instrument investments	V.12	**150,791**	150,791
Other non-current financial assets	V.13	**211,695**	195,569
Investment properties	V.14	**77,320**	70,601
Fixed assets	V.15	**150,668,134**	155,440,596
Construction in progress	V.16	**15,007,443**	13,419,557
Right-of-use assets	V.17	**926,706**	170,998
Intangible assets	V.18	**8,508,654**	8,613,418
Development expenditures		**42,765**	36,290
Goodwill	V.19	**373,940**	373,940
Long-term deferred expenses	V.20	**696,682**	651,887
Deferred tax assets	V.21	**1,027,240**	1,228,654
Other non-current assets	V.22	**891,036**	812,718
Total non-current assets		**229,507,371**	231,518,910
Total assets		**261,271,888**	264,230,768

Consolidated Balance Sheet (Continued)

30 June 2026

(Unless otherwise stated, amounts are expressed in RMB'000)

Item	*Notes*	30 June 2026	31 December 2025
Current liabilities:			
Short-term loans	V.24	**41,971,176**	38,546,701
Bills payable	V.25	**5,904,132**	3,603,207
Accounts payable	V.26	**8,930,240**	10,721,999
Advances from customers		**802**	824
Contract liabilities	V.28	**481,336**	2,492,012
Employee benefits payable	V.29	**164,632**	174,758
Taxes payable	V.30	**1,008,928**	1,095,413
Other payables	V.27	**3,300,931**	2,690,966
Non-current liabilities due within one year	V.31	**19,427,118**	23,674,665
Other current liabilities	V.32	**4,957,856**	3,519,784
Total current liabilities		**86,147,151**	86,520,329
Non-current liabilities:			
Long-term loans	V.33	**42,780,278**	45,133,038
Bonds payable	V.34	**23,994,074**	25,492,416
Lease liabilities	V.35	**879,752**	63,996
Long-term payables	V.36	**15,504**	15,454
Long-term employee benefits payable		**60,643**	64,727
Provisions	V.37	**125,004**	129,349
Deferred income	V.38	**3,414,026**	3,565,891
Deferred tax liabilities	V.21	**1,116,606**	1,157,238
Total non-current liabilities		**72,385,887**	75,622,109
Total liabilities		**158,533,038**	162,142,438

Consolidated Balance Sheet (Continued)

30 June 2026

(Unless otherwise stated, amounts are expressed in RMB'000)

Item	Notes	30 June 2026	31 December 2025
Shareholders' equity:			
Share capital	V.39	**11,611,774**	11,611,774
Other equity instruments	V.40	**21,001,710**	21,000,000
Including: Preferred stock			
Perpetual bond		**21,001,710**	21,000,000
Capital reserve	V.41	**18,587,726**	18,502,922
Other comprehensive income	V.42	**155,476**	104,311
Specific reserve	V.43	**399,907**	167,365
Surplus reserve	V.44	**6,055,197**	6,055,197
Undistributed profits	V.45	**12,948,088**	11,720,633
Total shareholders' equity attributable to the parent company		**70,759,878**	69,162,202
Non-controlling interests		**31,978,972**	32,926,128
Total shareholders' equity		**102,738,850**	102,088,330
Total liabilities and shareholders' equity		**261,271,888**	264,230,768

The attached Notes to the Financial Statements form an integral part of the Financial Statements.

The Financial Statements on Pages 31 to 53 are signed by the following persons in charge:

Legal representative:	Person in charge of accounting:	Person in charge of the accounting firm:
Liu Lei	**Li Guoming**	**Wang Chao**

Balance Sheet

30 June 2026

(Unless otherwise stated, amounts are expressed in RMB'000)

Item	Notes	30 June 2026	31 December 2025
Current assets:			
Cash and cash equivalents		**118,782**	1,189,109
Bills receivable		**31,753**	40,951
Accounts receivable	XVI. 1	**1,645,091**	1,210,874
Financing accounts receivable		**77,749**	85,893
Prepayments		**519,524**	428,603
Other receivables	XVI. 2	**4,927,017**	7,004,112
Inventories		**703,933**	853,683
Non-current assets due within one year		**112,000**	112,013
Other current assets		**34,782**	75,609
Total current assets		**8,170,631**	11,000,847
Non-current assets:			
Debt investments		**261,200**	259,153
Long-term equity investments	XVI. 3	**105,522,842**	103,486,392
Other non-current financial assets		**147,748**	131,622
Investment properties		**17,710**	18,228
Fixed assets		**15,474,354**	15,899,280
Construction in progress		**617,980**	670,596
Right-of-use assets		**156,856**	57,654
Intangible assets		**827,414**	842,380
Development expenditures		**11,614**	1,549
Long-term deferred expenses		**228**	275
Other non-current assets		**60,411**	61,532
Total non-current assets		**123,098,357**	121,428,661
Total assets		**131,268,988**	132,429,508

Balance Sheet (Continued)

30 June 2026

(Unless otherwise stated, amounts are expressed in RMB'000)

Item	*Notes*	30 June 2026	31 December 2025
Current liabilities:			
Short-term loans		**17,219,834**	13,311,139
Accounts payable		**1,322,862**	1,390,624
Advances from customers		**148**	438
Contract liabilities		**24,217**	154,039
Employee benefits payable		**46,040**	50,694
Taxes payable		**89,757**	145,171
Other payables		**614,056**	421,337
Non-current liabilities due within one year		**13,686,300**	14,689,753
Other current liabilities		**2,341**	14,107
Total current liabilities		**33,005,555**	30,177,302
Non-current liabilities:			
Long-term loans		**8,515,811**	11,561,821
Bonds payable		**19,994,694**	21,493,234
Lease liabilities		**95,910**	18,715
Long-term payables		**9,497**	9,497
Deferred income		**43,156**	45,128
Deferred tax liabilities		**59,024**	63,675
Total non-current liabilities		**28,718,092**	33,192,070
Total liabilities		**61,723,647**	63,369,372

Balance Sheet (Continued)

30 June 2026
(Unless otherwise stated, amounts are expressed in RMB'000)

Item	*Notes*	**30 June 2026**	31 December 2025
Shareholders' equity:			
Share capital		**11,611,774**	11,611,774
Other equity instruments		**21,001,710**	21,000,000
Including: Preferred stock			
Perpetual bond		**21,001,710**	21,000,000
Capital reserve		**16,922,064**	16,835,740
Other comprehensive income		**141,512**	93,756
Specific reserve		**46,742**	17,635
Surplus reserve		**5,985,931**	5,985,931
Undistributed profits		**13,835,608**	13,515,300
Total shareholders' equity		**69,545,341**	69,060,136
Total liabilities and shareholders' equity		**131,268,988**	132,429,508

Consolidated Statement of Profit and Loss

January to June 2026

(Unless otherwise stated, amounts are expressed in RMB'000)

Item	Notes	January to June 2026	January to June 2025
I. Total operating revenue		**54,264,438**	59,952,634
Including: Operating revenue	V.46	**54,264,438**	59,952,634
II. Total operating cost		**50,967,609**	56,801,525
Including: Operating cost	V.46	**47,916,088**	53,524,725
Taxes and surcharges	V.47	**784,640**	806,119
Selling expenses		**1,839**	1,626
Administrative expenses	V.48	**788,739**	829,135
R&D expenses	V.49	**7,596**	5,375
Finance costs	V.50	**1,468,707**	1,634,545
Add: Other income		**247,894**	241,639
Investment income (loss to be listed with "-")	V.51	**1,264,722**	2,481,424
Including: Income from investment in associates and joint ventures		**1,260,944**	2,476,080
Credit impairment loss (loss to be listed with "-")	V.52	**1,119**	-107
Asset impairment loss (loss to be listed with "-")	V.53	**210**	-13,570
Gain on disposal of assets (loss to be listed with "-")	V.54	**40,495**	10,853
III. Operating profit (loss to be listed with "-")		**4,851,269**	5,871,348
Add: Non-operating revenue	V.55	**505,160**	97,490
Less: Non-operating expenses	V.56	**59,692**	24,998
IV. Total profit (total loss to be listed with "-")		**5,296,737**	5,943,840
Less: Income tax expenses	V.57	**1,094,498**	989,188

Consolidated Statement of Profit and Loss (Continued)

January to June 2026
(Unless otherwise stated, amounts are expressed in RMB'000)

Item	Notes	January to June 2026	January to June 2025
V. Net profit (net loss to be listed with "-")		**4,202,239**	4,954,652
(I) Classified according to operating continuity		**4,202,239**	4,954,652
1. Net profit from going concern (net loss to be listed with "-")		**4,202,239**	4,954,652
2. Net profit from discontinued operations (net loss to be listed with "-")			
(II) Classified according to attribution of the ownership		**4,202,239**	4,954,652
1. Net profit attributable to owners of the parent company (net losses to be listed with "-")		**3,104,884**	3,903,877
2. Minority interest income (net loss to be listed with "-")		**1,097,355**	1,050,775
VI. Net of tax of other comprehensive income		**52,226**	-102,111
Net of tax of other comprehensive income attributable to the owner of the parent company		**51,165**	-99,407
(I) Other comprehensive income that cannot be reclassified into profit or loss		**50,476**	-109,534
1. Other comprehensive income that cannot be reclassified into profit or loss under the equity method		**50,476**	-111,002
2. Changes in fair value of other equity instrument investments			1,468
(II) Other comprehensive income reclassified into profit or loss		**689**	10,127
1. Other comprehensive income that can be transferred into profits or losses under the equity method		**689**	10,127
Net of tax of other comprehensive income attributable to minority shareholders		**1,061**	-2,704

Consolidated Statement of Profit and Loss (Continued)

January to June 2026

(Unless otherwise stated, amounts are expressed in RMB'000)

Item	*Notes*	**January to June 2026**	January to June 2025
VII. Total comprehensive income		**4,254,465**	4,852,541
Total comprehensive income attributable to shareholders of the parent company		**3,156,049**	3,804,470
Total comprehensive income attributable to minority shareholders		**1,098,416**	1,048,071
VIII. Earnings per share:			
(I) Basic earnings per share (RMB/share)		**0.25**	0.33
(II) Diluted earnings per share (RMB/share)		**N/A**	N/A

Statement of Profit and Loss

January to June 2026

(Unless otherwise stated, amounts are expressed in RMB'000)

Item	Notes	January to June 2026	January to June 2025
I. Operating revenue	XVI.4	**6,107,933**	6,419,768
Less: Operating cost	XVI.4	**5,344,197**	5,685,977
Taxes and surcharges		**78,500**	125,507
Administrative expenses		**154,986**	173,702
R&D expenses			
Finance costs		**552,348**	517,611
Add: Other income		**5,651**	7,193
Investment income (loss to be listed with "-")	XVI.5	**2,218,600**	3,280,980
Including: Income from investment in associates and joint ventures		**1,091,367**	2,227,091
Credit impairment loss (loss to be listed with "-")		**-25,302**	-23,645
Asset impairment loss (loss to be listed with "-")			
Gain on disposal of assets (loss to be listed with "-")			46
II. Operating profit (loss to be listed with "-")		**2,176,851**	3,181,545
Add: Non-operating revenue		**23,946**	15,575
Less: Non-operating expenses		**7,702**	4,793
III. Total profit (total loss to be listed with "-")		**2,193,095**	3,192,327
Less: Income tax expenses		**-4,649**	-5,969
IV. Net profit (net loss to be listed with "-")		**2,197,744**	3,198,296
(I) Net profit from going concern (net loss to be listed with "-")		**2,197,744**	3,198,296
(II) Net profit from discontinued operations (net loss to be listed with "-")			

Statement of Profit and Loss (Continued)

January to June 2026

(Unless otherwise stated, amounts are expressed in RMB'000)

Item	Notes	January to June 2026	January to June 2025
V. Net of tax of other comprehensive income		**47,756**	-91,639
(I) Other comprehensive income that cannot be reclassified into profit or loss		**47,067**	-101,766
1. Other comprehensive income that cannot be reclassified into profit or loss under the equity method		**47,067**	-101,766
(II) Other comprehensive income reclassified into profit or loss		**689**	10,127
1. Other comprehensive income that can be transferred into profits or losses under the equity method		**689**	10,127
VI. Total comprehensive income		**2,245,500**	3,106,657
VII. Earnings per share			
(I) Basic earnings per share (RMB/share)		**N/A**	N/A
(II) Diluted earnings per share (RMB/share)		**N/A**	N/A

Consolidated Statement of Cash Flows

January to June 2026

(Unless otherwise stated, amounts are expressed in RMB'000)

Item	Notes	January to June 2026	January to June 2025
I. Cash flows from operating activities:			
Cash received from sales of goods and provision of services		**59,863,249**	67,944,599
Refunds of taxes and surcharges received		**22,338**	103,090
Other cash received relating to operating activities	V.59	**4,830,857**	3,925,078
Subtotal of cash inflows from operating activities		**64,716,444**	71,972,767
Cash paid for goods and services		**41,277,493**	44,157,444
Cash paid to and for employees		**5,053,081**	4,758,190
Taxes and surcharges paid		**3,949,338**	3,673,374
Other cash paid relating to operating activities	V.59	**5,305,507**	3,921,217
Subtotal of cash outflows from operating activities		**55,585,419**	56,510,225
Net cash flows from operating activities		**9,131,025**	15,462,542
II. Cash flows from investing activities:			
Cash received from investment recovery			
Cash received from acquirement of investment income		**723,371**	85,136
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		**118,479**	102,791
Net cash received from disposal of subsidiaries and other business entities			260,222
Other cash received relating to investing activities	V.59	**100,319**	137,521
Subtotal of cash inflows from investing activities		**942,169**	585,670

Consolidated Statement of Cash Flows (Continued)

January to June 2026

(Unless otherwise stated, amounts are expressed in RMB'000)

Item	*Notes*	January to June 2026	January to June 2025
Cash paid for purchasing fixed assets, intangible assets and other long-term assets		**4,226,593**	5,767,788
Cash paid for investment		**230,526**	74,352
Net cash paid for the acquisition of subsidiaries and other business entities			
Other cash paid relating to investing activities	V.59	**109,464**	109,484
Subtotal of cash outflows from investing activities		**4,566,583**	5,951,624
Net cash flows from investing activities		**-3,624,414**	-5,365,954
III. Cash flows from financing activities:			
Cash received from absorbing investment		**121,275**	13,652,400
Including: Cash received by subsidiaries from minority shareholders' investments		**121,275**	3,652,400
Cash received from borrowings		**72,895,569**	85,830,059
Other cash received relating to financing activities	V.59		
Subtotal of cash inflows from financing activities		**73,016,844**	99,482,459
Cash paid for debt repayment		**76,034,192**	103,246,115
Cash paid for distributing dividends and profits or paying interests		**3,389,357**	3,033,799
Including: Dividends and profits paid by subsidiaries to minority shareholders		**355,821**	882,634
Other cash paid relating to financing activities	V.59	**65,536**	3,358,617
Subtotal of cash outflows from financing activities		**79,489,085**	109,638,531
Net cash flows from financing activities		**-6,472,241**	-10,156,072
IV. Effects from change of exchange rate on cash and cash equivalents			9
V. Net increase in cash and cash equivalents		**-965,630**	-59,475
Add: Beginning balance of cash and cash equivalents		**6,796,365**	6,630,660
VI. Ending balance of cash and cash equivalents		**5,830,735**	6,571,185

Statement of Cash Flows

January to June 2026

(Unless otherwise stated, amounts are expressed in RMB'000)

Item	*Notes*	January to June 2026	January to June 2025
I. Cash flows from operating activities:			
Cash received from sales of goods and provision of services		**6,291,729**	7,033,486
Refunds of taxes and surcharges received			
Other cash received relating to operating activities		**106,296**	124,291
Subtotal of cash inflows from operating activities		**6,398,025**	7,157,777
Cash paid for goods and services		**4,143,308**	4,687,732
Cash paid to and for employees		**954,718**	893,225
Taxes and surcharges paid		**366,528**	246,271
Other cash paid relating to operating activities		**254,791**	235,106
Subtotal of cash outflows from operating activities		**5,719,345**	6,062,334
Net cash flows from operating activities		**678,680**	1,095,443
II. Cash flows from investing activities:			
Cash received from investment recovery		**3,378,136**	6,650,300
Cash received from acquirement of investment income		**1,107,718**	904,543
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		**11,694**	32,650
Other cash received relating to investing activities		**367**	5,851
Subtotal of cash inflows from investing activities		**4,497,915**	7,593,344

Statement of Cash Flows (Continued)

January to June 2026

(Unless otherwise stated, amounts are expressed in RMB'000)

Item	*Notes*	**January to June 2026**	January to June 2025
Cash paid for purchasing fixed assets, intangible assets and other long-term assets		**198,170**	401,908
Cash paid for investment		**2,046,196**	7,549,859
Net cash paid for the acquisition of subsidiaries and other business entities			
Other cash paid relating to investing activities		**6,115**	
Subtotal of cash outflows from investing activities		**2,250,481**	7,951,767
Net cash flows from investing activities		**2,247,434**	-358,423
III. Cash flows from financing activities:			
Cash received from absorbing investment			10,000,000
Cash received from borrowings		**18,717,004**	28,727,830
Other cash received relating to financing activities			
Subtotal of cash inflows from financing activities		**18,717,004**	38,727,830
Cash paid for debt repayment		**20,575,598**	38,706,850
Cash paid for distributing dividends and profits or paying interests		**2,109,362**	1,110,639
Other cash paid relating to financing activities		**28,486**	33,921
Subtotal of cash outflows from financing activities		**22,713,446**	39,851,410
Net cash flows from financing activities		**-3,996,442**	-1,123,580
IV. Effects from change of exchange rate on cash and cash equivalents			
V. Net increase in cash and cash equivalents		**-1,070,328**	-386,560
Add: Beginning balance of cash and cash equivalents		**1,189,109**	836,515
VI. Ending balance of cash and cash equivalents		**118,781**	449,955

Consolidated Statement of Changes in Equity

January to June 2026

(Unless otherwise stated, amounts are expressed in RMB'000)

Item	Amount in the current period														
	Shareholders' equity attributable to the parent company														
		Other equity instruments													
	Share capital	Preferred stock	Perpetual bond	Others	Capital reserve	Less: Treasury stocks	Other comprehensive income	Specific reserve	Surplus reserve	General risk reserve	Undistributed profits	Others	Subtotal	Non-controlling interests	Total shareholders' equity
I. Closing balance of the previous year	11,611,774		21,000,000		18,502,922		104,311	167,365	6,055,197		11,720,633		69,162,202	32,926,128	102,088,330
Add: Changes in accounting policies															
Corrections of early errors															
Business combination involving entities under common control															
Others															
II. Beginning balance of the current period	11,611,774		21,000,000		18,502,922		104,311	167,365	6,055,197		11,720,633		69,162,202	32,926,128	102,088,330
III. Increase or decrease in the current period (decrease to be listed with "-")			1,710		84,804		51,165	232,542			1,227,455		1,597,676	-947,156	650,520
(I) Total comprehensive income			251,788				51,165				2,853,096		3,156,049	1,098,416	4,254,465
(II) Capital invested and decreased by shareholders														-1,439,709	-1,439,709
1. Ordinary shares contributed by owners														121,275	121,275
2. Capital contributed by holders of other equity instruments														-1,556,159	-1,556,159
3. Amount of share-based payment included in shareholders' equity															
4. Others														-4,825	-4,825

Consolidated Statement of Changes in Equity (Continued)

January to June 2026

(Unless otherwise stated, amounts are expressed in RMB'000)

	Amount in the current period														
	Shareholders' equity attributable to the parent company														
		Other equity instruments													
Item	Share capital	Preferred stock	Perpetual bond	Others	Capital reserve	Less: Treasury stocks	Other comprehensive income	Specific reserve	Surplus reserve	General risk reserve	Undistributed profits	Others	Subtotal	Non-controlling interests	Total shareholders' equity
(III) Profit distribution			-250,078								-1,625,648		-1,875,726	-667,377	-2,543,103
1. Appropriation to surplus reserve															
2. Appropriation to general risk reserve															
3. Distribution to shareholders											-1,625,648		-1,625,648	-601,539	-2,227,187
4. Distribution to holders of other equity instruments			-250,078										-250,078	-65,838	-315,916
(IV) Internal carry-over in shareholders' equity															
1. Capital reserve transferred to share capital															
2. Surplus reserve transferred to share capital															
3. Surplus reserve to recover losses															
4. Retained earnings carried forward from changes in defined benefit plan															
5. Retained earnings carried forward from other comprehensive income															
6. Others															
(V) Specific reserve								232,542					232,542	61,521	294,063
1. Appropriation in the current period								472,386					472,386	143,271	615,657
2. Use in the current period								239,844					239,844	81,750	321,594
(VI) Others					84,804						7		84,811	-7	84,804
IV. Ending balance of the current period	11,611,774		21,001,710		18,587,726		155,476	399,907	6,055,197		12,948,088		70,759,878	31,978,972	102,738,850

Consolidated Statement of Changes in Equity (Continued)

January to June 2026

(Unless otherwise stated, amounts are expressed in RMB'000)

Item	Amount in the previous period														
	Shareholders' equity attributable to the parent company														
		Other equity instruments													
	Share capital	Preferred stock	Perpetual bond	Others	Capital reserve	Less: Treasury stocks	Other comprehensive income	Specific reserve	Surplus reserve	General risk reserve	Undistributed profits	Others	Subtotal	Non-controlling interests	Total shareholders' equity
I. Closing balance of the previous year	10,227,561		25,019,956		21,369,822		169,459	133,668	5,922,322		8,156,429		70,999,217	28,385,458	99,384,675
Add: Changes in accounting policies															
Corrections of early errors															
Business combination involving entities under common control															
Others															
II. Beginning balance of the current period	10,227,561		25,019,956		21,369,822		169,459	133,668	5,922,322		8,156,429		70,999,217	28,385,458	99,384,675
III. Increase or decrease in the current period (decrease to be listed with "-")	678,863		-5,019,956		-5,092,844		-99,407	197,975	-367,765		3,378,591		-6,324,543	3,939,359	-2,385,184
(I) Total comprehensive income			304,923				-99,407				3,598,954		3,804,470	1,048,071	4,852,541
(II) Capital invested and decreased by shareholders	678,863		-5,000,000		-5,106,613				-367,765		1,081,597		-8,713,918	3,359,936	-5,353,982
1. Ordinary shares contributed by owners	678,863												678,863	3,657,647	4,336,510
2. Capital contributed by holders of other equity instruments			-5,000,000										-5,000,000		-5,000,000
3. Amount of share-based payment included in shareholders' equity															
4. Others					-5,106,613				-367,765		1,081,597		-4,392,781	-297,711	-4,690,492

Consolidated Statement of Changes in Equity (Continued)

January to June 2026

(Unless otherwise stated, amounts are expressed in RMB'000)

Item	Amount in the previous period														
	Shareholders' equity attributable to the parent company														
		Other equity instruments													
	Share capital	Preferred stock	Perpetual bond	Others	Capital reserve	Less: Treasury stocks	Other comprehensive income	Specific reserve	Surplus reserve	General risk reserve	Undistributed profits	Others	Subtotal	Non-controlling interests	Total shareholders' equity
(III) Profit distribution			-324,879								-1,417,835		-1,742,714	-571,930	-2,314,644
1. Appropriation to surplus reserve															
2. Appropriation to general risk reserve															
3. Distribution to shareholders											-1,417,835		-1,417,835	-505,208	-1,923,043
4. Distribution to holders of other equity instruments			-324,879										-324,879	-66,722	-391,601
(IV) Internal carry-over in shareholders' equity															
1. Capital reserve transferred to share capital															
2. Surplus reserve transferred to share capital															
3. Surplus reserve to recover losses															
4. Retained earnings carried forward from changes in defined benefit plan															
5. Retained earnings carried forward from other comprehensive income															
6. Others															
(V) Specific reserve								197,975					197,975	97,543	295,518
1. Appropriation in the current period								480,111					480,111	187,785	667,896
2. Use in the current period								282,136					282,136	90,242	372,378
(VI) Others					13,769						115,875		129,644	5,739	135,383
IV. Ending balance of the current period	10,906,424		20,000,000		16,276,978		70,052	331,643	5,554,557		11,535,020		64,674,674	32,324,817	96,999,491

Statement of Changes in Equity

January to June 2026

(Unless otherwise stated, amounts are expressed in RMB'000)

Item	Amount in the current period											
		Other equity instruments										
	Share capital	Preferred stock	Perpetual bond	Others	Capital reserve	Less: Treasury stocks	Other comprehensive income	Specific reserve	Surplus reserve	Undistributed profits	Others	Total shareholders' equity
I. Closing balance of the previous year	11,611,774		21,000,000		16,835,740		93,756	17,635	5,985,931	13,515,300		69,060,136
Add: Changes in accounting policies												
Corrections of early errors												
Others												
II. Beginning balance of the current period	11,611,774		21,000,000		16,835,740		93,756	17,635	5,985,931	13,515,300		69,060,136
III. Increase or decrease in the current period (decrease to be listed with "-")			1,710		86,324		47,756	29,107		320,308		485,205
(I) Total comprehensive income			251,788				47,756			1,945,956		2,245,500
(II) Capital invested and decreased by shareholders												
1. Ordinary shares contributed by owners												
2. Capital contributed by holders of other equity instruments												
3. Amount of share-based payment included in shareholders' equity												
4. Others												
(III) Profit distribution			-250,078							-1,625,648		-1,875,726
1. Appropriation to surplus reserve												
2. Distribution to shareholders										-1,625,648		-1,625,648
3. Distribution to holders of other equity instruments			-250,078									-250,078

Statement of Changes in Equity (Continued)

January to June 2026

(Unless otherwise stated, amounts are expressed in RMB'000)

Item	Amount in the current period											
		Other equity instruments										
	Share capital	Preferred stock	Perpetual bond	Others	Capital reserve	Less: Treasury stocks	Other comprehensive income	Specific reserve	Surplus reserve	Undistributed profits	Others	Total shareholders' equity
(IV)Internal carry-over in shareholders' equity												
1. Capital reserve transferred to share capital												
2. Surplus reserve transferred to share capital												
3. Surplus reserve to recover losses												
4. Retained earnings carried forward from changes in defined benefit plan												
5. Retained earnings carried forward from other comprehensive income												
6. Others												
(V) Specific reserve								29,107				29,107
1. Appropriation in the current period								64,428				64,428
2. Use in the current period								35,321				35,321
(VI)Others					86,324							86,324
IV. Ending balance of the current period	11,611,774		21,001,710		16,922,064		141,512	46,742	5,985,931	13,835,608		69,545,341

Statement of Changes in Equity (Continued)

January to June 2026

(Unless otherwise stated, amounts are expressed in RMB'000)

Item	Amount in the previous period											
		Other equity instruments										
	Share capital	Preferred stock	Perpetual bond	Others	Capital reserve	Less: Treasury stocks	Other comprehensive income	Specific reserve	Surplus reserve	Undistributed profits	Others	Total shareholders' equity
I. Closing balance of the previous year	10,227,561		25,019,956		15,613,289		165,860	15,565	5,485,291	11,924,323		68,451,845
Add: Changes in accounting policies												
Corrections of early errors												
Others												
II. Beginning balance of the current period	10,227,561		25,019,956		15,613,289		165,860	15,565	5,485,291	11,924,323		68,451,845
III. Increase or decrease in the current period (decrease to be listed with "-")	678,863		-5,019,956		-728,641		-91,639	31,367		1,585,963		-3,544,043
(I) Total comprehensive income			304,923				-91,639			2,893,373		3,106,657
(II) Capital invested and decreased by shareholders	678,863		-5,000,000		-740,956							-5,062,093
1. Ordinary shares contributed by owners	678,863											678,863
2. Capital contributed by holders of other equity instruments			-5,000,000									-5,000,000
3. Amount of share-based payment included in shareholders' equity												
4. Others					-740,956							-740,956
(III) Profit distribution			-324,879							-1,417,835		-1,742,714
1. Appropriation to surplus reserve												
2. Distribution to shareholders										-1,417,835		-1,417,835
3. Distribution to holders of other equity instruments			-324,879									-324,879

Statement of Changes in Equity (Continued)

January to June 2026

(Unless otherwise stated, amounts are expressed in RMB'000)

Item	Amount in the previous period											
		Other equity instruments										
	Share capital	Preferred stock	Perpetual bond	Others	Capital reserve	Less: Treasury stocks	Other comprehensive income	Specific reserve	Surplus reserve	Undistributed profits	Others	Total shareholders' equity
(IV)Internal carry-over in shareholders' equity												
1. Capital reserve transferred to share capital												
2. Surplus reserve transferred to share capital												
3. Surplus reserve to recover losses												
4. Retained earnings carried forward from changes in defined benefit plan												
5. Retained earnings carried forward from other comprehensive income												
6. Others												
(V) Specific reserve								31,367				31,367
1. Appropriation in the current period								69,790				69,790
2. Use in the current period								38,423				38,423
(VI)Others					12,315					110,425		122,740
IV. Ending balance of the current period	10,906,424		20,000,000		14,884,648		74,221	46,932	5,485,291	13,510,286		64,907,802

Notes to the Condensed Consolidated Financial Statements

From 1 January 2026 to 30 June 2026
(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

I. COMPANY PROFILE

Huadian Power International Corporation Limited (the "**Company**") was incorporated in Jinan, Shandong Province, the People's Republic of China (the "**PRC**") on 28 June 1994. The Company was listed on The Stock Exchange of Hong Kong Limited in June 1999 and on the Shanghai Stock Exchange in February 2005.

The unified social credit code of the Company is 913700002671702282. As of 30 June 2026, the total cumulative issued capital stock of the Company was 11,611,774,184.

Registered address: No. 14800 Jingshi Road, Lixia District, Jinan City, Shandong Province.

Headquarters address: No. 2 Xuanwumennei Street, Xicheng District, Beijing.

The parent and ultimate holding company of the Company is China Huadian Corporation Ltd. ("**China Huadian**").

The Company and its subsidiaries (collectively, the "**Group**") are principally engaged in the generation and sale of electricity, heat and coal and other related businesses, as well as technical services and information consultancy related to power operations. The majority of electricity generated is supplied to the local power grid companies in places where power plants are located.

II. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS

1. Basis for preparation

The Financial Statements of the Group are prepared as per the actually incurred transaction and events, the *Accounting Standards for Business Enterprises* issued by the Ministry of Finance and its application guidelines, interpretations and other relevant provisions thereof (hereinafter collectively referred to as "**ASBEs**"), and disclosure requirements in the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited* and the *Hong Kong Companies Ordinance*.

2. Going concern

The Group has evaluated the going concern ability within 12 months since 30 June 2026 and has not found any event and condition causing substantial doubt about the going concern ability. Therefore, the Financial Statements are prepared on a going concern basis.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

Specific accounting policies and accounting estimates note: The specific accounting policies and accounting estimates formulated by the Group based on the actual production and operation characteristics include provision for expected credit loss of accounts receivable, depreciation and amortisation of fixed assets and intangible assets, intangible assets with uncertain useful life, deferred tax assets, long-term asset impairment, provisions, etc.

1. Statement of compliance with ASBE

The Financial Statements conform to the requirements of ASBE and truly, accurately, and completely reflect the financial position of the Company and the Group as of 30 June 2026, as well as the operating results and the cash flows from January to June 2026.

2. Accounting period

The accounting period of the Group is from 1 January to 31 December of each calendar year. The accounting period of the Financial Statements is from 1 January 2026 to 30 June 2026.

3. Operating cycle

The operating cycle of the Group is 12 months.

4. Functional currency

The Company uses Renminbi ("**RMB**") as its functional currency.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

5. Method and basis for determination of materiality

The Group follows the principle of materiality in preparing and disclosing financial statements. Disclosures in the Notes to the Financial Statements involving the determination of materiality and the method and basis for determination of materiality are as follows:

Disclosures involving the determination of materiality	Location of the disclosure in Notes to the Financial Statements	Method and basis for determination of materiality
Accounts receivable with significant single amount and provision for bad debts made on single item	V. 3	(1) All accounts receivable for the sale of electricity; (2) Accounts receivable for the sale of heat and machinery and equipment related receivables with ending balances exceeding RMB10 million; (3) Accounts receivable for the sale of coal with ending balances exceeding RMB20 million.
Significant prepayments	V. 6	Book value of repayments exceeding 1% of total assets
Significant debt investments	V. 10	Book value of debt investments exceeding 1% of total assets
Significant construction in progress	V. 16	(1) Infrastructure projects with a transfer to fixed assets exceeding RMB100 million in the current period; (2) Construction-in-progress infrastructure projects with ending balances exceeding RMB150 million.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

5. Method and basis for determination of materiality (Continued)

Disclosures involving the determination of materiality	Location of the disclosure in Notes to the Financial Statements	Method and basis for determination of materiality
Significant accounts payable	V. 26	Book value of accounts payable exceeding 1% of total liabilities
Significant other payables	V. 27	Book value of other payables exceeding 1% of total liabilities
Significant provisions	V. 37	Book value of provisions exceeding 1% of total liabilities
Significant investing activities	V. 59	Single investing activity with cash inflows or outflows exceeding 10% of the total cash inflows or outflows from investing activities
Significant investing and financing activities not involving cash	V. 59	Single investing activity or financing activity exceeding 10% of changes in net assets
Significant capitalised R&D projects	VI	Ending balance of a single capitalised R&D project exceeding 10% of that of the development expenditures and exceeding RMB100 million

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026
(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

6. Accounting method for business combination involving entities under and not under common control

(1) Business combination involving entities under common control

If all enterprises involved in a combination are under the ultimate control of one or several same parties before and after the combination, and such control is not temporary, it is a business combination involving entities under common control.

The assets and liabilities acquired by the Group, as the combining party, from the business combination involving entities under common control should be measured based on the carrying amount in the ultimate controlling party's consolidated statements of the combined party on the combination date. The difference between the carrying amount of the net assets acquired and that of the paid combination consideration shall be used to adjust the capital reserve. Where the capital reserve is insufficient for offsetting, retained earnings shall be adjusted.

(2) Business combination involving entities not under common control

If all parties involved in a combination are not under the ultimate control of one or several same parties before and after the combination, the combination is a business combination involving entities not under common control.

The identifiable assets, liabilities, and contingent liabilities acquired from the acquiree by the Group as the acquirer in the business combination involving entities not under common control are measured at fair value on the acquisition date. Positive balance between the combination cost and the fair value of the identifiable net assets of the acquiree obtained by the Group on the acquisition date shall be recognised as goodwill; if the combination cost is less than the fair value of the identifiable net assets of the acquiree obtained, the fair value of various identifiable assets, liabilities, and contingent liabilities obtained in the business combination and the combination cost shall be re-checked first. If the rechecked combination cost is still less than the fair value of identifiable net assets of the acquiree obtained, the balance shall be included in current non-operating revenue.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

7. Determination of control and preparation methods of consolidated financial statements

The consolidation scope of the consolidated financial statements of the Group is determined on the basis of control, including the Company and all subsidiaries controlled by the Company. The Group's criterion for identifying control is that the Group has the power over the investee, and can enjoy variable returns through participating in related activities of the investee and is able to influence its amount of return with the power over the investee.

The effect of internal transactions between the Company and its subsidiaries and between different subsidiaries on the consolidated financial statements is eliminated in consolidation. Shares in owners' equity of subsidiaries but not attributable to the parent company, net profit or loss for the current period, other comprehensive income, and shares attributable to non-controlling interests in total comprehensive income shall be listed in consolidated financial statements as "Non-controlling interests, Minority interest income, Other comprehensive income attributable to minority shareholders, and Total comprehensive income attributable to minority shareholders" respectively.

For the subsidiaries acquired in the business combination involving entities under common control, their operating results and cash flows are included in the consolidated financial statements from the beginning of the current period of the combination. During the preparation of comparative consolidated financial statements, relevant items of the financial statements of the previous period shall be adjusted. It shall be deemed that the reporting entity formed after the combination has existed since the beginning of control by the ultimate controlling party.

As for subsidiaries acquired by business combination involving entities not under common control, operating results and cash flows shall be incorporated into consolidated financial statements from the date when the Group takes control. In preparing the consolidated financial statements, the financial statements of the subsidiary are adjusted based on the fair value of all identifiable assets, liabilities, and contingent liabilities recognised on the acquisition date.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026
(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

8. Cash and cash equivalents

Cash shown in the cash flow statement of the Group refers to both cash on hand and the deposit held in bank available for payment at any time. Cash equivalent in the cash flow statement refers to the investment with a term of not more than 3 months and high liquidity, and easily convertible to known amounts of cash and subject to an insignificant risk of changes in value.

9. Foreign currency transactions and translation of foreign currency financial statements

When a foreign currency transaction is initially recognised, the amount in foreign currency is converted by the Group into the amount in the functional currency at the spot rate on the transaction date. The foreign currency monetary items in the balance sheet date are translated into the functional currency at the spot rate on the balance sheet date; the translation difference is directly recognised as the current profits or losses, except the disposal of translation difference that is formed by foreign currency specific borrowings for establishing or producing assets eligible for capitalisation as per capitalisation principle.

10. Financial instruments

(1) Recognition and derecognition of financial instruments

A financial instrument is recognised as a financial asset or liability when the Group becomes a party thereto.

The financial assets are derecognised, i.e., transferred previously recognised financial assets from the balance sheet when 1) the right to receive the cash flow of the financial assets expired; or 2) the right to receive the cash flow of the financial assets has been transferred, or an obligation to pay the collected cash flow to a third party in full and on time has been undertaken under the "passing agreement," in each case almost all risks and rewards related to the ownership of financial assets are substantially transferred, or although almost all risks and rewards related to the ownership are neither transferred nor retained in substance, the control over such financial assets is waived.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

(1) Recognition and derecognition of financial instruments (Continued)

If the financial liabilities have been fulfilled, cancelled, or expired, the financial liabilities will be derecognised. If the existing financial liability is replaced by another one with almost completely different terms by the same creditor, or almost all the terms of the existing liability are substantially modified, such replacement or modification shall be treated as derecognition of the original liability and recognition of a new liability, and the difference shall be included in the current profits and losses.

Financial assets sold and purchased conventionally are subject to recognition and derecognition according to accounting on the transaction date.

(2) Classification and measurement of financial assets

At initial recognition, according to the Group's business mode of financial assets management and the contractual cash flow characteristics of financial assets, the Group classifies financial assets into financial assets measured at amortised cost, financial assets at FVTOCI, and financial assets at FVTPL. The Group reclassifies all affected financial assets only when changing the business mode of financial assets management.

When judging the business mode, the Group considers the way the company evaluates and reports to key management personnel the performance of financial assets, the risks affecting the performance of these financial assets and their management methods, as well as the way relevant business management personnel are paid. In evaluating whether its objective is to collect contractual cash flows, the Group analyses and judges the reasons, time, frequency, and value of selling financial assets before the maturity date.

When judging the characteristics of contractual cash flows, the Group judges whether the contractual cash flows are only payments of the principal and the interest of the outstanding principal. This includes whether there is a significant difference from the base cash flows in cases of correction of the time value of money and whether the fair value of the early repayment characteristics is reasonably small for financial assets with early repayment characteristics.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026
(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

(2) Classification and measurement of financial assets (Continued)

At the time of initial recognition, financial assets are measured at fair value. However, if the accounts receivable or bills receivable arising from selling goods or providing services do not contain a material financing component or do not consider the financing component of not more than one year, such financial assets are initially measured at transaction price.

For financial assets at FVTPL, related transaction expenses shall be directly included in the current profit and loss; the related transaction expenses of other financial assets shall be included in the initially recognised amount.

Subsequent measurement of financial assets depends on their classification:

1) Financial assets measured at amortised cost

Financial assets that meet the following conditions simultaneously are classified as the financial assets measured at amortised cost: ① the business mode of the financial assets management takes the collection of contractual cash flow as the objective. ② The contract terms of the financial assets stipulate that the cash flow generated on a specific date is only the payment of the principal and the interest based on the outstanding principal amount. The Group's financial assets under this classification include cash and cash equivalents, accounts receivable, bills receivable, other receivables, and debt investments.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

(2) *Classification and measurement of financial assets (Continued)*

2) *Debt instrument investments at FVTOCI*

Financial assets that meet the following conditions simultaneously are classified as the financial assets at FVTOCI: ① The business mode of the financial assets management takes the collection of contractual cash flow and selling the financial assets as the objectives. ② The contract terms of the financial assets stipulate that the cash flow generated on a specific date is only the payment of the principal and the interest based on the outstanding principal amount. The interest income of the financial assets is recognised using the effective interest method. Changes in fair value are included in other comprehensive income, except for interest income, impairment losses, and exchange differences, which are included in current profit or loss. When the financial assets are derecognised, the accumulative gain or loss previously included in other comprehensive income shall be transferred from other comprehensive income, and included in the current profits and losses. The Group's financial assets under this classification include financing accounts receivable.

3) *Equity instrument investments at FVTOCI*

The Group irrevocably designates some non-trading equity instrument investments as financial assets at FVTOCI. The Group only includes relevant dividend income (except for those recovered as part of investment cost) in current profits and losses. Subsequent changes in fair value are included in other comprehensive income, and no impairment provision is required. When the financial assets are derecognised, the accumulative gain or loss previously included in other comprehensive income shall be transferred from other comprehensive income, and included in retained earnings. The Group's financial assets under this classification include other equity instrument investments.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026
(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(CONTINUED)*

10. Financial instruments (Continued)

(2) Classification and measurement of financial assets (Continued)

4) Financial assets at FVTPL

The Group classifies the financial assets other than the above financial assets measured at amortised cost and the financial assets at FVTOCI into the financial assets at FVTPL. These financial assets are subsequently measured at the fair value and the changes in fair value are included in the current profit or loss except for those related to hedge accounting. The Group's financial assets under this classification include other non-current financial assets.

(3) Classification, recognition basis and measurement method of financial liabilities

The financial liabilities of the Group are all classified as financial liabilities measured at amortised cost. The related transaction expenses are included in the initially recognised amount.

The financial liabilities measured at amortised cost are subsequently measured at amortised cost using the effective interest method.

(4) Impairment of financial instruments

On the basis of expected credit loss, the Group impairs the financial assets at amortised cost and recognises provision for losses.

1) Measurement of expected credit loss

Expected credit loss refers to the weighted average of credit losses of financial instruments weighted by the risk of default. Credit loss refers to the difference between all contractual cash flows receivable according to the contract and discounted according to the original effective interest rate and all expected cash flows receivable, that is, the present value of all cash shortages of the Group.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

(4) Impairment of financial instruments (Continued)

1) Measurement of expected credit loss (Continued)

Lifetime expected credit loss refers to the expected credit losses that result from all possible default events over the expected life of a financial instrument. 12-month expected credit loss refers to the portion of the lifetime expected credit losses that represent the expected credit losses that result from default events on a financial instrument that are possible within the 12 months (or, the expected life, if the expected life of the financial instrument is less than 12 months) after the balance sheet date.

For the accounts receivable, bills receivable, financing accounts receivable, and other receivables that do not contain material financing components formed from daily business activities such as selling goods and providing labour services, the Group applies the simplified approach to measuring the loss provision according to the amount of the lifetime expected credit loss.

The Group adopts the general method (three-stage method) to accrue expected credit losses for financial assets other than those measured by the above simplified measurement method (such as debt investments and other receivables). The Group evaluates whether the credit risks have increased significantly since the initial recognition on each balance sheet date. If not, it is in Stage 1, and the Group shall measure the loss provisions according to the amount equivalent to the 12-month expected credit loss, and calculate the interest income according to the book value and the actual interest rate; If the credit risks have increased significantly since the initial recognition but no credit impairment has occurred, it is in Stage 2, and the Group shall measure the loss provision according to the lifetime expected credit loss, and calculate the interest income according to the book value and the actual interest rate; If credit impairment occurs after initial recognition, it is in Stage 3, and the Group shall measure the loss provisions according to the amount equivalent to the lifetime expected credit loss, and calculate the interest income according to the amortised cost and the actual interest rate.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026
(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

(4) Impairment of financial instruments (Continued)

2) *Category of portfolios with impairment provision accrued by portfolio of credit risk characteristics*

The Group evaluates the expected credit loss of financial instruments on an individual basis.

3) *Criteria for determining impairment provisions of bad debts accrued on an individual basis*

If the credit risk characteristics of a customer are significantly different from those of other customers in the portfolio, or there is a significant change in the credit risk characteristics of that customer, such as severe financial difficulties, and the expected credit loss rate for the receivables from the customer is significantly higher than that for its corresponding ageing and overdue period, the Group will individually make provision for losses on the receivables from the customer.

4) *Write-off of impairment provision*

When the Group no longer reasonably expects that the contractual cash flows of financial assets can be recovered in whole or in part, the Group directly reverses the book value of the financial assets. Financial assets that have been written down and subsequently recovered, reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

(5) Recognition basis and measurement for transfer of financial assets

For transactions of transfer of financial assets, if the Group has transferred almost all risks and rewards in the ownership of the financial assets to the transferee, such financial assets shall be derecognised; If almost all risks and rewards in the ownership of financial assets are retained, such financial assets shall not be derecognised; Where all risks and rewards in the ownership of financial assets are neither transferred nor retained and the control over the financial asset is waived, the financial assets shall be derecognised and the assets and liabilities incurred shall be recognised; If the control over the financial asset is not waived, relevant financial assets shall be recognised to the extent of further involvement in the transferred financial assets, and relevant liabilities shall be recognised correspondingly.

If the entire transfer of the financial assets meets derecognition conditions, the difference between the carrying amount of transferred financial asset on the date of derecognition and the sum of consideration received from the transfer and the amount originally included in other comprehensive income directly and that the accumulative amount of change in fair value corresponds to the derecognised part shall be included in the current profit or loss.

If the partial transfer of the financial assets meets derecognition conditions, the entire carrying amount of the transferred financial assets shall be amortised at their own relative fair values between the derecognised part and the underecognised part, and the difference between the sum of consideration received from the transfer and the amount which should be amortised to the derecognised part, originally included in other comprehensive income and that the accumulative amount of change in fair value corresponds to the derecognised part and the entire carrying amount of the aforesaid financial assets amortised shall be included in the current profit or loss.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

(6) Difference between financial liability and equity instrument and related treatment method

The Group distinguishes financial liabilities and equity instruments according to the following principles: (1) If the Group fails to unconditionally perform one contractual obligation by delivering cash or other financial assets, the contractual obligation satisfies the definition of financial liabilities. While some financial instruments do not expressly include the terms and conditions for the obligation to deliver cash or other financial assets, it is possible to form contract obligations indirectly through other terms and conditions. (2) If one financial instrument must or may be settled by the Group's own equity instrument, the Group's own equity instrument used for settling such instrument shall be considered as a substitute for cash or other financial assets, or as residual equity in the issuer's assets that the instrument holder enjoys after deducting all the liabilities. If it belongs to the former one, this instrument is the financial liability of the Issuer. If it belongs to the latter, the instrument is the equity instrument of the Issuer. Under certain circumstances, a financial instrument contract requires that the Group must or may settle the financial instrument with its own equity instruments, where the amount of contract rights or contract obligations is equal to the number of own equity instruments available or to be delivered multiplied by the fair value upon its settlement. In this case, regardless of whether the amount of the contract right or obligation is a fixed value or changes based in whole or in part on changes in variables other than the market price of the Group's own equity instrument (such as interest rates, the price of a good or the price of a financial instrument), the contract is classified as financial liabilities.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

(6) Difference between financial liability and equity instrument and related treatment method (Continued)

When classifying a financial instrument in the consolidated financial statements, the Group takes into consideration all the terms and conditions agreed between members of the Group and holders of financial instruments. If the Group as a whole has assumed the obligation to deliver cash, other financial assets or settle it by other means of rendering the instrument a financial liability, the instrument should be classified as a financial liability.

The Group classifies these financial instruments or their components into financial assets, financial liabilities, or equity instruments upon initial recognition based on the contract terms of the perpetual bonds and the economic substance reflected, combined with the definitions of financial assets, financial liabilities, and equity instruments.

If the financial instruments or their components belong to financial liabilities, the relevant interests, dividends (or stock dividends), gains or losses, as well as gains or losses arising from redemption or refinancing shall be recognised in current profits and losses by the Group.

If the financial instruments or their components belong to equity instruments, as to the issuance (including re-financing), re-purchasing, sale, or cancellation of such instruments, the Group will take these situations as changes of equity and will not recognise any change of fair value of the equity instruments.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Inventories

Inventories, comprise coal, fuel oil, stalk, materials, components and spare parts.

Inventories are initially measured at cost. The cost of inventories consists of purchase costs, conversion costs, and other costs. The perpetual inventory system is adopted for inventories. When receiving or issuing inventory, the weighted average method is used to determine its actual cost.

On the balance sheet date, inventories are carried at the lower of cost and net realisable values. If the inventory cost is higher than the net realisable value, the provision for decline in the value of inventories shall be accrued and the cost shall be included in the current profit and loss. The net realisable value refers to the amount that is obtained by deducting the estimated cost incurred till completion, estimated selling expenses, and relevant taxes from the estimated selling price of inventories in daily activities.

For the Group's coal, fuel oil, stalk, materials, components and spare parts, provision for decline in the value of inventories is made on a single inventory item basis. In determining net realisable value, inventories of goods directly for sale are determined by the amount of their estimated selling price less estimated selling expenses and related taxes. Inventories held for production are determined by the amount of the estimated selling price of the finished goods produced or processed less the estimated cost to be incurred by the time of completion, the estimated selling expenses, and related taxes.

12. Contract assets and contract liabilities

(1) Contract assets

Contract assets refer to the Group's right to receive consideration for the goods it has transferred to customers, and the right depends on other factors excluding the passage of time. For details of the determination method and accounting treatment methods for expected credit loss of contract assets, please refer to the relevant contents of the said Note III. 10 Impairment of financial assets.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

12. Contract assets and contract liabilities (Continued)

(2) Contract liabilities

The contract liabilities reflect the Group's obligations to transfer goods to the customer due to customer consideration received or receivable.

The Group presents contract assets and contract liabilities on a net basis for the same contract.

13. Long-term equity investments

The long-term equity investment of the Group includes investments in subsidiaries and associates.

(1) Judgement of significant influence

The Group's equity investment that has a significant influence on the investee is the investment in associates. Significant influence means the power of the Group to participate in making decisions on the financial and operating policies of an investee, but the Group cannot control or jointly control with other parties over the formulation of these policies. When the Company directly or indirectly holds voting rights in an investee ranging from above 20% to less than 50%, it is generally considered to have significant influence over the investee, unless there is clear evidence that the Group cannot participate in the investee's operating and financial decisions or exercise control over the investee.

(2) Accounting treatment method

The Group initially measures the acquired long-term equity investments at the initial investment amount.

For long-term equity investments acquired through business combination involving entities under common control, the initial investment amount is determined based on the Group's share of carrying amount of net assets of the combined party in the consolidated financial statements of the ultimate controlling party as of the combination date. If the net assets of the combined party have a negative carrying amount on the combination date, the initial investment amount is determined as zero.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026
(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

13. Long-term equity investments (Continued)

(2) Accounting treatment method (Continued)

For long-term equity investments acquired via business combination involving entities not under common control, the combination cost is taken as the initial investment amount.

Except for those acquired through business combination, as to long-term equity investments acquired by cash payment, the actual purchase price and expenses, taxes and other necessary expenditures directly related to the acquisition of long-term equity investments are regarded as initial investment amount; For long-term equity investments acquired by issuing equity securities, the fair value of issued equity securities is taken as the investment amount.

The Company's investments in subsidiaries are accounted for using the cost method in individual financial statements. When the cost method is adopted, the long-term equity investments are measured at initial investment amount. When more investments are added, the carrying amount of the long-term equity investments cost is increased based on the fair value of costs paid for added investments and related transaction expenses. Cash dividend or profit declared by the investee is recognised as current investment income according to the amount to enjoy.

The investments of the Group in associates are accounted for using the equity method. For long-term equity investments measured by the equity method, where their initial investment amounts exceed their share of the fair value of the investee's identifiable net assets at the time of the investment, the carrying amount of the long-term equity investments is not adjusted. Where the initial investment amounts of long-term equity investments are less than the share of the fair value of the investee's identifiable net assets acquired through the investment, the difference shall be adjusted to the carrying amount of the long-term equity investments and included in the current profits and losses of acquired investments.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

13. Long-term equity investments (Continued)

(2) Accounting treatment method (Continued)

For long-term equity investments subsequently measured by the equity method, during the holding period of investment, the carrying amount of the long-term equity investments shall be accordingly increased or decreased as the change in owners' equity of the investee. When recognising the shares of the net profit or loss of the investee the Group shall enjoy, the Group calculates the share attributable to the Group based on the fair value of identifiable assets in the investee at the acquisition date under the accounting policies and accounting period of the Group according to the proportion they are entitled to by offsetting profits and losses of unrealised internal transactions incurred between the associates and joint venture not constituting businesses (however, loss of internal transactions attributed to asset impairment loss shall be fully recognised), and then recognises the net profits of the investee after adjustment. The Group discontinues recognising its share of net losses of the investee after the carrying amount of the long-term equity investments together with any long-term interests that in substance form part of its net investment in the investee is reduced to zero, except for those investments that the Group has the obligation to undertake extra losses.

Upon the disposal of long-term equity investments, the difference between the carrying amount and the price actually obtained shall be included in the current investment income.

For long-term equity investments calculated by the equity method, in case of full disposal of, the related other comprehensive income previously calculated by the equity method should be accounted for on the same basis as the direct disposal of the related assets or liabilities by the investee upon the termination of the equity method. The owners' equity recognised as a result of changes in the owners' equity of the investee other than net profit or loss, other comprehensive income and profit distribution should be transferred in full to current investment income upon the termination of the equity method.

Notes to the Condensed Consolidated Financial Statements (Continued)

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

14. Investment properties

The investment properties of the Group are buildings that have been leased out, which are calculated at cost. Depreciation is made using policies consistent with those applicable to the Group's fixed assets.

15. Fixed assets

Fixed assets of the Group refer to tangible assets with a useful life of more than one year held for producing goods, rendering labour services, renting, or operating management.

No fixed asset may be recognised unless it simultaneously meets the conditions as follows: The economic benefits pertinent to the fixed asset are likely to flow into the Group, and the cost of the fixed asset can be measured reliably. Fixed assets of the Group include premises and buildings, and power generation equipment.

Except for the fully depreciated fixed assets that are still in use and the land that is separately valuated and recorded, all the fixed assets of the Group shall be depreciated. Straight line method shall be adopted for calculating depreciation. The category, depreciation life, estimated net residual rate and depreciation rate of the fixed assets of the Group are as follows:

No.	Category	Depreciation life (year)	Estimated residual rate (%)	Annual depreciation rate (%)
1	Premises and buildings	20-45	3-5	2.1-4.9
2	Generating units	5-20	3-5	4.8-19.4
3	Others	5-40	0-5	2.4-20.0

At the end of each year, the Group reviews the estimated useful life, estimated net residual value and depreciation methods of fixed assets. If a change occurs, it shall be treated as a change in accounting estimates.

Notes to the Condensed Consolidated Financial Statements (Continued)

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

16. Construction in progress

The cost of construction in progress will be recognised according to the actual construction expenditures, including various necessary construction expenditures during construction, capitalised borrowing costs before the projects are ready for their intended use and other relevant expenses.

Construction in progress ready for intended use shall be transferred to fixed assets based on the estimated value according to construction budget, project cost or actual project cost. The depreciation shall be drawn from the next month. After going through procedures of completion settlement, the difference of the original value of the fixed assets shall be adjusted.

17. Borrowing costs

The Group capitalises the borrowing costs directly attributable to the acquisition or production of assets eligible for capitalisation and includes them in relevant asset costs, while other borrowing costs are included in current profits and losses. The assets meeting the capitalising conditions determined by the Group include fixed assets that require more than one year of acquisition or construction to be ready for intended use or selling. Capitalisation shall be conducted when the expenditures of the assets and the borrowing costs incurred and acquisition or construction activities necessary for making the assets ready for intended use or selling begin. When the assets meeting the capitalisation requirements acquired or constructed are ready for use or selling, the capitalisation shall be ceased, and the borrowing costs incurred subsequently shall be included in current profits and losses. If assets eligible for capitalisation are suddenly suspended in acquisition or construction or production for more than three months continuously, the capitalisation of borrowing costs shall be suspended until the restart of acquisition or construction and production activities of the assets.

During the capitalisation period, the Group recognises the capitalised amount of borrowing costs using the following methods for each accounting period: For special borrowings, the capitalised amount is determined by the actual interest expenses incurred during the period minus any interest income earned on unused borrowing funds deposited in banks or investment income generated from temporary investments during the period; For general borrowings used, the capitalised amount is determined by multiplying the weighted average of accumulated asset expenditures exceeding the special borrowing portion by the capitalisation rate attributable to the general borrowings. The capitalisation rate is calculated based on the weighted average interest rate of the general borrowings.

Notes to the Condensed Consolidated Financial Statements (Continued)

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

18. Intangible assets

The intangible assets of the Group include land use rights, sea use rights, mining rights, prospecting rights, concession rights, and development rights of hydropower, which shall be measured at actual cost when being obtained; wherein, for the intangible assets purchased, price actually paid and related other expenditure shall be deemed as actual cost; for the intangible assets invested by the investor, value agreed in accordance with investment contract or agreement is recognised as actual cost, except value agreed in the contract or agreement is unfair, in such case, the actual cost shall be recognised at fair value.

Useful life and its determination basis, estimates, amortisation method or review procedures are as follows:

(1) Land use rights shall be averagely amortised according to the transfer period from the start date of transfer

The sea use rights of the Group include those for the Yantai Laizhou Port General Berth Project obtained from the People's Government of Shandong Province and the State Oceanic Administration, as well as for the Guangdong Huadian Fengsheng Shantou Power Plant "Replacing Small Units with Larger Units" New Construction Project obtained from the Oceanic Administration of Guangdong Province. The period for sea use rights is calculated and amortised from the date of their registration.

Concession rights are intangible assets recognised by the Group based on concession agreements signed with concession grantors. The concession rights are measured at actual cost incurred, which includes project payments made during the concession construction phase considering contractual stipulations, as well as borrowing costs that meet the criteria for capitalisation incurred before the concession rights are ready for their intended use. The concession rights are amortised over the remaining concession period upon being ready for their intended use.

Development rights of hydropower are rights acquired by the Company through the acquisition of subsidiaries to develop hydropower resources. The relevant preliminary hydropower stations associated with the development rights of hydropower have received approvals for watershed development and preliminary work from the local Development and Reform Commissions. Amortisation of the development rights of hydropower commences when the relevant preliminary hydropower station assets are ready for their intended use.

Notes to the Condensed Consolidated Financial Statements (Continued)

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

18. Intangible assets (Continued)

(1) Land use rights shall be averagely amortised according to the transfer period from the start date of transfer (Continued)

Mining rights are the rights to exploit mineral resources and obtain exploited mineral products within the scope prescribed in the legally obtained mining license. Prospecting rights are rights to prospect mineral resources within the scope prescribed in the legally obtained prospecting license. Upon completion of a detailed exploration report for the prospecting right and its filing with the Department of Land and Resources, an application may be made to convert the prospecting right into a mining right. After the prospecting right is converted into a mining right, it is recognised on the balance sheet at cost less accumulated amortisation and impairment provisions, with amortisation calculated using the units-of-production method based on recoverable reserves.

The amortised amounts of all intangible assets shall be included in current profits or losses and relevant asset costs according to beneficiaries. The estimated useful life and the amortisation method of intangible assets with limited useful life shall be reviewed at the end of each year. If a change occurs, it shall be treated as a change in accounting estimates.

Useful life estimation for intangible assets with limited useful life:

Item	Estimated useful life (year)
Land use rights	10-70
Sea use rights	50
Concession rights	25
Development right of hydropower	45
Others	5-36

The Group regards intangible assets with an unforeseeable future economic benefit period as intangible assets with an uncertain useful life, and does not amortise such intangible assets. In each accounting period, the Group rechecks the useful life of intangible assets with uncertain useful life. If there is evidence that the useful life of an intangible asset is limited, its useful life shall be estimated, and the asset shall be accounted for in the same method as intangible assets with limited useful lives described above.

Notes to the Condensed Consolidated Financial Statements (Continued)

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

18. Intangible assets (Continued)

(2) Collection scope of R&D expenses and relevant accounting treatment methods

The collection scope of R&D expenses of the Group includes R&D employee benefits, direct investment expenses, depreciation and unamortised expenses, design expenses, equipment commissioning expenses, entrusted external R&D expenses, and other expenses.

The Group classifies internal R&D project expenditures into research-stage expenditures and development-stage expenditures based on the nature of the expenditures and whether there is a high degree of uncertainty that the R&D activities will ultimately result in intangible assets. Research-stage expenditures shall be included in current profits and losses when incurred. Development-stage expenditures shall be capitalised when meeting the following conditions: the Group assesses that it is technically feasible to finish the development of the intangible assets for use or sale; the Group has the intention to finish the development of the intangible assets for use or sale; the intangible assets are expected to generate economic benefits for the Group; the Group has sufficient technical, financial and other resources to support the development of the intangible assets and has the ability to use or sell the assets; and the expenditure attributable to the development stage of the intangible assets can be reliably measured. Development-stage expenditures that do not meet the conditions for capitalisation shall be included in current profits and losses when incurred.

Notes to the Condensed Consolidated Financial Statements (Continued)

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

19. Impairment of long-term assets

On each balance sheet date, the Group shall check the long-term equity investments, investment properties measured by cost model, fixed assets, construction in progress, right-of-use assets, intangible assets with a limited useful life, and other items. In case of any indication of impairment, the Group shall carry out an impairment test. Impairment test shall be conducted on goodwill, intangible assets with uncertain useful life and development expenditures not yet available at the end of each year no matter whether there is any indication of impairment.

(1) Impairment of non-current assets except for financial assets (other than goodwill)

In conducting impairment tests, the Group determines the recoverable amount of an asset based on the higher of the following: the net amount obtained by deducting disposal costs from the fair value of the asset, and the present value of expected future cash flows from the asset. If the impairment test shows that the carrying amount of the asset is higher than its recoverable amount, the difference shall be recognised as an impairment loss.

The Group estimates the recoverable amount on the individual asset item basis; where it is hard to estimate the recoverable amount on the individual asset item basis, the Group determines the recoverable amount based on the asset group that the assets belong to. The assets group is determined by whether the main cash flow generated by the assets group is independent from those generated by other assets or assets groups.

The net balance of the fair value less the disposal cost is the price contained in sales agreement for similar assets in the orderly transaction on the measurement date or the market price observed less the incremental costs attributable to the disposal of the asset. When estimating the present value of future cash flow, the management selects an appropriate discount rate to determine the present value of future cash flow based on the expected future cash flow generated from the continuous use and final disposal of the asset.

Notes to the Condensed Consolidated Financial Statements (Continued)

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

19. Impairment of long-term assets (Continued)

(2) Impairment of goodwill

For goodwill formed by a business combination, the Group amortises its carrying amount to a related asset group using a reasonable method at the acquisition date, and for those that are difficult to be amortised to related asset groups, they are amortised to related portfolio of asset groups. During impairment tests for the related asset group or portfolio of asset groups that contain(s) goodwill, if there are indications of impairment, the Group first tests the asset group or portfolio of asset groups that do(es) not contain goodwill and calculate the recoverable amount, and compare it with the related carrying amount to confirm the corresponding impairment loss; Then, the Group conducts impairment tests on the relevant asset group or portfolio of asset groups, comparing the carrying amount with the recoverable amount. If the recoverable amount is less than the carrying amount, the amount of impairment loss is first deducted from the carrying amount of goodwill allocated to the asset group or portfolio of asset groups, and then from the carrying amount of other assets based on their proportion within the asset group or portfolio of asset groups, excluding goodwill.

Once recognised, the above impairment losses on assets will not be reversed in subsequent periods.

Notes to the Condensed Consolidated Financial Statements (Continued)

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

20. Long-term deferred expenses

Long-term deferred expenses of the Group mainly include earthwork stripping costs amortised based on the stripping ratio, compensation for land acquisition for coal mining, and other expenditures with an amortisation period exceeding one year that have been paid by the Group but are to be amortised over the current and future periods. Such expenses shall be equally amortised in the benefit period. If the long-term deferred expenses item will not benefit the future accounting period, the amortised value of unamortised items shall be all transferred to current profits or losses. The amortisation methods of the Group's long-term deferred expenses are shown in the table below:

Item	Amortisation method
Earthwork stripping cost	Units-of-production method
Compensation for land acquisition	Units-of-production method
Others	Straight-line method

21. Employee benefits payable

Employee benefits payable of the Group includes short-term compensation, retirement benefits, and termination benefits.

The short-term compensation mainly includes staff salaries, bonuses, social insurance premiums, housing provident funds, labour union expenditures, staff education funds, employee benefits, and non-monetary welfare. The actually incurred short-term compensation shall be recognised as a liability in the accounting period when the staff are rendering their services and be included in the current profits and losses or relevant asset costs according to the beneficiaries.

Retirement benefits mainly include basic pension insurance premium, unemployment insurance premium, and enterprise annuity, all of which are defined contribution plans. Contribution paid to an individual subject for the services provided by the employees in the accounting period on the balance sheet date as per the defined contribution plan shall be recognised as liabilities, and included in the current profits or losses or relevant asset costs according to the beneficiaries.

Notes to the Condensed Consolidated Financial Statements (Continued)

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

21. Employee benefits payable (Continued)

When the Group provides termination benefits to employees, the employee benefits payable liabilities arising from the termination benefits are recognised earlier when the Group cannot unilaterally recall the termination benefits provided due to labour relation severing plan or layoff suggestions, and the Group recognises the costs or expenses related to the restructuring of termination benefits payment; and included then in current profits and losses.

22. Provisions

When pending legal proceedings or arbitration, warranty product quality assurance or other contingent matters meet the following requirements at the same time, the Group shall recognise such obligations as liabilities: the assumed obligations are current obligations; the fulfilment of such obligations will likely cause the outflow of economic benefits from the Group; the amount of such obligations can be measured reliably.

Provisions are initially measured at the best estimate of expenditures required to perform relevant current obligations, and the risks, uncertainties, and time value of money related to contingencies are taken into comprehensive consideration. On the balance sheet date, the Group reviews the current best estimate and adjusts the carrying amount of provisions.

The provisions expected to be paid within one year from the balance sheet date are presented as current liabilities.

23. Other financial instruments including preferred stocks and perpetual bonds

For the perpetual debts categorised as equity instruments, owners' equity is increased by deducting transaction costs from the consideration received at the issuance. Treatments on the interest expenses or dividend distribution of these instruments are made according to profit distribution. The gains or losses generated from the repurchase or cancellation of these instruments are treated as changes in equity.

Notes to the Condensed Consolidated Financial Statements (Continued)

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

24. Revenue recognition principles and measurement methods

(1) General principles

The Group has fulfilled its performance obligations of the contract, meaning it recognises the revenue when the customer has obtained the control rights of the relevant goods or services. The acquisition of control over the relevant goods or services means to be able to dominate the use of the relevant goods or services and obtain almost all the economic benefits.

Performance obligation refers to the Group's promise in a contract to transfer distinguishable products to a customer. In case one of the following conditions is met, the Group will perform the performance obligations within a period of time. Otherwise, it will perform the performance obligations at a time point: ① The customer obtains and consumes the economic benefits brought by the Group while performing the contract; ② The customer can control the goods under construction during the Group's performance; ③ The goods generated during the performance of the Group are irreplaceable, and the Group is entitled to collect the amount for the performance accumulatively completed so far throughout the term of the Contract.

For the performance obligations performed within a certain period of time, the Group shall recognise the revenue within that period according to the performance progress. If the performance progress cannot be reasonably confirmed, and the costs incurred by the Group can be expected to be compensated, the revenue shall be recognised according to the amount of costs incurred until the performance progress can be reasonably confirmed.

Notes to the Condensed Consolidated Financial Statements (Continued)

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

24. Revenue recognition principles and measurement methods (Continued)

(1) General principles (Continued)

For performance obligations performed at a certain time point, the Group shall recognise the revenue at the time point when the customer gains control rights of the relevant goods. In determining whether a customer has obtained control of the goods, the Group shall take the following indications into comprehensive consideration: ① The Group enjoys the current collection right in regard to such goods, i.e. The customers have the obligation to pay immediately with respect to the goods; ② The Group has transferred the legal ownership of the goods to the customer, i.e. The customer owns the legal ownership of the goods; ③ The Group has transferred the goods to the customer in kind, i.e. The customer has possessed the goods; ④ The Group has transferred the major risks and rewards on the ownership of the goods to the customer, i.e. The customer has obtained the major risks and rewards on the ownership of the goods; ⑤ The customer has accepted such goods; ⑥ Other indications that the customer has obtained control of the goods.

If the contract contains two or more performance obligations, the Group shall, at the beginning of the contract, apportion the transaction price to each performance obligation according to the relative proportion of the individual selling price of the goods or services promised by each performance obligation, and measure the revenue according to the transaction price apportioned to each performance obligation.

The transaction price is the amount of consideration that the Group is expected to be entitled to receive for the transfer of goods or services to the customer, but excluding payments received on behalf of third parties and payments expected to be refunded to customers. When determining the transaction price, the Group considers the effects of variable consideration, contracts containing significant financing components, and other relevant factors.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

24. Revenue recognition principles and measurement methods (Continued)

(1) General principles (Continued)

Where there is a variable consideration in the contract, the Group determines the best estimate of the variable consideration based on the expected value or the most probable amount. The transaction price of the variable consideration is included, which shall not exceed the amount of accumulated recognised income that will most likely not be great reverse when the relevant uncertainty is removed. On each balance sheet date, the Group shall re-estimate the amount of variable consideration included in the transaction price.

For contracts that contain significant financing components, the Group determines the transaction price by assuming that the customer pays the payable amount in cash upon obtaining control of the goods. The nominal amount of the contract consideration is discounted to the current selling price of the goods using a discount rate. The difference between the determined transaction price and the contracted promised consideration is amortised over the contract period using the effective interest rate method. At the commencement time of the contract, if the Group expects that the interval between the customer's acquisition of control over goods or services and the payment of the price by the customer will not exceed one year, the material financing component existing in the contract would not be considered.

The Group determines whether it is the principal responsible person or agent during transactions based on whether it has control over the goods before transferring the goods to customers. If the Group has control over the goods before transferring them to customers, the Group is the principal responsible person and recognises the revenue according to the total consideration received or receivable; otherwise, the Group acts as an agent, and recognises the revenue according to the amount of commission or handling charge expected to be entitled. The amount shall be determined based on the net amount of the total consideration received or receivable less amounts payable to other related parties, or based on predetermined commission amounts or rates.

Notes to the Condensed Consolidated Financial Statements (Continued)

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

24. Revenue recognition principles and measurement methods (Continued)

(2) *Specific principles*

The operating revenue of the Group mainly includes electricity revenue, heat revenue, coal sales revenue, and revenue from upfront installation fees for heating networks.

1) *Electricity revenue*

Electricity revenue is recognised when electricity is supplied to grid companies in places where power plants are located.

2) *Heat revenue*

Heat revenue is recognised when heat is supplied to customers.

3) *Coal sales revenue*

Revenue related to coal sales is recognised when control of the goods is transferred to purchasers.

4) *Revenue from upfront installation fees for heating networks*

Revenue from upfront installation fees for heating networks is installation fees charged for connecting customers' properties to the Group's heating network. This revenue is deferred and recognised on a straight-line basis over the service period upon completion of installation works.

Notes to the Condensed Consolidated Financial Statements (Continued)

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

25. Government grants

The government grants shall be recognised when all the attached conditions can be satisfied and the government grants can be received by the Group. Where the government grants are monetary assets, they shall be measured at the amount actually received; for grants provided as per the fixed quota standard, when there is unambiguous evidence showing that related conditions as stipulated in the financial supporting policies are met and it is expected that the financial supporting assets can be obtained, such grants shall be measured as per the amount receivable; where the government grants are non-monetary assets, they shall be measured at the fair value; if the fair value cannot be obtained reliably, then they shall be measured at the nominal amount (RMB1).

The government grants of the Group include compensation for demolition, project construction subsidies, environmental protection subsidies, power generation subsidies, heating subsidies, heating network ancillary revenue, and coal subsidies. The asset-related government grants refer to those obtained by the Group and used for the acquisition or construction of long-term assets or obtainment of such assets in other forms. The revenue-related government grants refer to those other than the asset-related government grants. If no assistance object is specified in the government documents, the Group shall determine it based on the above identifying principles. For those hard to be identified, classify them totally in the revenue-related government grants.

Asset-related government grants shall be recognised as deferred income or offset carrying amount of relevant assets, if it is recognised as deferred income, it will be included in the current profit or loss according to a reasonable and systematic method within the useful life of the relevant asset. When the related assets are sold, assigned, transferred or damaged before the end of useful life, all the undistributed deferred income shall be transferred to the current profits and losses of assets disposal.

The revenue-related government grants used to compensate for related costs or losses during future periods shall be recognised as deferred income, and shall be recognised as current profits and losses or offset relevant costs at the period when it is recognised. The government grants related to daily activities shall be included in other income or offset relevant costs based on the substance of business transactions. The government grants not related to daily activities shall be included in the non-operating revenues and expenses.

Notes to the Condensed Consolidated Financial Statements (Continued)

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

25. Government grants (Continued)

The Group adopts the gross method.

When the Group obtains discounted interest subsidies on preferential policy loans, the Group distinguishes between two situations, i.e. the situation in which public finance departments appropriate the discount interest funds to the loan banks and the situation in which public finance departments directly appropriate the discount interest funds to the Group, and carries out the accounting treatment separately according to the following principles: (1) In the situation where public finance departments appropriate the discount interest funds to the loan banks, if the loan banks provide loans to the Group at a policy preferential interest rate, the Group takes the actually received loan amount as the entry value of the loans and calculates the relevant borrowing costs according to the loan principal and the policy preferential interest rate. (2) In the situation where public finance departments directly appropriate the discount interest funds to the Group, the Group shall write off the corresponding discount interest subsidies against the related borrowing costs.

26. Deferred tax assets and deferred tax liabilities

Deferred tax assets and deferred tax liabilities of the Group are calculated and recognised based on the temporary differences arising from the differences between the tax bases and the carrying amounts of assets and liabilities, as well as the differences between the tax bases and the carrying amounts of items that are not recognised as assets or liabilities but for which the tax bases can be determined according to tax regulations.

The deductible temporary differences shall be recognised as deferred tax assets, within the limit of taxable income which is likely to be obtained for offsetting the deductible temporary differences in future periods. As for any deductible loss and tax deduction which can be carried forward to the next year, the corresponding deferred tax assets are recognised to the extent the taxable income which is likely to be obtained for offsetting the deductible loss and tax deduction.

The taxable temporary differences, except for special conditions, are recognised as deferred tax liabilities.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

26. Deferred tax assets and deferred tax liabilities (Continued)

Special circumstances that do not recognise deferred tax assets or deferred tax liabilities include:

- Initial recognition of goodwill;
- Transactions or events that are neither a business combination, nor will affect accounting profits and taxable income (or deductible losses) when they occur.

However, for single transactions that are neither a business combination nor will affect accounting profits and taxable income (or deductible losses) when they occur and give rise to equal amounts of taxable temporary differences and deductible temporary differences upon initial recognition of assets and liabilities, including lease transactions where lessees initially recognise lease liabilities and includes them in right-of-use assets at the commencement date of the lease term and transactions where provisions are recognised and included in relevant asset costs due to the existence of asset retirement obligations for fixed assets, the exemption from initial recognition of deferred tax liabilities and deferred tax assets is not applicable. For the taxable temporary differences and deductible temporary differences arising from the initial recognition of assets and liabilities in such transactions, corresponding deferred tax liabilities and deferred tax assets shall be recognised at the transaction date.

Deferred tax liabilities are recognised for taxable temporary differences related to investments in subsidiaries, associates and joint ventures, unless the Group is able to control the time to reverse the temporary difference and it is probable that the temporary difference is unlikely to be reversed in the foreseeable future. For any deductible temporary differences related to investments in subsidiaries, associates, and joint ventures, the deferred tax assets are recognised when the temporary difference is likely to be reversed in the foreseeable future, and it is likely to acquire the taxable income that is used to deduct the deductible temporary difference in the future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised on the balance sheet date.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

26. Deferred tax assets and deferred tax liabilities (Continued)

The Group will list the net amount of deferred tax assets and deferred tax liabilities after offset if the following conditions can be met: The Group has a legal right to settle the net amount of the current tax assets and current deferred tax liabilities; Deferred tax assets and deferred tax liabilities are related to the income tax levied by the same tax collection and management department on the same taxpayer or different taxpayers, but in the period when each important deferred tax asset and deferred tax liability are reversed in the future, the taxpayers involved intend to settle the current tax assets and current tax liabilities with a net amount or obtain assets and pay off debts at the same time.

27. Lease

(1) Identification of lease

On the commencement date of a contract, the Group evaluates whether the contract is a lease or includes a lease. If one party to the contract abalienates the right to control the use of one or more identified assets within a certain period of time in exchange for consideration, the contract is a lease or includes a lease.

If the contract contains multiple separate leases at the same time, the Group will split the contract and carry out accounting treatment for each separate lease. If the contract includes both lease and non-lease parts, the Group will split the lease and non-lease parts and then carry out accounting treatment. The lease part shall be accounted for in accordance with the lease standards, while the non-lease part shall be accounted for in accordance with other applicable accounting standards for business enterprises.

When assessing whether it is reasonably certain that the renewal option will be exercised, the Group comprehensively assesses all pertinent facts and circumstances associated with the economic advantages of exercising the option. This includes anticipated changes in facts and circumstances from the commencement date of the lease term to the time the option is exercised. During the contract period, the Group has made or expects to make significant improvements to the leased assets. The leased assets are critical to the Group's operations, with no readily available suitable alternatives, and the Group can reasonably determine that it will exercise renewal options. Therefore, the lease term includes periods covered by renewal options. After the commencement date of the lease term, should significant events or changes within the Group's control occur, affecting its reasonable decision on whether to exercise the renewal option, the Group will reassess its position and adjust the lease term accordingly based on the outcomes of this reassessment.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

27. Lease (Continued)

(2) The Group as a lessee

1) Recognition of lease

In addition to short-term leases and low-value asset leases, at the commencement date of the lease term, the Group recognises the right-of-use asset and lease liabilities for the lease.

The right-of-use asset refers to the right of the Group as the lessee to use the leased asset during the lease term and is initially measured at cost. The cost includes: ① initial measurement amount of lease liabilities; ② lease payment paid on or before the commencement date of the lease term less the amount related to the enjoyed lease incentive; ③ initial direct cost incurred; and ④ costs expected to be incurred for dismantling and removing the leased asset, restoring the site where the leased asset is located or restoring the leased asset to the state agreed in the leasing terms (except those incurred for the production of inventory). If the Group remeasures the lease liabilities in accordance with the relevant provisions of the leasing standards, the carrying amount of the right-of-use asset shall be adjusted accordingly.

The Group depreciates the right-of-use asset by the straight-line method based on the expected consumption mode of economic benefits related to the right-of-use asset. If the ownership of the leased asset can be reasonably confirmed to be acquired at the expiration of the lease term, the depreciation shall be carried out within the remaining useful life of the leased asset; otherwise, the depreciation shall be carried out within the remaining lease term or the useful life of the leased asset, whichever is shorter. The depreciation amount for provision is included in the cost of underlying assets or the current profits and losses according to the use of the right-of-use asset.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

27. Lease (Continued)

(2) The Group as a lessee (Continued)

1) Recognition of lease (Continued)

The Group initially measures the lease liabilities according to the present value of the lease payment which is not made at the commencement date of the lease term. The lease payment includes: ① fixed payment and substantial fixed payment, deducting the amount related to lease incentives; ② variable lease payment depending on index or ratio; ③ exercise price of purchase option when the Group reasonably determines to exercise purchase option; ④ payment made for exercising the option to terminate the lease when the lease term reflects that the Group exercises such option; ⑤ amount expected to be paid according to the guaranteed residual value provided by this Group.

In the calculation of the present value of the lease payment, the Group adopts the interest rate implicit in lease as the discount rate. If the Group is unable to determine the interest rate implicit in lease, the incremental borrowing rate will be taken as the discount rate. The interest expenses of the lease liabilities within each lease term shall be calculated by the Group according to the fixed periodic rate, and included in the current profit or loss, except for those that should be capitalised.

When the Group recognises the interest on the lease liabilities after the commencement date of the lease term, it will increase the carrying amount of the lease liabilities; When making the lease payment, it will reduce the carrying amount of the lease liabilities. If there is any change in the substantially fixed payment, the expected amount payable of the guaranteed residual value, the index or ratio for determination of the lease payment, the evaluation result of the purchase option, renewal option or termination option, or the actual exercise of the options, the Group will re-measure the lease liabilities according to the present value of the lease payment after the change.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

27. Lease (Continued)

(2) The Group as a lessee (Continued)

2) Short-term lease and low-value asset lease

For the short-term lease with a lease term of not more than 12 months and low-value asset lease with a lower value (less than RMB40,000) when a single leased asset is brand new, the Group chooses not to recognise the right-of-use asset and lease liabilities. The Group will include the lease payment for short-term lease and low-value asset lease into the relevant asset cost or current profit or loss by the straight-line method or other systematic and reasonable methods during each lease term.

3) Sale and leaseback

As the seller and lessee in a sale and leaseback transaction, the Group assesses whether the transfer of the underlying asset constitutes a sale. When the Group concludes the transfer does not constitute a sale, it continues to recognise the transferred asset and recognises a financial liability equal to the transfer income. When the transfer constitutes a sale, the Group measures the right-of-use asset arising from the sale and leaseback at the proportion of the original carrying amount relating to the right of use retained, and recognises gains or losses only on the rights transferred to the lessor. In subsequent measurement of the lease liability arising from the sale and leaseback, the manner of determining lease payments or modified lease payments does not result in the Group recognising gains or losses related to the right of use retained (except where lease modifications reduce the lease scope or shorten the lease term).

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026
(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

27. Lease (Continued)

(3) The Group as a lessor

As the lessor, if a lease substantially transfers almost all risks and rewards related to the ownership of the leased asset, the Group shall classify the lease as a finance lease, and other leases other than the finance lease as operating leases.

1) Operating lease

In each lease term, the Group will recognise the lease amount of the operating lease as the rental income by the straight-line method.

The initial direct expense incurred by the Group relating to the operating lease shall be capitalised to the cost of the underlying asset of the lease and shall be included in the current profits or losses in stages during the lease term according to the same recognition basis as rental income. The Group's variable lease payment, which is related to operating leases and not included in lease receipts, is included in the current profits or losses when it actually occurs.

If there is a change in the operating lease, the Group will take it as a new lease from the effective date of change, and the lease receipts received in advance or receivable related to the lease before the change will be regarded as the receipts for the new lease.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

28. Fair value measurement

The Group measures the equity instrument investment at fair value on each balance sheet date. Fair value refers to the price to be received for the sale of an asset or to be paid for the transfer of liability by the market participants in the orderly transaction on the measurement date.

If the assets and liabilities are measured or disclosed at fair value in financial statements, the level to which the fair value belongs shall be determined according to the lowest level inputs, which is of significance to the integral measurement of fair value: the inputs for Level 1 are the unadjusted quotation of identical assets or liabilities in the active market which can be obtained on the measurement date; the inputs for Level 2 are the inputs directly or indirectly observable for relevant assets or liabilities other than those for Level 1; the inputs for Level 3 are the inputs that are unobservable for relevant assets or liabilities.

On each balance sheet date, the Group reassesses the assets and liabilities recognised in the financial statements that are continuously measured at fair value to determine whether conversion occurs between levels of fair value measurements.

The fair value of financial instruments traded in an active market is determined at the quoted market price, and the fair value of those not traded in an active market is determined by the Group using a valuation technique. The valuation model used is mainly the discounted cash flow model. The input of the valuation technique mainly includes: the risk-free interest rate, credit premium, and liquidity premium for debt; valuation multiplier and liquidity discount for equity.

Level 3 fair value is determined based on the Group's evaluation model, such as the discounted cash flow model. The Group also considers the initial transaction price, recent transactions with identical or similar financial instruments or fully third-party transactions with comparable financial instruments.

The Group adopts the market method to determine the fair value of unlisted equity investments. This requires the Group to identify comparable listed companies, select market multipliers, and estimate liquidity discounts, which involves uncertainty.

On each balance sheet date, the Group reassesses the assets and liabilities recognised in the financial statements that are continuously measured at fair value to determine whether conversion occurs between levels of fair value measurements.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026
(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

29. Other significant accounting policies and accounting estimates

(1) Related parties

Where one party controls or jointly controls another party or exerts significant influence over the other party, or where two or more parties are controlled or jointly controlled by the same party, they constitute related parties. Affiliates can be individuals or enterprises. An enterprise that is merely controlled by the state but has no other related party relationships does not constitute a related party of the Group. The Group and the Company's related parties include, but are not limited to:

1) The parent company of the Company;

2) Subsidiaries of the Company;

3) Other enterprises controlled by the same parent company as the Company;

4) Investors who exercise joint control or significant influence over the Group;

5) Enterprises controlled or jointly controlled by the same party as the Group;

6) The Group's joint ventures and associates, including subsidiaries of the joint ventures and associates;

7) Joint ventures and associates of China Huadian and its member units (including parent company and subsidiaries), including subsidiaries of joint ventures and associates;

8) Other joint ventures or associates of the Group's joint ventures;

9) Main investors of the Group and their close family members;

10) Key executives of the Group and their close family members;

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

29. Other significant accounting policies and accounting estimates (Continued)

(1) Related parties (Continued)

11) Key executives of the Company's parent company;

12) Family members who have a close relationship with the key executives of the Company's parent company;

13) Other enterprises controlled or jointly controlled by the Group's major investors, key executives or their close family members.

In addition to being determined as a related party of the Group or the Company in accordance with the relevant requirements of ASBEs, according to the requirements of the *Measures for the Administration of Information Disclosure by Listed Companies* issued by the China Securities Regulatory Commission, the following enterprises or individuals include, but are not limited to, related parties of the Group or the Company:

14) Enterprises or persons acting in concert holding more than 5% of the Company's shares;

15) Individuals who directly or indirectly hold more than 5% of the Company's shares and their close family members;

16) Enterprises that have any of the above situations 1), 3), and 14) in the past 12 months or the upcoming 12 months according to relevant agreements;

17) Individuals who have any of the above situations 10), 11), and 15) in the past 12 months or the upcoming 12 months according to relevant agreements;

18) Enterprises that are directly or indirectly controlled by persons described in 10), 11), 15), and 17), or who serve as directors or senior executives, other than the Company and its controlled subsidiaries.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

29. Other significant accounting policies and accounting estimates (Continued)

(2) Segment reporting

The Group determines its operating segments based on its internal organisational structure, management requirements, and internal reporting system, and the reporting segments are based on operating segments. Operating segment refers to the component within the Group that meets all of the following conditions:

1) The component can generate income and incur expenses in daily activities;

2) The Management of the Group can regularly evaluate the operating results of the component to determine its resource allocation and evaluate its performance;

3) The Group can obtain accounting information about the component, such as financial conditions, operating results, and cash flow.

If two or more operating segments have similar economic characteristics and are identical or similar in the following aspects, they can be combined into one operating segment:

1) Nature of each individual product or service;

2) Nature of the production process;

3) Type of customer for the product or service;

4) Way of selling products or providing services;

5) Production of products and provision of services are affected by laws and administrative regulations.

When the Group prepares segment reports, inter-segment transaction revenue is measured based on the actual transaction price. The accounting policies adopted in the preparation of segment reports are consistent with those adopted in the preparation of the Group's financial statements.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

29. Other significant accounting policies and accounting estimates (Continued)

(3) Maintenance and production safety funds

Following the regulations of relevant government agencies, the Group's power generation and supply enterprises adopt an excess regressive method to accrue production safety expenses based on the operating revenue of the previous year, which are used for production safety expenses related to power production and supply. Coal production enterprises accrue maintenance fees and production safety expenses based on coal output, which are used to maintain mining area production, equipment renovation expenditures, coal production, safety expenditures of coal mining structures construction facilities, and other related expenditures. The Group accrues the above expenses in current profits or losses as required, and separately reflects them in specific reserves in owners' equity. When specific reserves are used for expense expenditures within the prescribed scope, the specific reserves shall be offset according to the actual expenditure. When specific reserves are used to form fixed assets within the specified scope, the specific reserves shall be offset according to the cost of forming fixed assets, and the same amount of accumulated depreciation is recognised. Depreciation will not be accrued for related assets in subsequent periods.

(4) Judgement of significant accounting estimates

In preparing the financial statements, the Group's management needs to apply estimates and assumptions that have an impact on the application of accounting policies and the amounts of assets, liabilities, revenue, and expenses. The actual situation may differ from these estimates. The Group's management continuously assesses the judgement of the key assumptions and uncertainties involved in the estimates. The impact of changes in accounting estimates is recognised in the current period of change and future periods.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

29. Other significant accounting policies and accounting estimates (Continued)

(4) Judgement of significant accounting estimates (Continued)

In addition to the assumptions and risk factors described in Note III. 10. Financial instruments and Note III. 19. Long-term asset impairment, other major uncertainties of estimated amounts are as follows:

1) Long-term asset impairment

The Group assesses impairment on fixed assets, construction in progress, intangible assets, long-term equity investment, and other long-term assets from the balance sheet date, to determine whether the recoverable amount of the asset has fallen below its carrying amount. If circumstances indicate that the carrying amount of the long-term asset may not be fully recoverable, the asset is considered to have impairment, and impairment losses will be recognised accordingly.

The recoverable amount is the net amount of the fair value of the assets (or asset groups) after deducting the disposal expenses or the present value of the expected future cash flow of the assets (or asset groups), whichever is higher. Since the Group cannot reliably obtain the open market price of assets (or asset groups), it is impossible to reliably and accurately estimate the fair value of assets. When estimating the present value of future cash flows, it is necessary to make significant judgements on the output, selling price, related operating costs, and discount rate used in calculating the present value of the products produced by the asset (or asset group).

2) Provision for expected credit loss of accounts receivable

The Group shall review the accounts receivable measured at amortised cost on the balance sheet date to assess whether there is a credit loss risk, and evaluate the specific amount of credit loss risk when credit loss risk occurs. The Group makes estimates based on the ageing of accounts receivable, the credit status of the debtor, and previous write-off experience. If the debtor's credit status deteriorates, the actual bad debt may be higher than estimated amount.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

29. Other significant accounting policies and accounting estimates (Continued)

(4) Judgement of significant accounting estimates (Continued)

3) *Depreciation and amortisation of fixed assets and intangible assets*

The Group accrues depreciation and amortises over the useful life of assets such as fixed assets and intangible assets with a certain useful life after considering their residual value. The Group regularly reviews the useful life of the relevant assets to determine the amount of depreciation and amortisation expenses to be included in each reporting period. The useful lives are based on the Group's historical experience with similar assets and taking into account upgrading and improvement work performed, and anticipated technological changes. If there have been significant changes in the factors used to determine the depreciation or amortisation, the rate of depreciation or amortisation is revised prospectively.

4) *Deferred tax assets*

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the unused tax losses and credits can be utilised. The Group uses all readily available information which includes reasonable and supportable assumptions and projections of generated energy/heat, selling prices and relevant operating costs to estimate whether there will be sufficient available future taxable profits to utilise deductible temporary differences. Any significant change in estimates would result in adjustment in the amount of deferred tax assets and income tax in future years.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

29. Other significant accounting policies and accounting estimates (Continued)

(4) Judgement of significant accounting estimates (Continued)

5) *Intangible assets with uncertain useful life*

The Group regards intangible assets with an unforeseeable future economic benefit period as intangible assets with an uncertain useful life. Intangible assets with uncertain useful life of the Group are mainly administratively allocated land rights of use without a service life. The Group regularly reviews the useful life of intangible assets with uncertain useful life. If there is evidence that the useful life of intangible assets is limited and previous estimates have changed significantly, the amortisation expenses will be adjusted in future periods.

6) *Provisions*

The Group estimates the expected obligations for mine abandonment costs and environmental cleanup costs based on the amount and timing of future cash outflows. Estimated expenses are adjusted for inflation and discounted using a discount rate that reflects the current market value of the time value of money and the specific risks to liabilities, so that the amount of provision reflects the present value of the expected debt obligations. The Group considers factors such as the mineable area, future production and development plans, and the mineable reserves of minerals to determine the scope, expenditure amount, and time period of related work. Due to the nature of the above considerations being based on the Group's judgements and estimates, the actual expenses incurred may differ from the provisions.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

30. Changes in material accounting policies and accounting estimates

(1) Change in material accounting policies

In December 2025, the Ministry of Finance issued Accounting Standards for Business Enterprises Interpretation No.19 (Cai Kuai[2025]No.32), which further standardizes and clarifies five matters: "Accounting treatment of compensatory assets in business combinations not under common control", "Accounting treatment of the related capital reserve upon disposal of a subsidiary originally obtained through a business combination under common control", "Derecognition of financial liabilities settled via electronic payment systems", "Assessment of contractual cash flow characteristics of financial assets and relevant disclosures", and "Disclosures of equity instruments designated as at fair value through other comprehensive income". This Interpretation became effective for the company on 1 January 2026.

In June 2026, the Ministry of Finance issued Accounting Standards for Business Enterprises Interpretation No.20 (Cai Kuai[2026]No.7), which further standardizes and clarifies two matters: "Assessment of contractual cash flow characteristics of financial assets" and "Accounting treatment and relevant disclosures when a currency lacks exchangeability". This Interpretation became effective for the company on 1 January 2026.

The aforesaid changes in accounting policies have not had a material effect on the Group's financial position and operating results.

(2) Changes in material accounting estimates

The Group has no changes in material accounting estimates during the accounting period of the financial statements.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

IV. TAXES

1. Main taxes and tax rates

Tax type	Taxation basis	Tax rate
Value-added tax (VAT) – Electricity and coal sales – Heating – Others	Taxable value-added amount is the difference of VAT output calculated based on the income from sales of goods according to tax laws less deductible VAT input of the current period	13%, 9%, 6%,
Educational surcharges	Levied based on VAT actually paid	5%, 3%
Urban maintenance and construction tax	Levied based on VAT actually paid	7%, 5%, 1%
Corporate income tax	Levied based on taxable income	25%, 20%, 15%

Taxpayer's description for the tax rates of different corporate income taxes:

Name of taxpayer	Preferential tax rate (%)	Income tax rate
Sichuan Huadian Zagunao Hydroelectric Development Company Limited	15	China Western Development preferential tax rate (Note)
Sichuan Huadian Luding Hydropower Company Limited	15	China Western Development preferential tax rate (Note)
Sichuan Liangshan Shuiluohe Hydropower Development Co., Ltd.	15	China Western Development preferential tax rate (Note)
CHD Guigang Electric Power Co., Ltd.	15	China Western Development preferential tax rate (Note)

Note: The *Announcement on Continuing the Enterprise Income Tax Policies for the Large-Scale Development of Western China* (No. 23 [2020] of the Ministry of Finance, the State Taxation Administration, and the National Development and Reform Commission) stipulates that from 1 January 2021 to 31 December 2030, enterprises that are based in the western region and engage in industry projects specified in the *Catalogue of Encouraged Industries in the Western Region* as their main business, and for which the main business revenue accounts for more than 60% of the total revenue, pay corporate income tax at a reduced rate of 15%.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

IV. TAXES (CONTINUED)

2. Tax preference

(1) According to the MOF's *Notice of the Ministry of Finance and the State Taxation Administration on Continuing the Preferential Value-Added Tax, House Property Tax and Urban Land Use Tax Policies for Heat Supply Enterprises* (No. 38 [2019] of the Ministry of Finance and the State Taxation Administration), heating enterprises in the "Three North" regions are exempt from value-added tax on the heating fee income obtained from providing heating services to residents from 1 January 2019, until the end of the 2020 heating period. From 1 January 2019 to 31 December 2020, heating enterprises that charge heating fees to residents are exempt from property tax and urban land use tax for the buildings and land used to provide heating services to residents. However, property tax and urban land use tax should be collected according to the regulations for other buildings and land owned by the heating enterprises. According to the preferential tax policies stipulated in the *Announcement of the Ministry of Finance and the State Taxation Administration of Continuing the Implementation of Relevant Tax Policies for Heat Supply Enterprises* (Announcement No. 56 [2023] of the Ministry of Finance State Taxation Administration), the policy implementation period is extended to the end of the heating period in 2027. The heating enterprises of the Group in the "Three North" regions are entitled to this tax exemption.

(2) According to the *Announcement of Ministry of Finance and State Taxation Administration on Improving Value-added Tax Policies for Comprehensive Utilisation of Resources* (Announcement No. 40 [2021] of the Ministry of Finance and the State Taxation Administration), general VAT taxpayers selling self-produced comprehensive resource utilisation products and providing resource utilisation services are eligible for the VAT refund-upon-collection policy. The Group's electricity generation enterprises that meet the requirements in the "II. Waste Residues, Wastewater (Liquids), and Waste Gases – 2.22 Residual Heat and Pressure Generated in Industrial Production," enjoy a 100% VAT refund-upon-collection.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026
(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

IV. TAXES (CONTINUED)

2. Tax preference (Continued)

(3) According to the *Announcement on Further Implementing Preferential Income Tax Policies for Small and Micro Enterprises* (Announcement No. 13 [2022] of the Ministry of Finance and State Taxation Administration), from 1 January 2022 to 31 December 2024, for enterprises engaged in non-restricted and non-prohibited industries that meet three conditions – annual taxable income not exceeding RMB3 million, no more than 300 employees, and total assets not exceeding RMB50 million, the part of annual taxable income of these enterprises over RMB1 million but under RMB3 million shall be calculated at 25% as taxable income, and subject to corporate income tax at a rate of 20%. According to the *Announcement on Preferential Tax Policies for Small and Micro Enterprises and Individual Businesses* (Announcement No. 6 [2023] of the Ministry of Finance and State Taxation Administration), for low-profit small enterprises, the portion of their annual taxable income that does not exceed RMB1 million will be calculated as 25 percent of the original amount from 1 January 2023 to 31 December 2024, and the corporate income tax payable is calculated at a rate of 20%. According to the preferential tax policies stipulated in the *Announcement on Tax and Fee Policies for Further Supporting the Development of Small and Micro Enterprises and Individual Businesses* (Announcement No. 12 [2023] of the Ministry of Finance and State Taxation Administration), the policy implementation period will be extended till 31 December 2027. The Group's enterprises meet the relevant requirements and benefit from these small low-profit enterprise tax preferences.

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Unless specially noted, among the following disclosed data in the financial statements, "beginning of the period" refers to 1 January 2026; "end of the period" refers to 30 June 2026; "current period" refers to from 1 January 2026 to 30 June 2026; "previous period" refers to from 1 January 2025 to 30 June 2025; and the monetary unit is RMB'000.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

1. Cash and cash equivalents

Item	Ending balance	Beginning balance
Cash on hand	**24**	39
Cash at bank	**439,759**	306,453
Other cash funds	**53,951**	42,340
Deposits in financial companies	**5,508,085**	6,634,086
Total	**6,001,819**	6,982,918

2. Bills receivable

(1) *Classified presentation of bills receivable*

Item	Ending balance	Beginning balance
Commercial acceptance bills	**156,853**	330,951
Total	**156,853**	330,951

Note: The Group's bills receivable at the end of the reporting period were all aged within 180 days.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2. Bills receivable (Continued)

(2) *Bills receivable endorsed or discounted but not yet expired on the balance sheet date at the end of the year*

Item	Derecognition amount at the end of the period	Non-derecognition amount at the end of the period
Commercial acceptance bills		125,100
Total		125,100

3. Accounts receivable

(1) *Accounts receivable presented by ageing*

Age	Ending book value	Beginning book value
Within 1 year (including 1 year)	**10,377,005**	11,056,898
1-2 years (including 2 years)	**247,125**	233,603
2-3 years (including 3 years)	**117,047**	105,798
After 3 years	**524,661**	504,476
Subtotal	**11,265,838**	11,900,775
Less: provision for bad debts	**369,415**	370,534
Total	**10,896,423**	11,530,241

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

3. Accounts receivable (Continued)

(2) Classified presentation of accounts receivable according to bad debt accrual method

Category	Ending balance					Beginning balance				
	Book value		Provision for bad debts			Book value		Provision for bad debts		
	Amount	Proportion (%)	Amount	Provision proportion (%)	Carrying amount	Amount	Proportion (%)	Amount	Provision proportion (%)	Carrying amount
Provision for bad debt accrued individually	11,265,838	100.00	369,415	3.28	10,896,423	11,900,775	100.00	370,534	3.11	11,530,241
Including: Accounts receivable with significant single amounts and provision for bad debt accrued individually	10,707,232	95.04	295,785	2.76	10,411,447	11,345,142	95.33	295,785	2.61	11,049,357
Accounts receivable with insignificant single amount but provision for bad debts made on single item	558,606	4.96	73,630	13.18	484,976	555,633	4.67	74,749	13.45	480,884
Total	11,265,838	100.00	369,415	-	10,896,423	11,900,775	100.00	370,534	–	11,530,241

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026
(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

3. Accounts receivable (Continued)

(3) Provisions of bad debt accrued, recovered, or reversed for accounts receivable in the current period

		Change of amount in the current period				
Category	Beginning balance	Accrual	Recovery or reversal	Charge or write-off	Others	Ending balance
Amount with provision for bad debt accrued on an individual basis	370,534		1,119			**369,415**
Total	370,534		1,119			**369,415**

(4) Top five ending balances of accounts receivable allocated according to the borrowers

Company name	Ending balance of accounts receivable	Ending balance of contract assets	Ending balance of accounts receivable and contract assets	Proportion in the total ending balance of accounts receivable and contract assets (%)	Ending balance of the provision for bad debts for accounts receivable and contract assets
State Grid Shandong Electric Power Company	2,387,026		2,387,026	21.17	
State Grid Jiangsu Electric Power Co., Ltd.	1,640,403		1,640,403	14.55	
Guangdong Power Grid Co., Ltd.	1,051,198		1,051,198	9.32	
State Grid Hubei Electric Power Co., Ltd.	641,076		641,076	5.69	
State Grid Anhui Electric Power Company	527,756		527,756	4.68	
Total	6,247,459		6,247,459	55.41	

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

3. Accounts receivable (Continued)

(5) Breakdown of accounts receivable by nature

Category	Ending balance	Beginning balance
1. Accounts receivable for the sale of electricity	**9,080,014**	10,305,651
2. Accounts receivable for the sale of heat	**1,711,056**	1,137,522
3. Accounts receivable for the sale of coal	**271,713**	232,792
4. Machinery and equipment related receivables	**203,055**	224,810
Subtotal	**11,265,838**	11,900,775
Less: provision for bad debts	**369,415**	370,534
Total	**10,896,423**	11,530,241

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Financing accounts receivable

(1) Classified presentation of financing accounts receivable

Item	Ending balance	Beginning balance
Bills receivable	**246,281**	281,149
Total	**246,281**	281,149

(2) Financing accounts receivable endorsed or discounted but not yet expired on the balance sheet date at the end of the period

Item	Derecognition amount at the end of the period	Non-derecognition amount at the end of the period
Bills receivable	**1,494,577**	
Total	**1,494,577**	

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Other receivables

Item	Ending balance	Beginning balance
Dividends receivable	**709,993**	384,748
Other receivables	**1,596,289**	1,393,329
Total	**2,306,282**	1,778,077

(1) Other receivables classified by nature

Nature	Ending book value	Beginning book value
Land transfer payments receivable	**534,414**	613,221
Deposit receivable	**92,974**	89,368
Government grants receivable	**133,115**	130,577
Others	**835,786**	560,163
Total	**1,596,289**	1,393,329

(2) Bad debt provision accrued, recovered, or reversed for other receivables

Category	Beginning balance	Change of amount in the current period				Ending balance
		Accrual	Recovery or reversal	Charge or write-off	Others	
Amount with provision for bad debt accrued on an individual basis	256,423					**256,423**
Total	256,423					**256,423**

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Other receivables (Continued)

(3) Other receivables by bad debt provision method

Provision for bad debts	Stage 1 12-month expected credit loss	Stage 2 Lifetime expected credit loss (no credit impairment occurs)	Stage 3 Lifetime expected credit loss (credit impairment has occurred)	Total
Balance as of 1 January 2025			256,423	**256,423**
Balance as of 1 January 2025 in the current period	–	–	–	**–**
– Be transferred to Stage 2				
– Be transferred to Stage 3				
– Be transferred back to Stage 2				
– Be transferred back to Stage 1				
Provision in the current period				
Reversal in the current period				
Write-off in the current period				
Verification in the current period				
Other changes				
Balance as of 30 June 2025			256,423	**256,423**

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Other receivables (Continued)

(4) *Top five ending balances of other receivables allocated according to the borrowers*

Company name	Nature	Ending balance	Age	Proportion in total ending balance of other receivables (%)	Ending balance of provision for bad debts
Hangzhou Qiantang District Urban Organic Renewal and Development Service Centre	Land transfer payments receivable	331,118	2-3 years	17.87	
Lianjiang Kemen Branch of Fujian Huadian Furui Energy Development Co., Ltd.	Other receivables	265,104	Within 1 year	14.31	
Hubei Huabin Real Estate Co., Ltd.	Land transfer payments receivable	185,607	After 5 years	10.02	
Fujian Huadian Furui Energy Development Co., Ltd.	Deposit receivable and others	98,409	Within 1 year	5.31	
Tengzhou Municipal Finance Bureau	Government grants receivable	86,912	Within 1 year, 1-2 years	4.69	
Total	-	**967,150**	-	**52.20**	

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

6. Prepayments

(1) *Ageing of prepayments*

	Ending balance		Beginning balance	
Item	Amount	Proportion (%)	Amount	Proportion (%)
Within 1 year	**4,788,892**	**98.55**	4,027,059	98.44
1-2 years	**68,205**	**1.40**	62,448	1.53
2-3 years	**1,569**	**0.03**	867	0.02
After 3 years	**745**	**0.02**	436	0.01
Total	**4,859,411**	**100.00**	4,090,810	100.00

Note: At the end of the current period, the Group has no significant prepayments with an ageing of more than one year. The ageing will be calculated from the date of recognition in the financial report.

(2) *Breakdown of advances to suppliers*

Item	Ending balance	Beginning balance
Prepaid fuel expenses	**4,095,755**	3,638,034
Prepaid materials, etc.	**763,656**	452,776
Total	**4,859,411**	4,090,810

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Inventories

(1) Inventory classification

Item	Ending balance: Book value	Ending balance: Provision for decline in the value of inventories	Ending balance: Carrying amount	Beginning balance: Book value	Beginning balance: Provision for decline in the value of inventories	Beginning balance: Carrying amount
Coal, stalk and gas	4,382,561	13,995	4,368,566	4,765,860	13,995	4,751,865
Fuel oil	49,305		49,305	58,832		58,832
Materials, components and spare parts	736,969	16,592	720,377	646,174	17,442	628,732
Total	5,168,835	30,587	5,138,248	5,470,866	31,437	5,439,429

(2) Provision for obsolete stock

Item	Beginning balance	Increase in the current period: Accrual	Increase in the current period: Others	Decrease in the current period: Reversal or write-off	Decrease in the current period: Others	Ending balance
Coal, stalk and gas	13,995					13,995
Materials, components, spare parts and fuel oil	17,442			850		16,592
Total	31,437			850		30,587

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026
(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Non-current assets due within one year

Item	Ending balance	Beginning balance
Debt investments due within one year	**96,539**	96,552
Total	**96,539**	96,552

(1) Debt investments due within one year:

	Ending balance			Beginning balance		
Name of portfolio	Book value	Impairment of assets	Carrying amount	Book value	Impairment of assets	Carrying amount
CNNP CHD Hebei Nuclear Power Co., Ltd.	**96,539**		**96,539**	96,552		96,552
Total	**96,539**		**96,539**	96,552		96,552

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

9. Other current assets

Item	Ending balance	Beginning balance
Deductible value-added tax and prepaid other taxes, etc.	**1,794,467**	1,911,853
Prepaid income tax	**196,596**	240,342
Carbon emission rights	**1,218**	864
Others	**62,219**	20,384
Total	**2,054,500**	2,173,443

10. Debt investments

	Ending balance			Beginning balance		
Item	Book value	Impairment of assets	Carrying amount	Book value	Impairment of assets	Carrying amount
Entrusted loans receivable	**231,362**		**231,362**	231,362		231,362
Total	**231,362**		**231,362**	231,362		231,362

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

11. Long-term equity investments

Investee	Beginning balance (Carrying amount)	Beginning balance of impairment provision	Increase/decrease in the current period: Additional investment	Negative investment	Profit or loss on investments recognised under the equity method	Other comprehensive income adjustments	Other changes in equity	Cash dividends or profits declared to pay	Accrual of provision for impairment	Others	Ending balance (Carrying amount)	Ending balance of impairment provision
I. Associates												
Huadian New Energy Group Corporation Limited	33,393,011				945,542	18,870	36,253	670,169			33,723,507	
Huadian Coal Industry Group Company Limited	2,849,340				183,282	32,350	-21,248	161,343			2,882,381	
China Huadian Finance Corporation Limited	2,101,317				95,858						2,197,175	
Ningxia Yinxing Coal Company Limited	1,893,776				53,098		20,717				1,967,591	
Otog Front Banner Changcheng No.3 Mining Company Limited	1,584,794				-25,207		17,054				1,576,641	
Huadian Jinsha River Upstream Hydropower Development Company Limited	1,486,303		134,400		20,987		693				1,642,383	
Otog Front Banner Changcheng No.5 Mining Company Limited	941,517				5,626		26,235				973,378	

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

11. Long-term equity investments (Continued)

Investee	Beginning balance (Carrying amount)	Beginning balance of impairment provision	Increase/decrease in the current period: Additional investment	Negative investment	Profit or loss on investments recognised under the equity method	Other comprehensive income adjustments	Other changes in equity	Cash dividends or profits declared to pay	Accrual of provision for impairment	Others	Ending balance (Carrying amount)	Ending balance of impairment provision
Otog Front Banner Changcheng Mine Company Limited	1,112,952				-177,402		5,401				940,951	
Jiangyin Sulong Thermal Power Co., Ltd.	1,003,912				46,158		-265	50,000			999,805	
Sichuan Huayingshan Longtan Coal and Electricity Co., Ltd.	704,629				6,570						711,199	
Hebei Xibaipo Second Power Generation Co., Ltd.	576,176				45,260			138,816			482,620	
Ningxia Western Venture Industrial Co., Ltd.	312,149				3,358		-1,055				314,452	
Huadian Property Company Limited	335,974				6,644	6	-5				342,619	
Hebei Construction & Investment Yuzhou Wind Energy Co., Ltd.	211,606				7,532						219,138	
CNNP CHD Hebei Nuclear Power Co., Ltd.	230,155										230,155	

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

11. Long-term equity investments (Continued)

Investee	Beginning balance (Carrying amount)	Beginning balance of impairment provision	Increase/decrease in the current period: Additional investment	Negative investment	Profit or loss on investments recognised under the equity method	Other comprehensive income adjustments	Other changes in equity	Cash dividends or profits declared to pay	Accrual of provision for impairment	Others	Ending balance (Carrying amount)	Ending balance of impairment provision
Guodian Inner Mongolia Dongsheng Co-Generation Power Co., Ltd.	219,425				14,439						233,864	
Yanchang Petroleum (Hubei) Power Generation Co., Ltd.	200,000		80,000								280,000	
Hengshui Hengxing Power Generation Co., Ltd.	173,205				9,938						183,143	
Sichuan Balanghe Hydropower Development Company Limited	106,492				-1,238						105,254	
Guoneng Huaian Thermal Power Co., Ltd.	62,060				-11,861						50,199	
Sichuan Luzhou Chuannan Power Generation Co., Ltd.		99,290										99,290
Xingtai Guotai Power Generation Company Limited	99,449				7,158						106,607	
Wuxi Xinlian Heating Co., Ltd.	73,533				11,150		334	19,796			65,221	

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

11. Long-term equity investments (Continued)

			Increase/decrease in the current period									
Investee	Beginning balance (Carrying amount)	Beginning balance of impairment provision	Additional investment	Negative investment	Profit or loss on investments recognised under the equity method	Other comprehensive income adjustments	Other changes in equity	Cash dividends or profits declared to pay	Accrual of provision for impairment	Others	Ending balance (Carrying amount)	Ending balance of impairment provision
Suzhou Dongwu Cogeneration Plant Co., Ltd.	54,063				3,940						58,003	
Yangzhou Huasheng Energy Co., Ltd.	42,180				985						43,165	
Yangzhou Port Sludge Power Generation Co., Ltd.	36,133				1,512		25				37,670	
Huadian Huazhong Clean Energy Company Limited	22,162				-165						21,997	
Nanjing China Resources Thermal Power Company Limited	26,127				-3,977	1,000	126				23,276	
Yangzhou Hanjiang PetroChina Kunlun Gas Co., Ltd.	14,968										14,968	
Others	255,121				11,757		23	660			266,241	
Total	**50,122,529**	**99,290**	**214,400**		**1,260,944**	**52,226**	**84,288**	**1,040,784**			**50,693,603**	**99,290**

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

12. Other equity instrument investments

Item	Beginning balance	Increase/decrease in the current period: Additional investment	Increase/decrease in the current period: Negative investment	Increase/decrease in the current period: Gains included in other comprehensive income	Increase/decrease in the current period: Loss included in other comprehensive income	Increase/decrease in the current period: Others	Ending balance	Dividend income recognised in the current period	Gains accumulated into other comprehensive income at the end of the current period	Losses accumulated into other comprehensive income at the end of the current period	Reasons for being designated at FVTOCI
Shanghai Huabin Investment Co., Ltd.	41,110						**41,110**			1,390	
Huayuan Star Shipping Co., Ltd.	98,730						**98,730**		38,730		
Jiangsu Electric Power Trading Center Co., Ltd.	7,472						**7,472**		80		
Yangtze River United Economy Development (Group) Co., Ltd.	1,532						**1,532**		1,081		
Nanjing Changjiang Development Co., Ltd.	1,947						**1,947**		1,218		
Total	**150,791**						**150,791**		**41,109**	**1,390**	

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Other non-current financial assets

Item	Ending balance	Beginning balance
Designated financial assets at FVTPL	**211,695**	195,569
Including: Equity instrument investment	**211,695**	195,569
Total	**211,695**	195,569

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026
(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. Investment properties

(1) Investment properties measured at cost

Item	Premises and buildings	Total
I. Book value		
1. Beginning balance	110,201	110,201
2. Amount increase in the current year	14,428	14,428
(1) Transferred from fixed assets	14,428	14,428
3. Amount decrease in the current period		
4. Ending balance	124,629	124,629
II. Accumulated depreciation and accumulated amortisation		
1. Beginning balance	39,600	39,600
2. Amount increase in the current year	7,709	7,709
(1) Accrual or amortisation	1,594	1,594
(2) Transferred from fixed assets	6,115	6,115
3. Amount decrease in the current period		
4. Ending balance	47,309	47,309
III. Impairment of assets		
1. Beginning balance		
2. Amount increase in the current year		
(1) Accrual		
3. Amount decrease in the current period		
(1) Disposals		
4. Ending balance		
IV. Carrying amount		
1. Carrying amount at the end of the period	77,320	77,320
2. Carrying amount at the beginning of the period	70,601	70,601

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. Investment properties (Continued)

(2) Investment properties with certificates of title not settled

At the end of the current period, the certificates of title for the Group's some investment properties are being processed. The Board of Directors of the Company believes that the Group has the right to legally and effectively occupy or use the above investment properties.

15. Fixed assets

Item	Ending balance	Beginning balance
Fixed assets	**150,659,840**	155,437,949
Disposal of fixed assets	**8,294**	2,647
Total	**150,668,134**	155,440,596

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Fixed assets (Continued)

(1) Details of fixed assets

Item	Premises and buildings	Generating units	Others	Total
I. Book value				
1. Beginning balance	92,321,103	232,042,646	11,425,581	**335,789,330**
2. Amount increase in the current year	536,125	1,006,797	121,355	**1,664,277**
(1) Purchase	178,985	2,772	17,363	**199,120**
(2) Transfer from construction in progress	298,192	1,004,025	96,343	**1,398,560**
(3) Others	58,948		7,649	**66,597**
3. Amount decrease in the current period	29,334	517,351	73,878	**620,563**
(1) Disposal	14,906	311,870	73,878	**400,654**
(2) Transfer to construction in progress		131,831		**131,831**
(3) Transfer to investment properties	14,428			**14,428**
(4) Others		73,650		**73,650**
4. Ending balance	92,827,894	232,532,092	11,473,058	**336,833,044**
II. Accumulated depreciation				
1. Beginning balance	38,997,192	131,628,253	7,687,380	**178,312,825**
2. Amount increase in the current year	1,300,772	4,537,343	408,752	**6,246,867**
(1) Accrual	1,300,772	4,537,343	408,602	**6,246,717**
(2) Others			150	**150**
3. Amount decrease in the current period	20,457	306,878	69,372	**396,707**
(1) Disposal	14,342	283,596	69,372	**367,310**
(2) Transfer to construction in progress		15,233		**15,233**
(3) Transfer to investment properties	6,115			**6,115**
(4) Others		8,049		**8,049**
4. Ending balance	40,277,507	135,858,718	8,026,760	**184,162,985**

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Fixed assets (Continued)

(1) Details of fixed assets (Continued)

Item	Premises and buildings	Generating units	Others	Total
III. Impairment of assets				
1. Beginning balance	261,876	1,636,356	140,324	**2,038,556**
2. Amount increase in the current year				
(1) Accrual				
3. Amount decrease in the current period	6	28,274	57	**28,337**
(1) Disposal	6	28,274	57	**28,337**
4. Ending balance	261,870	1,608,082	140,267	**2,010,219**
IV. Carrying amount				
1. Carrying amount at the end of the period	52,288,517	95,065,292	3,306,031	**150,659,840**
2. Carrying amount at the beginning of the period	53,062,035	98,778,037	3,597,877	**155,437,949**

(2) Fixed assets with certificates of title not settled

At the end of the current period, the certificates of title of some fixed assets of the Group are still being processed. The Board of Directors of the Company believes that the Group has the right to legally and effectively occupy or use the above-mentioned fixed assets.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Construction in progress

Item	Ending balance	Beginning balance
Construction in progress	**11,816,705**	10,287,437
Construction materials	**716,260**	537,133
Construction and construction material prepayments	**2,474,478**	2,594,987
Total	**15,007,443**	13,419,557

16.1 Construction in progress

(1) Construction in progress

Item	Ending balance			Beginning balance		
	Book value	Impairment of assets	Carrying amount	Book value	Impairment of assets	Carrying amount
Power plant construction project	**10,144,757**	**1,011,843**	**9,132,914**	9,717,605	1,452,177	8,265,428
Coal construction project	**129,029**	**6,236**	**122,793**	161,820	42,118	119,702
Others	**2,564,074**	**3,076**	**2,560,998**	1,905,383	3,076	1,902,307
Total	**12,837,860**	**1,021,155**	**11,816,705**	11,784,808	1,497,371	10,287,437

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Construction in progress (Continued)

16.1 Construction in progress (Continued)

(2) Changes of significant construction in progress in the current period

Project name	Beginning balance	Increase in the current period	Decrease in the current period: Transferred to fixed assets	Decrease in the current period: Other decreases	Ending balance
Jilin Huadian Jingyu Jingshantun 1,800MW Pumped Storage Power Station Project	704,867	279,627			**984,494**
Ningxia Niushoushan East Pumped Storage Power Station Project	105,315	104,220	2,350	75	**207,110**
Huadian Yongchang Pumped Storage Project	355,956	59,907			**415,863**
Huadian Shantou Power Plant 2×1 GW Coal-Fired Power Generation Expansion Project	502,417	252,046	47		**754,416**
Henan Huadian Lingbao Narrow Mouth 1.2 GW Pumped Storage Power Station Project	571,568	213,833	291		**785,110**
Anhui Huadian Wuhu Xixingchong 1.2 GW Pumped Storage Power Station Project	841,299	118,539	449		**959,389**
Guangdong Shantou Phase I Project	374,577	5,876			**380,453**
Jiangsu Huadian Ganyu LNG Receiving Station Project	1,593,654	334,785	352	7,954	**1,920,133**
Jiangsu Huadian Wangting Power Plant 2×660MW Coal-Fired Power Expansion Project	320,499	162,550			**483,049**
Chongqing Huadian Tongnan Phase I 2*500MW Gas Power Project	718,349	1,017,240	1,063,540	670,796	**1,253**
Zhejiang Huadian Quzhou Wuxi River 298MW Hybrid Pumped Storage Power Station Project	411,289	58,897	51	24,707	**445,428**
Total	**6,499,790**	**2,607,520**	**1,067,080**	**703,532**	**7,336,698**

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Construction in progress (Continued)

16.1 Construction in progress (Continued)

(2) Changes of significant construction in progress in the current period (Continued)

Project name	Budget	Ratio of accumulative project investment to budget (%)	Project progress (%)	Accumulated amount of capitalisation of interest	Including: Amount of capitalised interest in current period	Capitalisation rate of interest in the current period (%)	Source of funds
Jilin Huadian Jingyu Jingshantun 1,800MW Pumped Storage Power Station Project	11,689,000	8.51	8.51	11,935	8,089	2.34	Capital funds and loans from financial institutions
Ningxia Niushoushan East Pumped Storage Power Station Project	10,438,036	2.01	2.01	748	748	2.34	Capital funds and loans from financial institutions
Huadian Yongchang Pumped Storage Project	9,507,910	4.76	4.76	7,530	4,753	2.33	Capital funds and loans from financial institutions
Huadian Shantou Power Plant 2×1 GW Coal-Fired Power Generation Expansion Project	8,441,490	11.35	11.35	23,353	10,893	2.53	Capital funds and loans from financial institutions
Henan Huadian Lingbao Narrow Mouth 1.2 GW Pumped Storage Power Station Project	7,713,000	10.41	10.41	11,056	5,604	2.24	Capital funds and loans from financial institutions
Anhui Huadian Wuhu Xixingchong 1.2 GW Pumped Storage Power Station Project	7,005,000	14.39	15.70	10,591	8,111	2.24	Capital funds and loans from financial institutions
Guangdong Shantou Phase I Project	6,726,880	92.08	98.08	321,943			Capital funds and loans from financial institutions

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Construction in progress (Continued)

16.1 Construction in progress (Continued)

(2) *Changes of significant construction in progress in the current period (Continued)*

Project name	Budget	Ratio of accumulative project investment to budget (%)	Project progress (%)	Accumulated amount of capitalisation of interest	Including: Amount of capitalised interest in current period	Capitalisation rate of interest in the current period (%)	Source of funds
Jiangsu Huadian Ganyu LNG Receiving Station Project	6,395,140	31.40	40.77	34,804	14,797	2.56	Capital funds and loans from financial institutions
Jiangsu Huadian Wangting Power Plant 2×660MW Coal-Fired Power Expansion Project	5,989,350	7.86	7.86	12,611	3,749	2.18	Capital funds and loans from financial institutions
Chongqing Huadian Tongnan Phase I 2*500MW Gas Power Project	2,381,230	76.58	76.58	21,549	9,142	2.77	Capital funds and loans from financial institutions
Zhejiang Huadian Quzhou Wuxi River 298MW Hybrid Pumped Storage Power Station Project	2,180,000	22.83	22.83	8,500	3,757	2.01	Capital funds and loans from financial institutions
Total	78,467,036	-	-	464,620	69,643	-	-

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026
(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Construction in progress (Continued)

16.2 Construction materials

	Ending balance			Beginning balance		
Item	Book value	Impairment of assets	Carrying amount	Book value	Impairment of assets	Carrying amount
Construction materials	716,995	735	716,260	537,868	735	537,133
Total	716,995	735	716,260	537,868	735	537,133

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

17. Right-of-use assets

Item	Buildings	Generating units	Land use rights and sea use rights	Total
I. Book value				
1. Beginning balance	174,335	96,164	157,304	**427,803**
2. Amount increase in the current year	148,457	673,113	1,329	**822,899**
(1) New leases	148,457	673,113	1,329	**822,899**
3. Amount decrease in the current period	48,779			**48,779**
(1) Expiration of lease	48,779			**48,779**
4. Ending balance	274,013	769,277	158,633	**1,201,923**
II. Accumulated depreciation				
1. Beginning balance	99,639	67,511	89,655	**256,805**
2. Amount increase in the current year	36,281	11,958	18,952	**67,191**
(1) Accrual	36,281	11,958	18,952	**67,191**
3. Amount decrease in the current period	48,779			**48,779**
(1) Expiration of lease	48,779			**48,779**
4. Ending balance	87,141	79,469	108,607	**275,217**
III. Impairment of assets				
1. Beginning balance				
2. Amount increase in the current year				
(1) Accrual				
3. Amount decrease in the current period				
(1) Disposals				
4. Ending balance				
IV. Carrying amount				
1. Carrying amount at the end of the period	186,872	689,808	50,026	**926,706**
2. Carrying amount at the beginning of the period	74,696	28,653	67,649	**170,998**

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

18. Intangible assets

(1) Breakdown

Item	Land use rights and sea use rights	Mining rights and prospecting rights	Concession rights	Development right of hydropower	Others	Total
I. Book value						
1. Beginning balance	7,364,872	2,375,783	182,675	1,382,954	1,451,430	12,757,714
2. Amount increase in the current year	33,458				29,076	62,534
(1) Purchase	540				2,665	3,205
(2) Transferred from construction in progress	32,661				18,174	50,835
(3) Others	257				8,237	8,494
3. Amount decrease in the current period		567,424			43	567,467
(1) Disposal		567,424			43	567,467
4. Ending balance	7,398,330	1,808,359	182,675	1,382,954	1,480,463	12,252,781
II. Accumulated amortisation						
1. Beginning balance	1,837,613	177,579	124,280	111,002	805,921	3,056,395
2. Amount increase in the current year	69,996	23,138	1,652	9,944	62,568	167,298
(1) Accrual	69,996	23,138	1,652	9,944	62,568	167,298
3. Amount decrease in the current period					43	43
(1) Disposal					43	43
4. Ending balance	1,907,609	200,717	125,932	120,946	868,446	3,223,650

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

18. Intangible assets (Continued)

(1) Breakdown (Continued)

Item	Land use rights and sea use rights	Mining rights and prospecting rights	Concession rights	Development right of hydropower	Others	Total
III. Impairment of assets						
1. Beginning balance		1,073,203		14,698		1,087,901
2. Amount increase in the current year						
(1) Accrual						
3. Amount decrease in the current period		567,424				567,424
(1) Disposal		567,424				567,424
4. Ending balance		505,779		14,698		520,477
IV. Carrying amount						
1. Carrying amount at the end of the period	5,490,721	1,101,863	56,743	1,247,310	612,017	8,508,654
2. Carrying amount at the beginning of the period (Restated)	5,527,259	1,125,001	58,395	1,257,254	645,509	8,613,418

(2) Land rights of use for which certificates of title have not been settled

As of the end of this period, the certificates of title of some intangible assets of the Group are still being processed.

(3) Intangible asset with uncertain useful life

Intangible assets with uncertain useful life of the Group are mainly administratively allocated land rights of use without a service life, with a total ending balance of RMB469,685 thousand (previous-year ending balance: RMB469,685 thousand).

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

19. Goodwill

(1) Original book value of goodwill

		Increase in the current period		Decrease in the current period		
Name of investee	Beginning balance	Arising from business combination	Accrual	Disposals	Others	Ending balance
Huadian Power International Corporation Limited Laicheng Plant	12,111					12,111
Huadian Weifang Power Generation Company Limited ("**Weifang Company**")	20,845					20,845
Sichuan Huadian Zagunao Hydroelectric Development Company Limited	16,011					16,011
Hebei Huarui Energy Group Corporation Limited	38,491					38,491
Huadian Longkou Power Generation Company Limited	327,420					327,420
Guangdong Huadian Pingshi Power Generation Company Limited	340,376					340,376
Lixian Star River Hydropower Company Limited	89,184					89,184
Hubei Huadian Xiangyang Power Generation Company Limited	225,420					225,420
Pingshan Gangnan Hydropower Co., Ltd.	22					22
Total	1,069,880					1,069,880

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

19. Goodwill (Continued)

(2) Provision for impairment of goodwill

		Increase in the current period		Decrease in the current period		
Name of investee	Beginning balance	Accrual	Others	Disposals	Others	Ending balance
Sichuan Huadian Zagunao Hydroelectric Development Company Limited	16,011					16,011
Guangdong Huadian Pingshi Power Generation Company Limited	340,376					340,376
Huadian Power International Corporation Limited Laicheng Plant	12,111					12,111
Pingshan Gangnan Hydropower Co., Ltd.	22					22
Huadian Longkou Power Generation Company Limited	327,420					327,420
Total	695,940					695,940

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

20. Long-term deferred expenses

Item	Beginning balance	Increase in the current period	Amortisation in the current period	Other decreases in the current year	Ending balance
Earthwork stripping	301,039	47,004	7,763		**340,280**
Compensation for land acquisition	244,132		5,584		**238,548**
Others	106,716	16,680	5,542		**117,854**
Total	651,887	63,684	18,889		**696,682**

21. Deferred tax assets and deferred tax liabilities

(1) Deferred tax assets not offset

Item	Ending balance		Beginning balance	
	Deductible temporary difference	Deferred tax assets	Deductible temporary difference	Deferred tax assets
Assets impairment provision	**579,732**	**144,876**	802,594	199,872
Unpaid employee benefits payable	**16,097**	**4,024**	16,097	4,024
Tax losses	**3,812,091**	**845,686**	4,503,773	1,001,662
Depreciation of fixed assets	**372,881**	**72,296**	409,206	76,401
Fair value adjustment	**66,796**	**16,699**	71,702	17,925
Deferred government grants	**641,095**	**160,145**	651,579	162,702
Lease liabilities	**246,705**	**60,160**	125,806	30,012
Accrued expenses and others	**273,547**	**67,999**	250,697	61,964
Total	**6,008,944**	**1,371,885**	6,831,454	1,554,562

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

21. Deferred tax assets and deferred tax liabilities (Continued)

(2) Deferred tax liabilities not offset

	Ending balance		Beginning balance	
Item	Taxable temporary difference	Deferred tax liabilities	Taxable temporary difference	Deferred tax liabilities
Assets evaluation appreciation in the business combination involving entities not under common control	**1,819,018**	**454,755**	1,859,252	464,813
Depreciation of fixed assets	**3,873,561**	**950,642**	3,960,312	986,879
Right-of-use assets	**228,418**	**55,854**	131,624	31,454
Total	**5,920,997**	**1,461,251**	5,951,188	1,483,146

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026
(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

21. Deferred tax assets and deferred tax liabilities (Continued)

(3) Deferred tax assets or liabilities by net amount after being offset

Item	Ending mutual offset amount between deferred tax assets and liabilities	Ending balance of deferred tax assets or liabilities after offset	Beginning mutual offset amount between deferred tax assets and liabilities	Beginning balance of deferred tax assets or liabilities after offset
Deferred tax assets	344,645	1,027,240	325,908	1,228,654
Deferred tax liabilities	344,645	1,116,606	325,908	1,157,238

22. Other non-current assets

	Ending balance			Beginning balance		
Item	Book value	Impairment of assets	Carrying amount	Book value	Impairment of assets	Carrying amount
Deductible value-added tax and prepaid other taxes	870,332		870,332	768,045		768,045
Others	20,704		20,704	44,673		44,673
Total	891,036		891,036	812,718		812,718

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

23. Assets with ownership or right of use restricted

	Ending				Beginning			
Item	Carrying balance	Carrying Amount	Restricted Type	Restricted Conditions	Carrying balance	Carrying Amount	Restricted Type	Restricted Conditions
Cash and cash equivalents	171,084	171,084	Freezing, others	Performance bonds, guarantee deposits and environmental governance funds	186,553	186,553	Freezing, others	Performance bonds, guarantee deposits, environmental governance funds, and frozen funds
Fixed assets	3,909,243	1,692,875	Mortgage	As collateral for loans	4,259,440	1,905,360	Mortgage	As collateral for loans
Intangible assets	5,638	4,280	Mortgage	As collateral for loans	5,638	4,623	Mortgage	As collateral for loans
Total	4,085,965	1,868,239	-	-	4,451,631	2,096,536	-	-

Note: On 30 June 2026, the Group pledged the future electricity and heat charging rights of some subsidiaries to secure short-term and long-term loans (including long-term loans due within one year) amounting to RMB7,644,213 thousand.

24. Short-term loans

Type of loans	Ending balance	Beginning balance
Secure loans	155,284	785,482
Unsecure loans	41,815,892	37,761,219
Total	**41,971,176**	38,546,701

Note 1: At the end of the current period, the Group had no short-term loans that had matured but remained unpaid.

Note 2: For the pledge status of secure loans at the end of the current period, please refer to Note V. 23.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026
(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

25. Bills payable

Type of bills	Ending balance	Beginning balance
Bank acceptance bills	**5,904,132**	3,603,207
Total	**5,904,132**	3,603,207

Note 1: There are no bills payable due but unpaid at the end of the period.

Note 2: As of the end of the year, the ageing of the Group's bills payable mentioned above does not exceed 365 days.

26. Accounts payable

Item	Ending balance	Beginning balance
Fuel payable	**3,406,834**	3,549,349
Project, equipment and materials payable	**4,546,356**	5,943,715
Repair costs payable	**270,293**	355,275
Others	**706,757**	873,660
Total	**8,930,240**	10,721,999

Note: At the end of the current period, the Group had accounts payable with a significant single amount and ageing over one year, primarily consisting of payables for projects, equipment, and materials that have not yet reached the settlement date.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

27. Other payables

Item	Ending balance	Beginning balance
Interests payable		
Dividends payable	**1,101,678**	581,228
Other payables	**2,199,253**	2,109,738
Total	**3,300,931**	2,690,966

Other payables presented by nature

Nature	Ending balance	Beginning balance
Construction quality guarantee deposits payable	**950,822**	1,111,880
Others	**1,248,431**	997,858
Total	**2,199,253**	2,109,738

Note: At the end of the current period, the Group had other payables with a significant single amount and ageing over one year, primarily consisting of construction quality guarantee deposits payable that have not yet reached the settlement date.

28. Contract liabilities

Item	Ending balance	Beginning balance
Advances from heat sales funds	**285,071**	2,348,221
Advances from coal sales	**43**	43
Others	**196,222**	143,748
Total	**481,336**	2,492,012

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

29. Employee benefits payable

(1) Classification of employee benefits payable

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance
Short-term compensation	153,731	3,792,573	3,797,446	**148,858**
Retirement benefits – defined contribution plan	21,027	1,147,397	1,152,650	**15,774**
Termination benefits		182	182	
Total	174,758	4,940,152	4,950,278	**164,632**

(2) Short-term compensation

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance
Salary, bonus, allowance and subsidy		2,084,514	2,084,514	
Employee welfare		174,615	174,615	
Social insurance premium	80,637	515,642	503,139	**93,140**
Including: Medical insurance premium	80,335	492,354	479,960	**92,729**
Industrial injury insurance premium	302	23,288	23,179	**411**
Housing provident fund	2,137	784,869	784,526	**2,480**
Labour union expenditure & staff education funds	70,957	94,723	112,442	**53,238**
Others		138,210	138,210	
Total	153,731	3,792,573	3,797,446	**148,858**

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

29. Employee benefits payable (Continued)

(3) Defined contribution plan

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance
Basic pension insurance premium	4,954	760,972	759,848	**6,078**
Unemployment insurance premium	358	31,597	31,592	**363**
Enterprise annuity	15,715	354,828	361,210	**9,333**
Total	21,027	1,147,397	1,152,650	**15,774**

Description of defined contribution plan: The Group participates in the enterprise annuity plan and the social insurance plan established by government agencies according to regulations. As per the plan, the Group will contribute to the plan in accordance with the enterprise annuity plan and the relevant regulations of the local government. Besides the contribution above, the Group will not assume any obligations for payment. Corresponding expenditures shall be included in the current profit and loss or relevant asset costs when incurred.

The Group's contributions payable to the defined contribution plan for the year amounted to RMB1,147,397 thousand (January to June 2025: RMB1,085,739 thousand). As at 30 June 2026, the Group had outstanding contributions payable of RMB15,774 thousand (31 December 2025: RMB21,027 thousand) to be paid after the balance sheet date.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026
(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

30. Taxes payable

Item	Ending balance	Beginning balance
Value-added tax (VAT)	**244,836**	232,883
Corporate income tax	**427,085**	388,334
Individual income tax	**11,135**	98,210
Urban maintenance and construction tax	**11,775**	11,614
House property tax	**64,136**	60,541
Land use tax	**37,435**	46,332
Educational surcharges	**9,740**	9,039
Resources tax	**45,573**	62,318
Environmental protection tax	**54,821**	131,382
Others	**102,392**	54,760
Total	**1,008,928**	1,095,413

31. Non-current liabilities due within one year

Item	Ending balance	Beginning balance
Long-term loans due within one year	**10,964,293**	17,954,786
Bonds payable due within one year	**8,319,985**	5,631,313
Lease liabilities due within one year	**131,389**	76,599
Long-term payables due within one year	**150**	151
Other long-term liabilities due within one year	**11,301**	11,816
Total	**19,427,118**	23,674,665

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31. Non-current liabilities due within one year (Continued)

Breakdown of long-term loans due within one year:

Item	Ending balance	Beginning balance
Unsecure loans	**9,619,244**	16,525,191
Pledged loans	**1,068,280**	1,100,646
Mortgaged loans	**274,890**	326,956
Guaranteed loans	**1,879**	1,993
Total	**10,964,293**	17,954,786

32. Other current liabilities

(1) Classification of other current liabilities

Item	Ending balance	Beginning balance
Short-term bonds payable	**4,507,663**	3,006,280
Output VAT to be carried forward	**450,193**	513,504
Total	**4,957,856**	3,519,784

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

32. Other current liabilities (Continued)

(2) *Short-term bonds payable*

Debenture name	Par value	Coupon rate	Date of issuance	Debenture term	Amount issued	Beginning balance (Restated)	Current issuance	Interest accrued at par value	Amortisation of premiums and discounts	Repayment in the current period	Ending balance	Breach or not
25th short-term debenture of 2025 (Jiangsu Energy)	RMB100	1.58%	6 November 2025	132 days	500,000	501,201		1,645	11	502,857		No
26th short-term debenture of 2025 (Jiangsu Energy)	RMB100	1.58%	6 November 2025	132 days	500,000	501,201		1,645	11	502,857		No
27th short-term debenture of 2025 (Jiangsu Energy)	RMB100	1.59%	17 November 2025	153 days	1,300,000	1,302,502		6,116	46	1,308,664		No
28th short-term debenture of 2025 (Jiangsu Energy)	RMB100	1.65%	18 November 2025	127 days	700,000	701,376		2,626	17	704,019		No
1st short-term debenture of 2026 (Jiangsu Energy)	RMB100	1.53%	11 March 2026	105 days	600,000		599,980	2,641	20	602,641		No
2nd short-term debenture of 2026 (Jiangsu Energy)	RMB100	1.53%	11 March 2026	105 days	600,000		599,980	2,641	20	602,641		No
3rd short-term debenture of 2026 (Jiangsu Energy)	RMB100	1.51%	19 March 2026	112 days	600,000		599,980	2,557	18		**602,555**	No
4th short-term debenture of 2026 (Jiangsu Energy)	RMB100	1.40%	10 April 2026	130 days	600,000		599,976	1,818	14		**601,808**	No

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

32. Other current liabilities (Continued)

(2) Short-term bonds payable (Continued)

Debenture name	Par value	Coupon rate	Date of issuance	Debenture term	Amount issued	Beginning balance (Restated)	Current issuance	Interest accrued at par value	Amortisation of premiums and discounts	Repayment in the current period	Ending balance	Breach or not
5th short-term debenture of 2026 (Jiangsu Energy)	RMB100	1.40%	10 April 2026	130 days	400,000		399,980	1,212	12		**401,204**	No
6th short-term debenture of 2026 (Jiangsu Energy)	RMB100	1.40%	10 April 2026	130 days	400,000		399,980	1,212	12		**401,204**	No
7th short-term debenture of 2026 (Jiangsu Energy)	RMB100	1.41%	16 June 2026	120 days	1,200,000		1,199,960	649	5		**1,200,614**	No
8th short-term debenture of 2026 (Jiangsu Energy)	RMB100	1.45%	24 June 2026	30 days	650,000		649,980	155	4		**650,139**	No
9th short-term debenture of 2026 (Jiangsu Energy)	RMB100	1.45%	24 June 2026	30 days	650,000		649,980	155	4		**650,139**	No
Total	–	–	–	–	–	**3,006,280**	**5,699,796**	**25,072**	**194**	**4,223,679**	**4,507,663**	–

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026
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V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

33. Long-term loans

(1) Classification of long-term loans

Type of loans	Ending balance	Beginning balance
Unsecure loans	**44,904,963**	53,940,823
Secure loans	**7,488,929**	7,542,345
Mortgaged loans	**1,308,417**	1,558,849
Loans guaranteed by non-related party enterprises	**42,262**	45,807
Subtotal	**53,744,571**	63,087,824
Less: long-term loans due within one year	**10,964,293**	17,954,786
Total	**42,780,278**	45,133,038

Note 1: The annual interest rate of the above borrowings ranges from 0.75% to 3.65% (previous FY: 0.75% to 3.65%).

Note 2: Refer to Note V. 23 for the pledge and mortgage of pledged loans and mortgage loans at the end of the current period.

34. Bonds payable

(1) Classification of bonds payable

Item	Ending balance	Beginning balance
Bonds payable	**23,994,074**	25,492,416
Total	**23,994,074**	25,492,416

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

34. Bonds payable (Continued)

(2) Changes of increase or decrease in bonds payable

Debenture name	Par value	Coupon rate	Date of issuance	Debenture term	Amount issued	Beginning balance	Current issuance	Interest accrued at par value	Amortisation of premiums and discounts	Repayment in the current period	Ending balance	Breach or not
4th tranche of medium-term notes for the year of 2021	RMB100	3.57%	24 September 2021	From 28 September 2021 to 28 September 2026	1,800,000	1,816,177		31,866	337		**1,848,380**	No
2nd tranche of medium-term notes for the year of 2022 (Type 2)	RMB100	3.39%	18 April 2022	From 20 April 2022 to 20 April 2027	1,000,000	1,023,409		16,811	140	33,900	**1,006,460**	No
2nd tranche of medium-term notes for the year of 2024	RMB100	2.13%	14 June 2024	From 18 June 2024 to 18 June 2027	1,500,000	1,517,038		15,844	69	31,950	**1,501,001**	No
3rd tranche of medium-term notes for the year of 2024	RMB100	2.17%	9 July 2024	From 11 July 2024 to 11 July 2027	2,500,000	2,525,502		26,902	117		**2,552,521**	No
4th tranche of medium-term notes for the year of 2024 (Type 1)	RMB100	2.05%	8 August 2024	From 12 August 2024 to 12 August 2027	1,000,000	1,007,801		10,166	47		**1,018,014**	No
4th tranche of medium-term notes for the year of 2024 (Type 2)	RMB100	2.17%	8 August 2024	From 12 August 2024 to 12 August 2029	1,000,000	1,008,078		10,761	47		**1,018,886**	No
5th tranche of medium-term notes for the year of 2024	RMB100	2.07%	13 August 2024	From 15 August 2024 to 15 August 2027	1,300,000	1,309,822		13,344	123		**1,323,289**	No

Notes to the Condensed Consolidated Financial Statements (Continued)

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V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

34. Bonds payable (Continued)

(2) Changes of increase or decrease in bonds payable (Continued)

Debenture name	Par value	Coupon rate	Date of issuance	Debenture term	Amount issued	Beginning balance	Current issuance	Interest accrued at par value	Amortisation of premiums and discounts	Repayment in the current period	Ending balance	Breach or not
6th tranche of medium-term notes for the year of 2024 (Type 1)	RMB100	2.10%	5 September 2024	From 6 September 2024 to 6 September 2027	1,000,000	1,006,396		10,414	93		**1,016,903**	No
6th tranche of medium-term notes for the year of 2024 (Type 2)	RMB100	2.20%	5 September 2024	From 6 September 2024 to 6 September 2029	1,000,000	1,006,339		10,910	93		**1,017,342**	No
7th tranche of medium-term notes for the year of 2024	RMB100	2.09%	10 September 2024	From 11 September 2024 to 11 September 2026	1,600,000	1,610,024		16,583	149		**1,626,756**	No
8th tranche of medium-term notes for the year of 2024	RMB100	2.12%	14 November 2024	From 18 November 2024 to 18 November 2026	2,000,000	2,004,765		21,026	187		**2,025,978**	No
9th tranche of medium-term notes for the year of 2024	RMB100	1.83%	19 December 2024	From 23 December 2024 to 23 December 2027	2,200,000	2,200,170		19,965	205		**2,220,340**	No
5th tranche of medium-term notes for the year of 2025	RMB100	1.94%	17 April 2025	From 21 April 2025 to 21 April 2028	2,000,000	2,026,673		19,241	93	38,800	**2,007,207**	No
6th tranche of medium-term notes for the year of 2025	RMB100	1.79%	14 May 2025	From 16 May 2025 to 16 May 2028	2,000,000	2,022,112		17,753	93	35,800	**2,004,158**	No

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

34. Bonds payable (Continued)

(2) Changes of increase or decrease in bonds payable (Continued)

Debenture name	Par value	Coupon rate	Date of issuance	Debenture term	Amount issued	Beginning balance	Current issuance	Interest accrued at par value	Amortisation of premiums and discounts	Repayment in the current period	Ending balance	Breach or not
11th tranche of medium-term notes for the year of 2025	RMB100	1.95%	26 November 2025	From 27 November 2025 to 27 November 2028	2,000,000	2,003,192		19,340	93		**2,022,625**	No
1st tranche of medium-term notes for the year of 2026	RMB100	1.75%	25 June 2026	From 26 June 2026 to 26 June 2031	1,000,000		999,528	240	1		**999,769**	No
2025 corporate bonds (Tranche 1)	RMB100	1.87%	19 December 2025	From 22 December 2025 to 22 December 2028	1,500,000	1,499,927		13,910	140		**1,513,977**	No
2025 corporate bonds (Tranche 2)	RMB100	1.77%	24 December 2025	From 25 December 2025 to 25 December 2027	1,500,000	1,499,668		13,166	211		**1,513,045**	No
2nd tranche of medium-term notes for the year of 2024 (Jiangsu Energy)	RMB100	2.18%	4 July 2024	From 8 July 2024 to 8 July 2027	1,000,000	1,010,420		10,810	50		**1,021,280**	No
3rd tranche of medium-term notes for the year of 2024 (Jiangsu Energy)	RMB100	2.22%	4 July 2024	From 8 July 2024 to 8 July 2027	1,000,000	1,010,614		11,009	49		**1,021,672**	No
1st tranche of green medium-term notes for the year of 2025 (Jiangsu Energy)	RMB100	1.80%	21 July 2025	From 22 July 2025 to 22 July 2028	200,000	201,557		1,785	10		**203,352**	No

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

34. Bonds payable (Continued)

(2) Changes of increase or decrease in bonds payable (Continued)

Debenture name	Par value	Coupon rate	Date of issuance	Debenture term	Amount issued	Beginning balance	Current issuance	Interest accrued at par value	Amortisation of premiums and discounts	Repayment in the current period	Ending balance	Breach or not
2nd tranche of medium-term notes for the year of 2025 (Jiangsu Energy)	RMB100	1.89%	21 July 2025	From 23 July 2025 to 23 July 2028	800,000	806,507		7,498	39		**814,044**	No
3rd tranche of medium-term notes for the year of 2025 (Jiangsu Energy)	RMB100	1.91%	1 August 2025	From 5 August 2025 to 5 August 2028	1,000,000	1,007,538		9,472	50		**1,017,060**	No
Subtotal	–	–	–	–	31,900,000	31,123,729	999,528	328,816	2,436	140,450	**32,314,059**	
Less: bonds payable due within one year	–	–	–	–		5,631,313					**8,319,985**	
Total	–	–	–	–	**31,900,000**	**25,492,416**	**999,528**	**328,816**	**2,436**	**140,450**	**23,994,074**	

Note: The actual annual interest rate range of the above long-term bonds after considering the issuance costs is 1.76% to 3.61% (2025: 1.80% to 3.61%).

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

35. Lease liabilities

Item	Ending balance	Beginning balance
Lease payment	**1,216,068**	156,699
Unrecognised financing charges	**204,927**	16,104
Lease liabilities	**1,011,141**	140,595
Less: Lease liabilities due within one year	**131,389**	76,599
Total	**879,752**	63,996

36. Long-term payable

Item	Ending balance	Beginning balance
Long-term payable	**4,984**	4,934
Special payable	**10,520**	10,520
Total	**15,504**	15,454

37. Provisions

Item	Ending balance	Beginning balance	Cause
Expenditures for pit abandonment and environmental cleanup, etc.	**125,004**	128,492	Abandonment obligations arising from coal mining
Others		857	Warranty fees
Total	**125,004**	129,349	–

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

38. Deferred income

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance
Deferred income of government grants (Note IX)	1,159,259	41,461	54,966	**1,145,754**
Upfront installation fees for heating networks	2,406,632	11,160	149,520	**2,268,272**
Total	3,565,891	52,621	204,486	**3,414,026**

39. Share capital

		Increase (+)/decrease (-) in the current period					
Item	Beginning balance	New share issued	Bonus issue	Shares converted from reserves	Others	Subtotal	Ending balance
Total shares	11,611,774						**11,611,774**

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

40. Other equity instruments

(1) Basic information of other financial instruments as preferred stocks and perpetual bonds externally issued at the end of the period

Name of financial instrument	Issuance date	Accounting classification	Dividend rate or interest rate	Issue price	Quantity (Pcs.)	Par value	Expiration date or renewal status
7th tranche of medium-term note for the year of 2023	2023-7-5	Other equity instruments	2.92%/3.10%	RMB100/piece	10,000,000	1,000,000	2+N/3+N
8th tranche of medium-term note for the year of 2023	2023-7-7	Other equity instruments	2.90%/3.10%	RMB100/piece	10,000,000	1,000,000	2+N/3+N
9th tranche of medium-term note for the year of 2023	2023-8-7	Other equity instruments	3.06%	RMB100/piece	15,000,000	1,500,000	3+N
10th tranche of medium-term note for the year of 2023	2023-9-11	Other equity instruments	3.32%	RMB100/piece	20,000,000	2,000,000	3+N
1st tranche of medium-term note for the year of 2024	2024-3-25	Other equity instruments	2.80%	RMB100/piece	20,000,000	2,000,000	3+N
1st tranche of medium-term note for the year of 2025	2025-2-13	Other equity instruments	2.05%	RMB100/piece	15,000,000	1,500,000	3+N
2nd tranche of medium-term note for the year of 2025	2025-2-17	Other equity instruments	2.10%	RMB100/piece	15,000,000	1,500,000	2+N
3rd tranche of medium-term note for the year of 2025	2025-3-17	Other equity instruments	2.40%	RMB100/piece	20,000,000	2,000,000	3+N
4th tranche of medium-term note for the year of 2025	2025-4-15	Other equity instruments	2.09%	RMB100/piece	20,000,000	2,000,000	3+N
7th tranche of medium-term note for the year of 2025	2025-6-13	Other equity instruments	1.95%	RMB100/piece	20,000,000	2,000,000	3+N
8th tranche of medium-term note for the year of 2025	2025-6-26	Other equity instruments	1.95%	RMB100/piece	10,000,000	1,000,000	3+N
9th tranche of medium-term note for the year of 2025	2025-7-4	Other equity instruments	1.89%	RMB100/piece	20,000,000	2,000,000	3+N
10th tranche of medium-term note for the year of 2025	2025-7-21	Other equity instruments	1.94%	RMB100/piece	15,000,000	1,500,000	3+N
Total	-	-	-	-	**210,000,000**	**21,000,000**	-

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

40. Other equity instruments (Continued)

(2) Changes in other financial instruments as preferred stocks and perpetual bonds externally issued at the end of the period

Outstanding financial instruments	Beginning		Increase in the current period		Decrease in the current period		Ending	
	Quantity	Carrying amount	Quantity	Carrying amount	Quantity	Carrying amount	Quantity	Carrying amount
7th tranche of medium-term note for the year of 2023	10,000,000	1,000,000					10,000,000	1,000,000
8th tranche of medium-term note for the year of 2023	10,000,000	1,000,000					10,000,000	1,000,000
9th tranche of medium-term note for the year of 2023	15,000,000	1,500,000					15,000,000	1,500,000
10th tranche of medium-term note for the year of 2023	20,000,000	2,000,000					20,000,000	2,000,000
1st tranche of medium-term note for the year of 2024	20,000,000	2,000,000		10,126		10,126	20,000,000	2,000,000
1st tranche of medium-term note for the year of 2025	15,000,000	1,500,000		8,762		8,762	15,000,000	1,500,000
2nd tranche of medium-term note for the year of 2025	15,000,000	1,500,000		8,803		8,803	15,000,000	1,500,000
3rd tranche of medium-term note for the year of 2025	20,000,000	2,000,000		9,863		9,863	20,000,000	2,000,000
4th tranche of medium-term note for the year of 2025	20,000,000	2,000,000		5,268		5,268	20,000,000	2,000,000

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

40. Other equity instruments (Continued)

(2) *Changes in other financial instruments as preferred stocks and perpetual bonds externally issued at the end of the period*

Outstanding financial instruments	Beginning		Increase in the current period		Decrease in the current period		Ending	
	Quantity	Carrying amount	Quantity	Carrying amount	Quantity	Carrying amount	Quantity	Carrying amount
7th tranche of medium-term note for the year of 2025	20,000,000	2,000,000		1,496			20,000,000	2,001,496
8th tranche of medium-term note for the year of 2025	10,000,000	1,000,000		214			10,000,000	1,000,214
9th tranche of medium-term note for the year of 2025	20,000,000	2,000,000					20,000,000	2,000,000
10th tranche of medium-term note for the year of 2025	15,000,000	1,500,000					15,000,000	1,500,000
Total	210,000,000	21,000,000		44,532		42,822	210,000,000	21,001,710

Note: The aforementioned financial instruments do not have a specified maturity date and can remain outstanding for an extended period before the Company exercises its redemption rights. The Company holds the right to defer both the principal and interest payments. Therefore, following relevant regulations, the Company classifies these financial instruments as other equity instruments.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026
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V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

41. Capital reserve

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance
Share premium	15,977,999			**15,977,999**
Other capital reserves	2,524,923	84,804		**2,609,727**
Total	18,502,922	84,804		**18,587,726**

Note: The increase in other capital reserves during the current period is primarily attributable to the changes in other equity of associates.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

42. Other comprehensive income

Item	Beginning Balance	Amount incurred in the current period: Amount incurred before income tax in the current period	Less: Amount included in other comprehensive income in the previous period and transferred to current profits or losses	Less: Amount included in other comprehensive income in the previous period and transferred to retained earnings in the current period	Less: Income tax expenses	After-tax amount attributable to shareholder	After-tax amount attributed to minority shareholders	Ending balance
I. Other comprehensive income that cannot be reclassified into profit or loss	28,700	51,537				50,476	1,061	79,176
Including: 1. Other comprehensive incomes that cannot be reclassified into profits or losses under the equity method	-20,625	51,537				50,476	1,061	29,851
2. Changes in fair value of other equity instrument investments	49,325							49,325
II. Other comprehensive income reclassified into profit or loss	75,611	689				689		76,300
Including: Other comprehensive income that can be transferred into profits or losses under the equity method	75,611	689				689		76,300
Total other comprehensive income	104,311	52,226				51,165	1,061	155,476

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026
(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

43. Specific reserve

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance
Maintenance and production safety funds	167,365	472,386	239,844	**399,907**
Total	167,365	472,386	239,844	**399,907**

44. Surplus reserve

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance
Statutory surplus reserves	5,986,283			**5,986,283**
Discretionary surplus reserves	68,914			**68,914**
Total	6,055,197			**6,055,197**

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

45. Undistributed profits

Item	Amount in the current period	Amount in the previous year
Ending balance in the previous period	**11,720,633**	8,156,429
Total number of undistributed profits at beginning of adjustment (increase +, decrease -)		
Beginning balance in the current period	**11,720,633**	8,156,429
Add: Net profit attributable to owners of parent company in the current period	**3,104,884**	6,070,315
Less: Appropriation to statutory surplus reserves		500,640
Dividends payable on ordinary shares	**1,625,648**	2,462,895
Interest on other equity instruments	**251,788**	560,282
Others	**-7**	-1,017,706
Ending balance in the current period	**12,948,088**	11,720,633

Note 1: In accordance with the resolution passed at the general meeting of shareholders held on 28 May 2026, the Company declared a cash dividend of RMB0.14 per ordinary share, amounting to RMB1,625,648 thousand (previous year: RMB0.22 per share, totalling RMB2,462,895 thousand).

Note 2: Interest on other equity instruments included in retained earnings in the current period is interest on perpetual bonds issued.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

46. Operating revenue and operating costs

(1) *Operating revenue and operating costs*

	Amount incurred in the current period		Amount in the previous period	
Item	Revenue	Cost	Revenue	Cost
Main business	**53,976,789**	**47,632,873**	59,592,744	53,237,188
Other businesses	**287,649**	**283,215**	359,890	287,537
Total	**54,264,438**	**47,916,088**	59,952,634	53,524,725

(2) *Classification of main business costs by nature*

Item	Amount incurred in the current period	Amount in the previous period
Fuel costs	**33,211,797**	37,951,573
Depreciation and amortisation	**6,393,401**	6,652,761
Employee compensation	**4,810,144**	4,637,609
Maintenance, service and inspection costs	**1,559,009**	2,362,446
Other production costs	**1,658,522**	1,632,799
Total	**47,632,873**	53,237,188

Notes to the Condensed Consolidated Financial Statements (Continued)

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(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

47. Taxes and surcharges

Item	Amount incurred in the current period	Amount in the previous period
Urban maintenance and construction tax	**125,383**	112,493
Educational surcharges	**93,811**	90,261
House property tax	**154,653**	133,789
Land use tax	**104,517**	108,972
Resources tax	**109,519**	183,900
Environmental protection tax	**145,513**	124,886
Others	**51,244**	51,818
Total	**784,640**	806,119

48. Administrative expenses

The administrative expenses mainly include professional service fees, property insurance premiums, fuel and reprocessing costs, property management fees, and other administrative expenses incurred by the Group.

49. R&D expenses

Item	Amount incurred in the current period	Amount in the previous period
Material, fuel and power expenses	**1,181**	577
Employee compensation	**4,817**	3,350
Depreciation and amortization expense	**219**	275
Others	**1,379**	1,173
Total	**7,596**	5,375

Notes to the Condensed Consolidated Financial Statements (Continued)

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V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

50. Finance costs

Item	Amount incurred in the current period	Amount in the previous period
Interest expenses on loans and payables	**1,518,983**	1,680,258
Amortised amount of unrecognised financing expenses, etc.	**13,641**	3,930
Interest expenses of capitalisation	**-70,320**	-50,795
Less: Interest income on deposits and receivables	**4,511**	21,732
Profit or loss on exchange	**-4,620**	5,915
Other finance costs	**15,534**	16,969
Total	**1,468,707**	1,634,545

51. Investment income

Item	Amount incurred in the current period	Amount in the previous period
Long-term equity investment income calculated by equity method	**1,260,944**	2,476,080
Investment income from disposal of long-term equity investments	**-1,361**	
Investment income during the holding period of other equity instruments		3,000
Entrusted loan	**7,378**	7,378
Others	**-2,239**	-5,034
Total	**1,264,722**	2,481,424

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

52. Credit impairment loss

Item	Amount incurred in the current period	Amount in the previous period
Loss on bad debts of accounts receivable	**1,119**	-107
Total	**1,119**	-107

53. Asset impairment loss

Item	Amount incurred in the current period	Amount in the previous period
Loss on inventory valuation	**210**	
Impairment loss on fixed assets		-12,438
Impairment losses on construction in progress		-1,132
Total	**210**	-13,570

54. Gain on disposal of assets

Item	Amount incurred in the current period	Amount in the previous period
Gain on disposal of fixed assets	**4,927**	-459
Gain on disposal of intangible assets	**31,757**	7,173
Gain on disposal of construction in progress	**3,811**	4,324
Gain or loss on disposal of right-of-use assets		-185
Total	**40,495**	10,853

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From 1 January 2026 to 30 June 2026
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V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

55. Non-operating revenue

(1) Breakdown of non-operating revenue

Item	Amount incurred in the current period	Amount in the previous period	Amount included in non-recurring profit or loss in the current period
Gains from retirement of non-current assets	15,653	23,383	15,653
Government grants	290	340	53
Carbon emissions trading	457,064	1,868	
Others	32,153	71,899	32,153
Total	505,160	97,490	47,859

(2) Government grants included in the current profits or losses

Grant item	Amount in current period	Amount in previous period	Asset-related/ income-related
Compensation for land expropriation and demolition of attachments	237	237	Asset-related
Others	53	103	Income-related
Total	290	340	–

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

56. Non-operating expenses

Item	Amount in the current period	Amount in the previous period	Amount included in non-recurring profit or loss in the current period
Loss from retirement of non-current asset	**7,245**	6,909	7,245
Including: Loss from retirement of fixed assets	**6,281**	6,909	6,281
Others	**52,447**	18,089	52,447
Total	**59,692**	24,998	59,692

57. Income tax expenses

(1) Income tax expenses

Item	Amount incurred in the current period	Amount in the previous period
Income tax expenses in the current year	**933,716**	722,598
Deferred tax expenses	**160,782**	266,590
Total	**1,094,498**	989,188

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

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V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

57. Income tax expenses (Continued)

(2) Accounting profit and income tax expense adjustment process

Item	Amount incurred in the current period
Consolidated total profits in the current period	5,296,737
Income tax expenses calculated in accordance with legal/applicable tax rate	1,324,184
Effect of different tax rates applied to subsidiaries	-8,443
Impact of income tax in previous periods before adjustment	52,169
Impact of non-taxable income	
Effect of nondeductible cost, expense and loss	35,615
Effect of using deductible losses of unrecognised deferred tax assets in the previous period	-137,487
Effect from deductible temporary balance or deductible losses of deferred tax assets unrecognised in the current period	146,557
Impact on the investment income and losses of associates	-315,236
Tax credit for specialised equipment procurement	-2,861
Income tax expenses	**1,094,498**

58. Other comprehensive income

Refer to Note "V. 42 Other comprehensive income" for details.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

59. Items of cash flow statements

(1) Cash related to operating activities

1) Other cash received relating to operating activities

Item	Amount incurred in the current period	Amount in the previous period
Cash received relating to other operations	**192,951**	231,154
Government operating subsidies	**79,477**	59,294
Carbon emissions trading	**474,312**	1,980
Accounts receivable factoring-related	**440,000**	303,000
Others (Note)	**3,644,117**	3,329,650
Total	**4,830,857**	3,925,078

Note: In this period, "Other" in cash received by the Group related to operating activities mainly refers to coal payments and deposits collected on behalf of others.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

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V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

59. Items of cash flow statements (Continued)

(1) Cash related to operating activities (Continued)

2) Other cash paid relating to operating activities

Item	Amount incurred in the current period	Amount in the previous period
Cash paid related to administrative expenses	**988,634**	842,680
Three Supplies and One Property		3,246
Accounts receivable factoring-related	**440,000**	303,000
Others (Note)	**3,876,873**	2,772,291
Total	**5,305,507**	3,921,217

Note: In this period, "Other" in cash paid by the Group related to operating activities mainly refers to coal payments and deposits paid on behalf of others.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

59. Items of cash flow statements (Continued)

(2) Cash related to investing activities

1) *Significant cash received relating to investing activities*

Item	Amount incurred in the current period	Amount in the previous period
Cash dividends received from equity participation	**715,538**	77,272
Recovery of restricted funds	**83,544**	94,407
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	**118,478**	102,791
Total	**917,560**	274,470

2) *Significant cash paid relating to investing activities*

Item	Amount incurred in the current period	Amount in the previous period
Capital construction expenditures and technical transformation expenditures	**4,222,748**	5,766,754
Total	**4,222,748**	5,766,754

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026
(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

59. Items of cash flow statements (Continued)

(2) Cash related to investing activities (Continued)

3) *Other cash received relating to investing activities*

Item	Amount incurred in the current period	Amount in the previous period
Interest income	**4,093**	22,540
Recovery of restricted funds	**83,544**	94,407
Others	**12,682**	20,574
Total	**100,319**	137,521

4) *Other cash paid relating to investing activities*

Item	Amount incurred in the current period	Amount in the previous period
Payment of restricted funds	**68,075**	78,402
Others	**41,389**	31,082
Total	**109,464**	109,484

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

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V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

59. Items of cash flow statements (Continued)

(3) Cash related to financing activities

1) Other cash paid relating to financing activities

Item	Amount incurred in the current period	Amount in the previous period
Payment of consideration on acquisitions		3,305,070
Bank service charges	**4,503**	16,800
Others	**61,033**	36,747
Total	**65,536**	3,358,617

(4) Material non-cash activities and their impacts that, while not affecting current cash flows, influence the entity's financial position or may affect future cash flows

Bonds maturing within the next 1 year are expected to impact cash outflows for debt repayment by approximately RMB12.8 billion.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026
(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

60. Supplementary information on the statement of cash flows

(1) Supplementary information on the statement of cash flows

Item	Amount in the current period	Amount in the previous period
1. Adjust net profit to cash flow from operating activities:		
Net profit	**4,202,239**	4,954,652
Add: Provision for impairment of assets	**-210**	13,570
Credit impairment loss	**-1,119**	107
Depreciation of fixed assets, depletion of oil and gas assets and depreciation of productive biological assets	**6,248,311**	6,515,228
Depreciation of right-of-use assets	**67,191**	62,228
Amortisation of intangible assets	**167,298**	159,246
Amortisation of long-term deferred expenses	**18,889**	19,389
Loss from disposal of fixed assets, intangible assets and other long-term assets (gains to be listed with "-")	**-40,495**	-10,853
Losses from retirement of fixed assets (gains to be listed with "-")	**-8,408**	-16,473
Losses from changes in fair value (gains to be listed with "-")		
Financial expenses (gains to be listed with "-")	**1,468,707**	1,634,589
Investment losses (gains to be listed with "-")	**-1,264,722**	-2,481,424
Decrease on deferred tax assets (increase to be listed with "-")	**201,414**	182,637
Increase in deferred tax liabilities (decrease to be listed with "-")	**-40,632**	83,953

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

60. Supplementary information on the statement of cash flows (Continued)

(1) Supplementary information on the statement of cash flows (Continued)

Item	Amount in the current period	Amount in the previous period
Decrease in inventory (increase to be listed with "-")	**301,181**	1,001,792
Decrease in operating receivables (increase to be listed with "-")	**-103,154**	3,259,565
Increase in operating payables (decrease to be listed with "-")	**-2,379,527**	-211,183
Others	**294,062**	295,519
Net cash flows from operating activities	**9,131,025**	15,462,542
2. Significant investing and financing activities not involving cash:		
Conversion of debt into capital		
Convertible corporate bonds due within one year		
Fixed assets acquired under financial leases		
3. Net changes in cash and cash equivalents:		
Ending balance of cash	**5,830,735**	6,571,185
Less: Beginning balance of cash	**6,796,365**	6,630,660
Add: Ending balance of cash equivalents		
Less: Beginning balance of cash equivalents		
Net increase in cash and cash equivalents	**-965,630**	-59,475

Notes to the Condensed Consolidated Financial Statements (Continued)

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V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

60. Supplementary information on the statement of cash flows (Continued)

(2) Composition of cash and cash equivalents

Item	Ending balance	Beginning balance
Cash	**5,830,735**	6,796,365
Including: Cash on hand	**24**	39
Cash in bank available for payments at any time	**5,830,711**	6,796,326
Cash equivalents		
Balance of cash and cash equivalents at the end of the period	**5,830,735**	6,796,365

61. Monetary items in foreign currency

Item	Ending balance in foreign currency	Exchange rate	Ending balance in RMB (equivalent)
Cash and cash equivalents	–	–	
Including: USD	4	6.8109	24
Other payables	–	–	
Including: USD	8,449	6.8109	57,548
Non-current liabilities due within one year	–	–	
Including: EUR	242	7.7671	1,880
Long-term loans	–	–	
Including: USD	5,199	7.7671	40,382

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

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V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

62. Leases

The Group as a lessee

Item	Amount incurred in the current period	Amount in the previous period
Interest expenses on lease liabilities	**13,641**	3,918
Short-term lease expenses included in current profits or losses with simplified treatment	**32,903**	26,424
Total cash outflows related to leases	**49,529**	43,645

The estimated future annual cash outflows for committed but not yet commenced leases are as follows:

Remaining lease term	Future discounted lease payments
Within 1 year	161,284
1-2 years	139,360
2-3 years	146,523
After 3 years	768,901
Total	**1,216,068**

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026
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VI. R&D EXPENSE

Item	Amount incurred in the current period	Amount in the previous period
R&D expense	**34,965**	5,802
Total	**34,965**	5,802
Including: Expensed R&D expense	**7,596**	5,375
Capitalised R&D expense	**27,369**	427

R&D projects eligible for capitalisation

Item	Beginning balance	Increase in the current year		Decrease in the current year			Ending balance
		Internal development expenditures	Entrusted development expenditures	Recognised as assets	Transferred to current profits and losses	Others	
Power generation	23,547	27	5,567	17,987			**11,154**
R&D and digitalisation	12,112	2,690	15,304				**30,106**
Others	631		3,781	2,907			**1,505**
Total	36,290	2,717	24,652	20,894			**42,765**

Note: There are no significant capitalised R&D projects in the current period.

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

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VII. CHANGES IN CONSOLIDATION SCOPE

1. Changes in the scope of consolidation due to other reasons

During the reporting period, the Company liquidated its subsidiary, Chongqing Mingyang Coal Sales Co., Ltd., with a registered capital of RMB10,000,000 and a 70% shareholding interest.

VIII. EQUITY IN OTHER ENTITIES

1. Interests in subsidiaries

(1) Composition of the Group

Name of subsidiary	Registered capital	Principal place of business	Registration place	Business nature	Shareholding proportion (%) Direct	Shareholding proportion (%) Indirect	Way of acquisition
Anhui Huadian Lu'an Power Generation Company Limited	921,500	Lu'an, China	Lu'an, China	Generation and sale of electricity	95.00		Establishment, investment, or asset acquisition
Anhui Huadian Suzhou Power Generation Company Limited	854,914	Suzhou, China	Suzhou, China	Generation and sale of electricity	97.00		Acquired during business combination involving entities under common control
Anhui Huadian Wuhu Power Generation Company Limited	1,658,733	Wuhu, China	Wuhu, China	Generation and sale of electricity and heat	65.00		Acquired during business combination involving entities under common control
Guangdong Huadian Huizhou Energy Company Limited	740,000	Huizhou, China	Huizhou, China	Generation and sale of electricity and heat	100.00		Establishment, investment, or asset acquisition
Guangdong Huadian Pingshi Power Generation Company Limited	1,910,490	Lechang, China	Lechang, China	Generation and sale of electricity	100.00		Acquired during business combination involving entities not under common control

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

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VIII. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Interests in subsidiaries (Continued)

(1) Composition of the Group (Continued)

Name of subsidiary	Registered capital	Principal place of business	Registration place	Business nature	Shareholding proportion (%)		Way of acquisition
					Direct	Indirect	
Guangdong Huadian Qingyuan Energy Company Limited	1,000,000	Yingde, China	Yingde, China	Generation and sale of electricity and heat	100.00		Establishment, investment, or asset acquisition
Guangdong Huadian Shaoguan Thermal Power Company Limited	1,515,019	Shaoguan, China	Shaoguan, China	Sales of coal mine machinery and accessories	100.00		Establishment, investment, or asset acquisition
Guangdong Huadian Shenzhen Energy Co., Ltd.	460,000	Shenzhen, China	Shenzhen, China	Generation and sale of electricity and heat	100.00		Establishment, investment, or asset acquisition
Hangzhou Huadian Banshan Power Generation Company Limited	1,706,610	Hangzhou, China	Hangzhou, China	Generation and sale of electricity and heat	64.00		Acquired during business combination involving entities under common control
Hangzhou Huadian Xiasha Thermal Power Company Limited	259,338	Hangzhou, China	Hangzhou, China	Generation and sale of electricity and heat	56.00		Establishment, investment, or asset acquisition
Hebei Huadian Hybrid Storage Hydropower Company Limited	88,500	Shijiazhuang, China	Shijiazhuang, China	Generation and sale of electricity	100.00		Establishment, investment, or asset acquisition
Hebei Huadian Shijiazhuang Thermal Power Company Limited	1,132,530	Shijiazhuang, China	Shijiazhuang, China	Generation and sale of electricity and heat	82.00		Acquired during business combination involving entities under common control
Hebei Huarui Energy Group Corporation Limited	938,000	Shijiazhuang, China	Shijiazhuang, China	Electricity sales and power heating project investment and development	100.00		Acquired during business combination involving entities not under common control

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

VIII. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Interests in subsidiaries (Continued)

(1) Composition of the Group (Continued)

Name of subsidiary	Registered capital	Principal place of business	Registration place	Business nature	Shareholding proportion (%) Direct	Indirect	Way of acquisition
Hunan Huadian Changde Power Generation Company Limited (Note 1)	990,944	Changde, China	Changde, China	Generation and sale of electricity and heat	48.98		Acquired during business combination involving entities under common control
Hunan Huadian Pingjiang Power Generation Company Limited	2,159,950	Yueyang, China	Yueyang, China	Generation and sale of electricity and heat	100.00		Acquired during business combination involving entities under common control
Hunan Huadian Changsha Power Generation Company Limited	928,571	Changsha, China	Changsha, China	Generation and sale of electricity and heat	70.00		Acquired during business combination involving entities under common control
Huadian (Hunan) Energy Sales Co., Ltd.	201,000	Changsha, China	Changsha, China	Electricity purchase and sales	100.00		Establishment, investment, or asset acquisition
Huadian (Zhejiang) Energy Sales Co., Ltd.	20,000	Hangzhou, China	Hangzhou, China	Electricity purchase and sales	100.00		Establishment, investment, or asset acquisition
Huadian Anhui Energy Sales Co., Ltd.	210,000	Hefei, China	Hefei, China	Electricity and heat sales	100.00		Establishment, investment, or asset acquisition
Huadian Dongying Energy Co., Ltd.	120,000	Dongying, China	Dongying, China	Generation and sale of electricity and heat	68.82		Establishment, investment, or asset acquisition
Huadian Foshan Energy Co., Ltd.	811,766	Foshan, China	Foshan, China	Generation and sale of electricity	90.00		Establishment, investment, or asset acquisition

Notes to the Condensed Consolidated Financial Statements (Continued)

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VIII. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Interests in subsidiaries (Continued)

(1) Composition of the Group (Continued)

Name of subsidiary	Registered capital	Principal place of business	Registration place	Business nature	Shareholding proportion (%) Direct	Indirect	Way of acquisition
Huadian Guangdong Energy Sales Co., Ltd.	220,000	Guangzhou, China	Guangzhou, China	Consultancy and management of power project and project engineering services	100.00		Establishment, investment, or asset acquisition
Huadian International Shandong Project Management Co., Ltd.	50,000	Jinan, China	Jinan, China	Power source construction project management and consulting	100.00		Establishment, investment, or asset acquisition
Huadian Hebei Energy Sales Co., Ltd.	201,000	Shijiazhuang, China	Shijiazhuang, China	Electricity purchase and sales	100.00		Establishment, investment, or asset acquisition
Huadian Hebei Ruixin Investment Partnership (Limited Partnership) (Note 2)	2,676,400	Baoding, China	Baoding, China	Investment and assets management	19.97	0.04	Establishment, investment, or asset acquisition
Huadian Henan Energy Sales Co., Ltd.	210,000	Zhengzhou, China	Zhengzhou, China	Electricity and heat sales	100.00		Establishment, investment, or asset acquisition
Huadian Hubei Power Generation Company Limited	4,685,158	Wuhan, China	Wuhan, China	Generation and sale of electricity and heat	82.56		Acquired during business combination involving entities under common control
Huadian Group Beijing Fuel Logistics Company Limited	1,000,000	Beijing, China	Beijing, China	Wholesale operations of coal	91.00		Establishment, investment, or asset acquisition

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VIII. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Interests in subsidiaries (Continued)

(1) Composition of the Group (Continued)

Name of subsidiary	Registered capital	Principal place of business	Registration place	Business nature	Shareholding proportion (%) Direct	Shareholding proportion (%) Indirect	Way of acquisition
Huadian Jinan Zhangqiu Thermal Power Company Limited	696,000	Jinan, China	Jinan, China	Generation and sale of electricity and heat	70.00		Establishment, investment, or asset acquisition
Huadian Jingyu Pumped Storage Co., Ltd.	100,000	Baishan, China	Baishan, China	Generation and sale of electricity	90.00		Establishment, investment, or asset acquisition
Huadian Laizhou Power Generation Company Limited	2,632,800	Laizhou, China	Laizhou, China	Generation and sale of electricity	75.00		Establishment, investment, or asset acquisition
Huadian Laizhou Port Co. Ltd	215,130	Laizhou, China	Laizhou, China	Construction and operation of pier project	65.00		Establishment, investment, or asset acquisition
Huadian Longkou Power Generation Company Limited	2,090,000	Longkou, China	Longkou, China	Generation and sale of electricity and heat	100.00		Acquired during business combination involving entities not under common control
Huadian Luohe Power Generation Company Limited	633,733	Luohe, China	Luohe, China	Generation and sale of electricity and heat	79.11		Establishment, investment, or asset acquisition
Huadian Ningxia Energy Sales Co., Ltd.	21,000	Yinchuan, China	Yinchuan, China	Electricity and heat sales	100.00		Establishment, investment, or asset acquisition
Huadian Qingdao Power Generation Company Limited	1,256,867	Qingdao, China	Qingdao, China	Generation and sale of electricity and heat	55.00		Acquired during business combination involving entities not under common control
Huadian Qingdao Thermal Power Company Limited	30,000	Qingdao, China	Qingdao, China	Electricity and heat production and supply	55.00		Establishment, investment, or asset acquisition

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VIII. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Interests in subsidiaries (Continued)

(1) Composition of the Group (Continued)

Name of subsidiary	Registered capital	Principal place of business	Registration place	Business nature	Shareholding proportion (%) Direct	Shareholding proportion (%) Indirect	Way of acquisition
Huadian Shandong Energy Sales Co., Ltd.	210,000	Jinan, China	Jinan, China	Electricity and heat sales	100.00		Establishment, investment, or asset acquisition
Huadian Shandong Material Company Limited	50,000	Jinan, China	Jinan, China	Sales of supplies and materials	100.00		Establishment, investment, or asset acquisition
Huadian Tengzhou Xinyuan Thermal Power Company Limited	884,151	Tengzhou, China	Tengzhou, China	Generation and sale of electricity and heat	93.26		Acquired during business combination involving entities not under common control
Huadian Weifang Power Generation Company Limited	930,222	Weifang, China	Weifang, China	Generation and sale of electricity and heat	64.29		Acquired during business combination involving entities not under common control
Huadian Zhanjiang Power Generation Co., Ltd.	305,692	Zhanjiang, China	Zhanjiang, China	Generation and sales of electricity and heating and sales of mechanical equipment	65.00		Establishment, investment, or asset acquisition
Huadian Zhangqiu Power Generation Company Limited	758,114	Jinan, China	Jinan, China	Generation and sale of electricity and heat	87.50		Acquired during business combination involving entities not under common control
Huadian Zhejiang Longyou Thermal Power Company Limited	292,500	Longyou County, China	Longyou County, China	Generation and sale of electricity and heat	100.00		Establishment, investment, or asset acquisition

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VIII.EQUITY IN OTHER ENTITIES (CONTINUED)

1. Interests in subsidiaries (Continued)

(1) Composition of the Group (Continued)

Name of subsidiary	Registered capital	Principal place of business	Registration place	Business nature	Shareholding proportion (%) Direct	Indirect	Way of acquisition
Huadian Chongqing Jiangjin Energy Co., Ltd.	64,000	Chongqing, China	Chongqing, China	Generation and sale of electricity and heat	100.00		Establishment, investment, or asset acquisition
Huadian Zibo Thermal Power Company Limited	1,221,850	Zibo, China	Zibo, China	Generation and sale of electricity and heat	100.00		Acquired during business combination involving entities not under common control
Huadian Zoucheng Thermal Power Company Limited	80,000	Zoucheng, China	Zoucheng, China	Generation and sale of electricity and heat	70.00		Establishment, investment, or asset acquisition
Huadian Zouxian Power Generation Company Limited	3,000,000	Zoucheng, China	Zoucheng, China	Generation and sale of electricity	69.00		Establishment, investment, or asset acquisition
Jiangxi Huadian Pumped Storage Co., Ltd.	110,000	Ji'an, China	Ji'an, China	Generation and sale of electricity	100.00		Establishment, investment, or asset acquisition
Xingwang Coal Mine, Dalad Qi Wenwei Coal Co., Ltd.	230,000	Dalad Banner, Inner Mongolia Autonomous Region, China	Dalad Banner, Inner Mongolia Autonomous Region, China	Coal production and sales	90.00		Acquired during business combination involving entities not under common control
Qingdao Huatuo Technology Company Limited	100,000	Qingdao, China	Qingdao, China	Design and development	100.00		Acquired during business combination involving entities not under common control
Shaanxi Huadian Jinshuihe Pumped Storage Co., Ltd.	200,000	Hanzhong, China	Hanzhong, China	Generation and sale of electricity	95.00		Establishment, investment, or asset acquisition

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VIII. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Interests in subsidiaries (Continued)

(1) Composition of the Group (Continued)

Name of subsidiary	Registered capital	Principal place of business	Registration place	Business nature	Shareholding proportion (%) Direct	Shareholding proportion (%) Indirect	Way of acquisition
Shantou Huadian Power Generation Co. Ltd.	1,152,624	Shantou, China	Shantou, China	Generation and sale of electricity	51.00		Establishment, investment, or asset acquisition
Shijiazhuang Huadian Heat Corporation Limited	695,370	Shijiazhuang, China	Shijiazhuang, China	Heating	100.00		Acquired during business combination involving entities not under common control
Sichuan Guang'an Power Generation Company Limited	1,826,135	Guang'an, China	Guang'an, China	Generation and sale of electricity	80.00		Acquired during business combination involving entities under common control
Sichuan Huadian Power Investment Company Limited	1,377,606	Chengdu, China	Chengdu, China	Power and power equipment production	100.00		Establishment, investment, or asset acquisition
Sichuan Huadian Luding Hydropower Company Limited	1,516,090	Ganzi Tibetan Autonomous Prefecture, China	Ganzi Tibetan Autonomous Prefecture, China	Generation and sale of electricity	100.00		Establishment, investment, or asset acquisition
Sichuan Huadian Zagunao Hydroelectric Development Company Limited	200,000	Aba Tibetan and Qiang Autonomous Prefecture, China	Aba Tibetan and Qiang Autonomous Prefecture, China	Generation and sale of electricity	64.00		Acquired during business combination involving entities not under common control
Tianjin Huadian Fuyuan Thermal Power Company Limited	407,004	Tianjin, China	Tianjin, China	Generation and sale of electricity and heat	100.00		Establishment, investment, or asset acquisition

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

VIII. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Interests in subsidiaries (Continued)

(1) Composition of the Group (Continued)

Name of subsidiary	Registered capital	Principal place of business	Registration place	Business nature	Shareholding proportion (%) Direct	Indirect	Way of acquisition
Tianjin Huadian Nanjiang Thermal Power Company Limited	660,000	Tianjin, China	Tianjin, China	Generation and sales of electricity and heating and sales of mechanical equipment	65.00		Establishment, investment, or asset acquisition
Zhejiang Huadian Wuxijiang Hybrid Pumped Storage Power Generation Co., Ltd.	468,512	Quzhou, China	Quzhou, China	Generation and sale of electricity	76.00		Establishment, investment, or asset acquisition
Ningxia Huadian Niushoushan Pumped Storage Power Generation Co., Ltd.	122,000	Qingtongxia, China	Qingtongxia, China	Generation and sale of electricity	91.80		Establishment, investment, or asset acquisition
Anhui Huadian Xixing Chong Pumped Storage Power Generation Co., Ltd.	200,000	Wuhu, China	Wuhu, China	Generation and sale of electricity	90.00		Establishment, investment, or asset acquisition
Huadian Yongchang Pumped Storage Co., Ltd.	100,000	Jinchang, China	Jinchang, China	Generation and sale of electricity	100.00		Acquired during business combination involving entities under common control
Anhui Huadian Fuel Co., Ltd.	10,000	Hefei, China	Hefei, China	Wholesale operations of coal	100.00		Establishment, investment, or asset acquisition
Huadian (Hunan) Fuel Co., Ltd.	10,000	Changsha, China	Changsha, China	Wholesale operations of coal	100.00		Establishment, investment, or asset acquisition

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VIII. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Interests in subsidiaries (Continued)

(1) Composition of the Group (Continued)

Name of subsidiary	Registered capital	Principal place of business	Registration place	Business nature	Shareholding proportion (%) Direct	Shareholding proportion (%) Indirect	Way of acquisition
Shantou Huadian Energy Co., Ltd.	242,000	Shantou, China	Shantou, China	Generation and sale of electricity and heat	100.00		Establishment, investment, or asset acquisition
Huadian (Lingbao) Pumped Storage Co., Ltd.	1,079,000	Sanmenxia, China	Sanmenxia, China	Generation and sale of electricity	100.00		Establishment, investment, or asset acquisition
Huadian (Chongqing) Gas Turbine Power Generation Co., Ltd.	700,000	Chongqing, China	Chongqing, China	Generation and sale of electricity	100.00		Establishment, investment, or asset acquisition
Huadian (Shandong) Fuel Co., Ltd.	50,000	Jinan, China	Jinan, China	Wholesale operations of coal	100.00		Establishment, investment, or asset acquisition
Huadian (Guangdong) Fuel Co., Ltd.	5,000	Guangzhou, China	Guangzhou, China	Wholesale operations of coal	100.00		Establishment, investment, or asset acquisition
Huayu Phase I (Tianjin) Power Energy Partnership (Limited Partnership) (Note 3)	2,315,000	Tianjin, China	Tianjin, China	Investment and assets management	19.97	0.03	Establishment, investment, or asset acquisition
Tianjin Huadian Jibei Pumped Storage Co., Ltd.	20,000	Tianjin, China	Tianjin, China	Generation and sale of electricity	100.00		Establishment, investment, or asset acquisition
Zhaoqing Huadian Yanshan Pumped Storage Co., Ltd.	100,000	Zhaoqing, China	Zhaoqing, China	Generation and sale of electricity	100.00		Establishment, investment, or asset acquisition
Hualu (Tianjin) Power Energy Partnership (Limited Partnership) (Note 4)	2,357,000	Tianjin, China	Tianjin, China	Investment and assets management	19.98	0.04	Establishment, investment, or asset acquisition

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

VIII. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Interests in subsidiaries (Continued)

(1) Composition of the Group (Continued)

Name of subsidiary	Registered capital	Principal place of business	Registration place	Business nature	Shareholding proportion (%) Direct	Indirect	Way of acquisition
Zhejiang Huadian Jiangdong Energy Operation Co., Ltd.	100,000	Hangzhou, China	Hangzhou, China	Generation and sale of electricity	100.00		Establishment, investment, or asset acquisition
Huashu (Tianjin) Power Energy Partnership (Limited Partnership) (Note 5)	8,227,539	Tianjin, China	Tianjin, China	Investment and assets management	19.98	0.01	Establishment, investment, or asset acquisition
Xinxiang Huadian Thermal Power Co., Ltd.	53,273	Xinxiang, China	Xinxiang, China	Generation and sale of electricity	100.00		Establishment, investment, or asset acquisition
Huayu Phase II (Tianjin) Power Energy Partnership (Limited Partnership) (Note 6)	2,185,000	Tianjin, China	Tianjin, China	Investment and assets management	19.95	0.04	Establishment, investment, or asset acquisition
Huadian Fuxin Guangzhou Energy Co., Ltd.	519,000	Guangzhou, China	Guangzhou, China	Generation and sale of electricity and heat	55.00		Acquired during business combination involving entities under common control
Huadian Fuxin Jiangmen Energy Company Limited	200,369	Jiangmen, China	Jiangmen, China	Generation and sale of electricity and heat	70.00		Acquired during business combination involving entities under common control
Huadian Fuxin Qingyuan Energy Company Limited	383,660	Yingde, China	Yingde, China	Generation and sale of electricity	100.00		Acquired during business combination involving entities under common control

Notes to the Condensed Consolidated Financial Statements (Continued)

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VIII.EQUITY IN OTHER ENTITIES (CONTINUED)

1. Interests in subsidiaries (Continued)

(1) Composition of the Group (Continued)

Name of subsidiary	Registered capital	Principal place of business	Registration place	Business nature	Shareholding proportion (%)		Way of acquisition
					Direct	Indirect	
Huadian Jiangsu Energy Co., Ltd. ("Jiangsu Energy")	2,553,163	Nanjing, China	Nanjing, China	Generation and sale of electricity and heat	80.00		Acquired during business combination involving entities under common control
Shanghai Huadian Fuxin Energy Co., Ltd.	140,646	Shanghai, China	Shanghai, China	Generation and sale of electricity and heat	51.00		Acquired during business combination involving entities under common control
Shanghai Huadian Minhang Energy Co., Ltd.	295,020	Shanghai, China	Shanghai, China	Generation and sale of electricity and heat	100.00		Acquired during business combination involving entities under common control
CHD Guigang Electric Power Co., Ltd.	2,088,430	Guigang, China	Guigang, China	Generation and sale of electricity and heat	100.00		Acquired during business combination involving entities under common control
Guangzhou University City Huadian New Energy Company Limited	294,360	Guangzhou, China	Guangzhou, China	Generation and sale of electricity and heat	55.00		Acquired during business combination involving entities under common control
Huadian Pumped Storage Project Management (Chengdu) Co., Ltd.	100,000	Chengdu, China	Chengdu, China	Engineering management	100.00		Establishment, investment, or asset acquisition
Huadian Clean Energy Closed-end Infrastructure Securities Investment Fund	1,894,500	Hangzhou, China	Hangzhou, China	Investment and assets management	51.00		Establishment, investment, or asset acquisition

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

VIII. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Interests in subsidiaries (Continued)

(1) Composition of the Group (Continued)

Name of subsidiary	Registered capital	Principal place of business	Registration place	Business nature	Shareholding proportion (%) Direct	Shareholding proportion (%) Indirect	Way of acquisition
Jiangsu Huadian Wangting Energy Development Co., Ltd.	1,800,000	Suzhou, China	Suzhou, China	Generation and sale of electricity and heat	100.00		Establishment, investment, or asset acquisition
Tianjin Huadian Energy Management Co., Ltd.	101,000	Tianjin, China	Tianjin, China	Generation and sale of electricity and heat	100.00		Establishment, investment, or asset acquisition
Guangxi Huadian Integrated Energy Services Co., Ltd.	201,000	Nanning, China	Nanning, China	Generation and sale of electricity and heat	100.00		Establishment, investment, or asset acquisition
Huadian (Chongqing) Energy Sales Co., Ltd.	101,000	Chongqing, China	Chongqing, China	Electricity and heat sales	100.00		Establishment, investment, or asset acquisition
Huadian (Yiyuan) Pumped Storage Co., Ltd.	200,000	Zibo, China	Zibo, China	Generation and sale of electricity	70.00		Establishment, investment, or asset acquisition
Huadian Changjiang (Hubei) Smart Energy Technology Co., Ltd.	150,000	Wuhan, China	Wuhan, China	Technology promotion and technical services	51.00	32.20	Establishment, investment, or asset acquisition

Notes to the Condensed Consolidated Financial Statements (Continued)

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VIII. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Interests in subsidiaries (Continued)

(1) Composition of the Group (Continued)

Note 1: Although the Company holds less than 50% of the equity and voting rights in Hunan Huadian Changde Power Generation Company Limited, it has the power to govern the relevant activities of Hunan Huadian Changde Power Generation Company Limited, is exposed to variable returns from its involvement, and has the ability to affect those returns. Consequently, the management of the Company has determined that the Company controls Hunan Huadian Changde Power Generation Company Limited and includes it in the Group's consolidated financial statements.

Note 2: Although the Company holds less than 50% of the equity in Huadian Hebei Ruixin Investment Partnership (Limited Partnership) ("Hebei Ruixin"), it has the power to influence Hebei Ruixin's related activities by controlling the resolution of the partners' meeting of Hebei Ruixin, is exposed to variable returns from its involvement, and has the ability to affect those returns. Consequently, the management of the Company has determined that the Company controls Hebei Ruixin and includes it in the Group's consolidated financial statements.

Note 3: Although the Company holds less than 50% of the equity in Huayu Phase I (Tianjin) Power Energy Partnership (Limited Partnership) (Huayu Phase I), it has the power to influence Huayu Phase I's related activities by controlling the resolution of the partners' meeting of Huayu Phase I, is exposed to variable returns from its involvement, and has the ability to affect those returns. Consequently, the management of the Company has determined that the Company controls Huayu Phase I (Tianjin) Power Energy Partnership (Limited Partnership) and includes it in the Group's consolidated financial statements.

Note 4: Although the Company holds less than 50% of the equity in Hualu (Tianjin) Power Energy Partnership (Limited Partnership) (Hualu Tianjin), it has the power to influence Hualu Tianjin's related activities by controlling the resolution of the partners' meeting of Hualu Tianjin, is exposed to variable returns from its involvement, and has the ability to affect those returns. Consequently, the management of the Company has determined that the Company controls Hualu (Tianjin) Power Energy Partnership (Limited Partnership) and includes it in the Group's consolidated financial statements.

Notes to the Condensed Consolidated Financial Statements (Continued)

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VIII. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Interests in subsidiaries (Continued)

(1) Composition of the Group (Continued)

Note 5: Although the Company holds less than 50% of the equity in Huashu (Tianjin) Power Energy Partnership (Limited Partnership) (Huashu Tianjin), it has the power to influence Huashu Tianjin's related activities by controlling the resolution of the partners' meeting of Huashu Tianjin, is exposed to variable returns from its involvement, and has the ability to affect those returns. Consequently, the management of the Company has determined that the Company controls Huashu (Tianjin) Power Energy Partnership (Limited Partnership) and includes it in the Group's consolidated financial statements.

Note 6: Although the Company holds less than 50% of the equity in Huayu Phase II (Tianjin) Power Energy Partnership (Limited Partnership) (Huayu Phase II), it has the power to influence Huayu Phase II's related activities by controlling the resolution of the partners' meeting of Huayu Phase II, is exposed to variable returns from its involvement, and has the ability to affect those returns. Consequently, the management of the Company has determined that the Company controls Huayu Phase II (Tianjin) Power Energy Partnership (Limited Partnership) and includes it in the Group's consolidated financial statements.

Note 7: Note 7: All of the above subsidiaries are incorporated in the PRC and operate principally within the PRC.

Note 8: Among the major subsidiaries listed above, Huadian Hebei Ruixin Investment Partnership (Limited Partnership), Huayu Phase I (Tianjin) Power and Energy Partnership (Limited Partnership), Hualu (Tianjin) Power and Energy Partnership (Limited Partnership), Huashu (Tianjin) Power and Energy Partnership (Limited Partnership), and Huayu Phase II (Tianjin) Power and Energy Partnership (Limited Partnership) are limited partnerships; Huadian Clean Energy Closed-End Infrastructure Securities Investment Fund is a contractual asset management plan and constitutes a structured entity controlled by the Group; the remaining subsidiaries are all limited liability companies.

Notes to the Condensed Consolidated Financial Statements (Continued)

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IX. GOVERNMENT GRANTS

1. Asset-related government grants

Item	Beginning balance	Amount of new subsidies in the current period	Amount included in other gains in the current period	Amount transferred into the non-operating revenue of the current period	Other changes in the current period	Ending balance
Compensation for demolition	7,321		36	166		**7,119**
Project construction subsidies	805,387	40,877	30,950	71	29	**815,214**
Environmental protection subsidies	346,551	584	23,627		87	**323,421**
Total	1,159,259	41,461	54,613	237	116	**1,145,754**

2. Revenue-related government grants

The Company and its subsidiaries recognised a total of RMB44,502 thousand in heating subsidies and other government grants, of which RMB44,449 thousand was included in other income and RMB53 thousand was included in non-operating revenue.

Notes to the Condensed Consolidated Financial Statements (Continued)

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X. DISCLOSURE OF FAIR VALUE

1. Ending fair value of the assets and liabilities measured at fair value

Item	Ending fair value			
	Level 1 measurement at fair value	Level 2 measurement at fair value	Level 3 measurement at fair value	Total
I. Continuous fair value measurement	–	–	–	–
(I) Financing accounts receivable		239,032		239,032
(II) Other non-current financial assets			211,695	211,695
1. Designated financial assets at FVTPL			211,695	211,695
(1) Equity instrument investment			211,695	211,695
(III) Other equity instrument investments			150,791	150,791
Total assets continuously measured at fair value		239,032	362,486	601,518

2. Valuation techniques and qualitative and quantitative information about significant indicators of items subject to continuous level 2 fair value measurement

Item	Ending fair value	Valuation technique	Key parameters
Financing accounts receivable	239,032	Discounted cash flow method	Discount rate

3. Valuation techniques and qualitative and quantitative information about significant indicators of items subject to continuous level 3 fair value measurement

For financial instruments not traded in active markets, the Group has established relevant processes to determine appropriate valuation techniques and inputs for Level 3 fair value measurements. The primary valuation model used is the market approach. The Company regularly reviews these processes and the appropriateness of the fair value determinations.

Notes to the Condensed Consolidated Financial Statements (Continued)

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X. DISCLOSURE OF FAIR VALUE (CONTINUED)

4. Information on the adjustment between the beginning carrying amount and the ending carrying amount of items subject to continuous level-3 fair value measurement and sensitivity analysis of non-observable parameters

Item	Beginning balance	Transfer to Level 3	Transfer from Level 3	Profit or losses in the current period: Recognised in profit or loss	Profit or losses in the current period: Included in other comprehensive income	Purchase, issuance, sales and settlement: Purchase	Purchase, issuance, sales and settlement: Issuance	Purchase, issuance, sales and settlement: Sales	Purchase, issuance, sales and settlement: Settlement	Other decreases	Ending balance	For assets held at the end of the reporting period, unrealised gains or changes recognised in profit or loss for the current period
(I) Other non-current financial assets	195,569					16,126					211,695	
Financial assets at FVTPL	195,569					16,126					211,695	
– Equity instrument investments	195,569					16,126					211,695	
(II) Other equity instrument investments	150,791										150,791	
Total	346,360					16,126					362,486	

Notes to the Condensed Consolidated Financial Statements (Continued)

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X. DISCLOSURE OF FAIR VALUE (CONTINUED)

5. Fair value of financial assets and liabilities not measured at fair value

Except for the items listed in the table below, the Group's management believes that the carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements is approximate to their fair value.

	Ending balance		Beginning balance	
Item	Carrying amount	Fair value	Carrying amount	Fair value
Fixed rate borrowings and bonds payable	**39,078,079**	**39,676,395**	37,239,912	37,544,390

The fair value of fixed-rate financial liabilities is categorised as Level 2, determined by the present value of the future cash flows stipulated in the contract discounted according to the interest rate with comparable credit rating in the market.

Notes to the Condensed Consolidated Financial Statements (Continued)

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XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS

1. Relationship with related parties

(1) Information on parent company of the Company

Name of parent	Registration place	Business nature	Registered capital	Shareholding proportion held by parent company in the Company (%)	Voting right proportion of parent company in the Company (%)
China Huadian Corporation Ltd. (CHD)	Start-up Area of Xiong'an New Area, Hebei	Engaging in the development, construction, and operation management of power sources and electricity-related industries, as well as organising the development, construction, and operation management of electricity and heat production and sales, and organising electricity and heat production and sales	37,000,000	45.63 (Note)	45.63

Note: 0.74% of the parent company's shareholding proportion in the Company is 85,862,000 H Shares held through China Huadian HongKong Company Limited (a wholly-owned subsidiary of China Huadian).

(2) Information on subsidiaries of the Company

For details of subsidiaries, refer to the contents of Note "VIII. 1. (1) Composition of the Group".

Notes to the Condensed Consolidated Financial Statements (Continued)

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XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

1. Relationship with related parties (Continued)

(3) Joint ventures and associates of the Company

The information on other joint ventures or associates which produced balance for conducting related parties transaction with the Company in this period or in the earlier period is shown as follows:

Name of joint venture or associate	Relationship with the Company
China Huadian Finance Corporation Limited ("**Huadian Finance**")	Associates
Huadian Coal Industry Group Company Limited ("**Huadian Coal**")	Associates
Huadian Property Company Limited ("**Huadian Property**")	Associates
Beijing Huabin Investment Company Limited ("**Beijing Huabin**")	Associate's subsidiary
Beijing Huabin Property Management Company Limited ("**Huabin Property**")	Associate's subsidiary
Shanghai Huabin Investment Co., Ltd. ("**Shanghai Huabin**")	Associate's subsidiary
Huadian Jinsha River Upstream Hydropower Development Company Limited ("**Jinsha River Hydropower**")	Associates
CNNP CHD Hebei Nuclear Power Company Limited ("**Hebei Nuclear Power**")	Associates
Yangzhou Huasheng Energy Co., Ltd. ("**Yangzhou Huasheng**")	Associates
Yanchang Petroleum (Hubei) Power Generation Co., Ltd. ("**Yanchang Petroleum**")	Associates
Suzhou Taihu Zhongfa Environmental Technology Co., Ltd. ("**Taihu Zhongfa**")	Associates
Wuxi Xinlian Heating Co., Ltd. ("**Wuxi Xinlian**")	Associates
Suzhou Huahui Energy Co., Ltd. ("**Suzhou Huahui**")	Associates
Yangzhou Hanjiang PetroChina Kunlun Gas Co., Ltd. ("**Yangzhou Hanjiang**")	Associates

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XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

1. Relationship with related parties (Continued)

(4) Other related parties

Name of other related party	Relationship with the Company
Fujian Huadian Furui Energy Development Company Limited ("**Fujian Furui**") and its subsidiaries	Controlled by China Huadian
China Huadian Engineering Corporation ("**Huadian Engineering**") and its subsidiaries	Controlled by China Huadian
Huadian Electric Power Research Institute Company Limited ("**Huadian Electric Power Research Institute**") and its subsidiaries	Controlled by China Huadian
China Huadian Group Industry and Finance Holdings Company Limited ("**Huadian Industry and Finance Holdings**") and its subsidiaries	Controlled by China Huadian
China Huadian Group Beijing Energy Company Limited ("**Huadian Beijing Company**") and its subsidiaries	Controlled by China Huadian
China Huadian Materials Company Limited ("**Huadian Materials**") and its subsidiaries	Controlled by China Huadian
China Huadian Advanced Training Centre Co., Ltd. ("**Advanced Training Centre**")	Controlled by China Huadian
China Huadian Electrical Construction Technical and Economic Consulting Centre ("**Huadian Technical and Economic Centre**")	Controlled by China Huadian
China Huadian Clean Energy Company Limited ("**Huadian Clean Energy**") and its subsidiaries	Controlled by China Huadian
Huadian Inner Mongolia Energy Company Limited ("**Inner Mongolia Energy**") and its subsidiaries	Controlled by China Huadian
Huadian Shanxi Energy Company Limited ("**Shanxi Energy**") and its subsidiaries	Controlled by China Huadian
Huadian Liaoning Energy Company Limited ("**Liaoning Energy**") and its subsidiaries	Controlled by China Huadian
Guodian Nanjing Automation Co., Ltd. ("**Guodian Nanjing Automation**") and its subsidiaries	Controlled by China Huadian
China Huadian Group Carbon Asset Operation Co., Ltd. ("**Carbon Asset Operation**")	Controlled by China Huadian

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XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

1. Relationship with related parties (Continued)

(4) Other related parties (Continued)

Name of other related party	Relationship with the Company
Huadian Yunnan Power Generation Company Limited ("**Yunnan Power Generation**") and its subsidiaries	Controlled by China Huadian
Guizhou Wujiang Hydroelectric Development Company Limited ("**Wujiang Hydroelectric**") and its subsidiaries	Controlled by China Huadian
Huadian Sichuan Power Company Limited ("**Sichuan Power**") and its subsidiaries	Controlled by China Huadian
Huadian Shaanxi Energy Company Limited ("**Shaanxi Energy**") and its subsidiaries	Controlled by China Huadian
Huadian Asset Management (Tianjin) Company Limited ("**Huadian Asset Management**") and its subsidiaries	Controlled by China Huadian
China Huadian Overseas Investment Co., Ltd. ("**Huadian Overseas Investment**") and its subsidiaries	Controlled by China Huadian
China Huadian Group Xiong'an Energy Company Limited ("**Xiong'an Energy**")	Controlled by China Huadian
Huadian Commercial Factoring (Tianjin) Co., Ltd. ("**Huadian Factoring**")	Controlled by China Huadian
Guizhou Qianyuan Power Company Limited ("**Qianyuan Power**") and its subsidiaries	Controlled by China Huadian
Huadian Xinjiang Power Generation Company Limited ("**Xinjiang Power Generation**") and its subsidiaries	Controlled by China Huadian
Huadian Tibet Energy Company Limited ("**Tibet Energy**") and its subsidiaries	Controlled by China Huadian
Huadian Gas Turbine Technology (Shanghai) Co., Limited ("**Huadian Gas Turbine**")	Controlled by China Huadian
Huadian Qicheng Energy Management (Tianjin) Partnership (Limited Partnership) ("**Huadian Qicheng Energy**")	Controlled by China Huadian
PetroChina Company Limited ("**PetroChina**")	Associated legal person of the Group

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XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

1. Relationship with related parties (Continued)

(4) Other related parties (Continued)

Note: In prior years, Huadian Zouxian Power Generation Company Limited, a subsidiary, was considered a subsidiary with significant influence over the Company. In accordance with the former Implementing Guidelines for Related Party Transactions of Listed Companies under the Shanghai Stock Exchange and the principle of substance over form, Yankuang Energy Group Company Limited ("Yankuang Energy") was identified as a related party of the Company and disclosed as such. Starting from this year, Huadian Zouxian Power Generation Company Limited is no longer a significant subsidiary; therefore, Yankuang Energy is not included in the scope of related party relationships and transactions for disclosure in the current period.

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XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

2. Related party transactions

(1) Related party transactions of purchase/sales of goods and rendering/receiving of labour services

1) Purchasing goods/receiving labour services

Related Party	Content of related party transactions	Amount incurred in the current period	Amount in the previous period
Wujiang Hydroelectric and its subsidiaries, Huadian Electric Power Research Institute and its subsidiaries, Guodian Nanjing Automation and its subsidiaries, Shanxi Energy and its subsidiaries, China Huadian, Huadian Engineering and its subsidiaries, Huadian Clean Energy and its subsidiaries, Huadian Property and its subsidiaries, Huadian Beijing Company and its subsidiaries, Huadian Coal and its subsidiaries, Huadian Gas Turbine	Construction and equipment expenses	**439,120**	370,828
Fujian Furui and its subsidiaries, Huadian Beijing Company and its subsidiaries, Huadian Property and its subsidiaries, China Huadian, Wujiang Hydroelectric and its subsidiaries, Huadian Electric Power Research Institute and its subsidiaries, Guodian Nanjing Automation and its subsidiaries, Huadian Coal and its subsidiaries, Shanxi Energy and its subsidiaries, Sichuan Power and its subsidiaries, Huadian Industry and Finance Holdings and its subsidiaries, Huadian Technical and Economic Centre, Advanced Training Centre, Carbon Asset Operation, Huadian Engineering and its subsidiaries, Huadian Clean Energy and its subsidiaries, Huadian Gas Turbine	Technical service fees	**158,545**	158,977

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XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

2. Related party transactions (Continued)

(1) Related party transactions of purchase/sales of goods and rendering/receiving of labour services (Continued)

1) Purchasing goods/receiving labour services (Continued)

Related Party	Content of related party transactions	Amount incurred in the current period	Amount in the previous period
Fujian Furui and its subsidiaries	Carbon allowance trading		203
Huadian Finance, Huadian Industry and Finance Holdings and its subsidiaries	Service charges	**2,021**	1,670
China Huadian	Coal service fees	**1,086**	2,234
Sichuan Power and its subsidiaries	Coal service fees	**7,170**	6,588
Huadian Coal and its subsidiaries	Coal procurement (Note1)	**618,178**	746,409
Shanxi Energy and its subsidiaries, Huadian Overseas Investment and its subsidiaries	Coal procurement (Note1)	**356,469**	568,703
Yankuang Energy	Coal procurement (Note1)		892,998
China Huadian	Coal procurement (Note1)	**3,718,768**	4,046,414
PetroChina and its subsidiaries, Yangzhou Hanjiang	Procurement of natural gas and fuel oil	**3,939,337**	4,953,720

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XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

2. Related party transactions (Continued)

(1) Related party transactions of purchase/sales of goods and rendering/receiving of labour services (Continued)

1) *Purchasing goods/receiving labour services (Continued)*

Related Party	Content of related party transactions	Amount incurred in the current period	Amount in the previous period
Huadian Clean Energy and its subsidiaries	Procurement of natural gas and fuel oil	**136,370**	37,734
Huabin Property, Beijing Huabin, Sichuan Power and its subsidiaries, Fujian Furui and its subsidiaries	Property management fees	**13,606**	13,542
Sichuan Power and its subsidiaries	Operation service expenditures	**2,498**	3,739
Sichuan Power and its subsidiaries, Huadian Engineering and its subsidiaries, Huadian Beijing Company and its subsidiaries, Huadian Materials and its subsidiaries, Huadian Electric Power Research Institute	Repair expenses	**7,011**	8,988
Sichuan Power and its subsidiaries, Shanxi Energy and its subsidiaries, Huadian Clean Energy and its subsidiaries, Fujian Furui and its subsidiaries	Power purchase and electricity quota purchase	**401,386**	515,526
Huadian Asset Management and its subsidiaries	Repayment of principal and interest on finance leases	**23,232**	324,189
Huadian Asset Management and its subsidiaries	Principal borrowed under finance leases	**679,241**	

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

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XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

2. Related party transactions (Continued)

(1) Related party transactions of purchase/sales of goods and rendering/receiving of labour services (Continued)

1) Purchasing goods/receiving labour services (Continued)

Related Party	Content of related party transactions	Amount incurred in the current period	Amount in the previous period
China Huadian, Huadian Finance, Huadian Factoring, Fujian Furui, Huadian Qicheng Energy	Interest expenses	**194,463**	203,404
Huadian Finance	Discount interest amortised in the current year	**2,120**	429
Total		**10,700,621**	12,856,295

Note 1: Coal procurement is reported on a gross basis.

Notes to the Condensed Consolidated Financial Statements (Continued)

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XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

2. Related party transactions (Continued)

(1) Related party transactions of purchase/sales of goods and rendering/receiving of labour services (Continued)

2) Selling goods/rendering labour services

Related Party	Content of related party transactions	Amount incurred in the current period	Amount in the previous period
Fujian Furui and its subsidiaries, Huadian Beijing Company and its subsidiaries, Huadian Coal and its subsidiaries, Huadian Gas Turbine	Revenue from equipment sales	**105,381**	97,121
Fujian Furui and its subsidiaries, Sichuan Power and its subsidiaries, Huadian Beijing Company and its subsidiaries, Huadian Coal and its subsidiaries, Inner Mongolia Energy and its subsidiaries, Wujiang Hydroelectric and its subsidiaries, Yunnan Power Generation and its subsidiaries, Shanxi Energy, Liaoning Energy and its subsidiaries	Coal sales revenue (Note 1)	**2,953,462**	2,442,241
Fujian Furui and its subsidiaries, China Huadian, Advanced Training Centre, Huadian Coal and its subsidiaries, Yunnan Power Generation and its subsidiaries, Wujiang Hydroelectric and its subsidiaries, Qianyuan Power and its subsidiaries, Huadian Industry and Finance Holdings and its subsidiaries, Huadian Engineering and its subsidiaries, Jinsha River Hydropower, Huadian Clean Energy and its subsidiaries, Sichuan Power and its subsidiaries, China Huadian, Xiong'an Energy	Revenue from project contracting	**46,299**	49,525
Fujian Furui and its subsidiaries, Sichuan Power and its subsidiaries, Huadian Beijing Company and its subsidiaries	Revenue from project maintenance	**13,662**	13,538

Notes to the Condensed Consolidated Financial Statements (Continued)

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XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

2. Related party transactions (Continued)

(1) Related party transactions of purchase/sales of goods and rendering/receiving of labour services (Continued)

2) Selling goods/rendering labour services (Continued)

Related Party	Content of related party transactions	Amount incurred in the current period	Amount in the previous period
Fujian Furui and its subsidiaries, Xinjiang Power Generation and its subsidiaries, China Huadian, Huadian Electric Power Research Institute, Huadian Beijing Company and its subsidiaries	Revenue from electricity sales service	**6,081**	1,071
Yangzhou Huasheng, Wuxi Xinlian, Suzhou Huahui, Taihu Zhongfa	Heating revenue	**520,107**	201,331
Fujian Furui and its subsidiaries	Revenue from transfer of energy storage capacity indicators	**31,462**	34,952
Huadian Finance, Hebei Nuclear Power	Interest income	**10,532**	29,217
Total		**3,686,986**	2,868,996

Note 1: Coal procurement is reported on a gross basis.

Notes to the Condensed Consolidated Financial Statements (Continued)

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XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

2. Related party transactions (Continued)

(2) Related party lease

1) Lease

Name of lessee	Type of asset leased	Lease revenue recognised in the current period	Lease revenue recognised in the previous period
Fujian Furui and its subsidiaries	Office buildings, land, and vehicles	2,910	3,448
Huadian Materials and its subsidiaries	Office buildings	220	
China Huadian	Office buildings	179	326
Sichuan Power and its subsidiaries	Office buildings and vehicles	84	282

Notes to the Condensed Consolidated Financial Statements (Continued)

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XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

2. Related party transactions (Continued)

(2) Related party lease (Continued)

2) Accepting lease

		Amount in the current year					Amount in the previous year (Restated)				
Name of lessor	Type of asset leased	Rental expenses for simplified short-term leases and low-value asset leases	Variable lease payments not included in the measurement of lease liabilities	Rents paid	Interest expenses on lease liabilities assumed	Increased right-of-use assets	Rental expenses for simplified short-term leases and low-value asset leases	Variable lease payments not included in the measurement of lease liabilities	Rents paid	Interest expenses on lease liabilities assumed	Increased right-of-use assets
Huadian Engineering and its subsidiaries	Office buildings			3,286	69				1,630	135	
Beijing Huabin	Office buildings			24,227	2,882	140,121			23,169	622	
Huadian Coal and its subsidiaries	Office buildings			14,452	45					358	
Sichuan Power and its subsidiaries	Office buildings	878		957			878		957		
Shaanxi Energy	Office buildings						495		539		
Fujian Furui and its subsidiaries	Plants and equipment	139		286	38	673	139		158	30	
Shanghai Huabin	Office buildings			1,178	11				589	61	
China Huadian	Office buildings	415		452			385		419		
Huadian Asset Management and its subsidiaries	Equipment				7,787	670,796					

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

2. Related party transactions (Continued)

(3) Fund lending/borrowing of related parties

Name of related party	Amount of inter-bank lending	Starting date	Due	Notes
Borrowings				
Huadian Finance	16,825,307	2019/3/27	2041/6/26	
China Huadian	119,310	2022/9/19	2036/6/20	
Huadian Qicheng Energy	134,400	2024/12/23	2036/6/20	
Huadian Factoring	565,687	/	/	
Settlement				
Huadian Finance	17,470,554	/	/	
China Huadian	9,310	/	/	
Huadian Factoring	1,204,000	/	/	
Deposit balance				
Huadian Finance	5,508,085	/	/	

Related Party	Discount amount	Paid amount
Bills discounting		
Huadian Finance	539,083	237,041

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XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

2. Related party transactions (Continued)

(4) Other related party transaction

1) *Investment in equity securities of affiliates*

Related Party	Content of related party transactions	Amount incurred in the current period	Amount in the previous period
Jinsha River Hydropower	Equity securities injection	**134,400**	
Yangzhou Huasheng	Equity securities injection		2,250
Yanchang Petroleum	Equity securities injection	**80,000**	74,320
Huadian Coal	Equity securities injection		32

2) *Assets transfer*

Related Party	Content of related party transactions	Amount incurred in the current period	Amount in the previous period
Fujian Furui and its subsidiaries			14,083

Notes to the Condensed Consolidated Financial Statements (Continued)

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XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

3. Balance of transactions with related parties

(1) Receivables

Project name	Related Party	Ending balance		Beginning balance	
		Book value	Provision for bad debts	Book value	Provision for bad debts
Construction in progress – construction and construction material prepayments	Huadian Engineering and its subsidiaries, Guodian Nanjing Automation and its subsidiaries, Huadian Gas Turbine, Advanced Training Centre, Huadian Electric Power Research Institute and its subsidiaries	170,797		73,685	
Prepayments-others	Sichuan Power and its subsidiaries, Advanced Training Centre, Huadian Materials and its subsidiaries, Guodian Nanjing Automation and its subsidiaries, Huadian Electric Power Research Institute and its subsidiaries, Huadian Engineering and its subsidiaries, Fujian Furui and its subsidiaries, Huadian Coal and its subsidiaries, Beijing Huabin, Huadian Finance, Huadian Beijing Company and its subsidiaries, Huadian Asset Management and its subsidiaries	26,258		19,162	
Prepayments-Prepaid fuel expenses	China Huadian, Huadian Coal and its subsidiaries, Huadian Clean Energy and its subsidiaries, Yangzhou Hanjiang, PetroChina and its subsidiaries, Yankuang Energy	2,048,810		1,105,663	

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026
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XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

3. Balance of transactions with related parties (Continued)

(1) Receivables (Continued)

		Ending balance		Beginning balance	
Project name	Related Party	Book value	Provision for bad debts	Book value	Provision for bad debts
Other receivables	Fujian Furui and its subsidiaries, Advanced Training Centre, Huadian Engineering and its subsidiaries, Sichuan Power and its subsidiaries, Huadian Materials and its subsidiaries, China Huadian, Huadian Gas Turbine, Wujiang Hydroelectric and its subsidiaries, Shanxi Energy and its subsidiaries, Liaoning Energy and its subsidiaries, Huadian Beijing Company and its subsidiaries, Yunnan Power Generation and its subsidiaries, Huadian Electric Power Research Institute and its subsidiaries, Huadian Coal and its subsidiaries, Inner Mongolia Energy and its subsidiaries	**631,480**		354,588	
Accounts receivable-Coal payments	Huadian Coal and its subsidiaries, Huadian Beijing Company and its subsidiaries, Shanxi Energy and its subsidiaries, Sichuan Power and its subsidiaries, Yunnan Power Generation and its subsidiaries, Wujiang Hydroelectric and its subsidiaries	**41,404**		2,483	

XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

3. Balance of transactions with related parties (Continued)

(1) Receivables (Continued)

Project name	Related Party	Ending balance Book value	Ending balance Provision for bad debts	Beginning balance Book value	Beginning balance Provision for bad debts
Accounts receivable-Others	Huadian Coal and its subsidiaries, Fujian Furui and its subsidiaries, Huadian Beijing Company and its subsidiaries, China Huadian, Yangzhou Huasheng, Wuxi Xinlian, Suzhou Huahui, Taihu Zhongfa, Huadian Gas Turbine, Huadian Materials and its subsidiaries	220,932		244,747	
Debt investments	Hebei Nuclear Power	231,362		231,362	
Non-current assets due within one year	Hebei Nuclear Power	96,539		96,552	

Notes to the Condensed Consolidated Financial Statements (Continued)

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XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

3. Balance of transactions with related parties (Continued)

(2) Payables

Project name	Related Party	Ending book value	Beginning book value
Accounts payable-Machinery and equipment related payable	Huadian Engineering and its subsidiaries, Guodian Nanjing Automation and its subsidiaries, Shanxi Energy and its subsidiaries, Huadian Coal and its subsidiaries, Huadian Electric Power Research Institute and its subsidiaries, Wujiang Hydroelectric and its subsidiaries, Sichuan Power and its subsidiaries, China Huadian, Huadian Beijing Company and its subsidiaries, Huadian Gas Turbine, Huadian Technical and Economic Centre, Fujian Furui and its subsidiaries, Huadian Materials Group and its subsidiaries, Carbon Asset Operation and its subsidiaries	**673,399**	884,347
Accounts payable-Fuel expenses and freight payable	Huadian Coal and its subsidiaries, Sichuan Power and its subsidiaries, China Huadian, Huadian Overseas Investment and its subsidiaries, Shanxi Energy and its subsidiaries, Huadian Clean Energy and its subsidiaries, PetroChina, Yangzhou Hanjiang	**841,513**	649,110
Accounts payable-Repairs and others payable	Sichuan Power and its subsidiaries, Huadian Engineering and its subsidiaries, Huadian Electric Power Research Institute and its subsidiaries, Guodian Nanjing Automation and its subsidiaries, Huadian Beijing Company and its subsidiaries, Huadian Gas Turbine	**7,637**	4,891
Accounts payable-Coal service fees	China Huadian	**906**	14,660

Notes to the Condensed Consolidated Financial Statements (Continued)

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XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

3. Balance of transactions with related parties (Continued)

(2) Payables (Continued)

Project name	Related Party	Ending book value	Beginning book value
Accounts payable-Technical service fees	Advanced Training Centre, Guodian Nanjing Automation and its subsidiaries, Huadian Engineering and its subsidiaries, Shanxi Energy and its subsidiaries, Huadian Electric Power Research Institute and its subsidiaries, Sichuan Power and its subsidiaries, Carbon Asset Operation, Huadian Clean Energy and its subsidiaries, China Huadian, Huadian Property and its subsidiaries, Huadian Coal and its subsidiaries, Huadian Beijing Company and its subsidiaries, Tibet Energy and its subsidiaries, Fujian Furui and its subsidiaries	**68,801**	89,472
Other payables-Quality consideration for payment of stock equity guarantee deposit for machinery and equipment	Huadian Coal and its subsidiaries, Guodian Nanjing Automation and its subsidiaries, Fujian Furui and its subsidiaries, Huadian Engineering and its subsidiaries, Huadian Electric Power Research Institute, Huadian Clean Energy and its subsidiaries, Huadian Overseas Investment and its subsidiaries, Yankuang Energy	**10,368**	28,467
Other payables-Others	Huadian Engineering and its subsidiaries, Shanxi Energy and its subsidiaries, Sichuan Power and its subsidiaries, China Huadian, Guodian Nanjing Automation and its subsidiaries, Huadian Electric Power Research Institute, Huadian Coal and its subsidiaries, Fujian Furui and its subsidiaries, Yunnan Power Generation and its subsidiaries, Huadian Beijing Company and its subsidiaries, Huabin Property	**143,651**	101,511

Notes to the Condensed Consolidated Financial Statements (Continued)

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XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

3. Balance of transactions with related parties (Continued)

(2) Payables (Continued)

Project name	Related Party	Ending book value	Beginning book value
Contract liabilities	Fujian Furui and its subsidiaries, Huadian Beijing Company and its subsidiaries, Sichuan Power and its subsidiaries, Huadian Engineering and its subsidiaries	**40,097**	41,339
Long-term and short-term loans	China Huadian, Huadian Factoring, Huadian Qicheng Energy	**5,345,968**	5,670,875
Long-term and short-term loans	Huadian Finance, Huadian Asset Management and its subsidiaries	**9,774,541**	10,433,911

4. Commitments by related parties

Related Party	Ending balance	Beginning balance
Capital commitment	**395,013**	402,059
Lease commitment		149,976
Commitment on properties rental and management fees	**25,612**	32,091

Notes to the Condensed Consolidated Financial Statements (Continued)

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XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Director' and senior executive's employee benefits

(1) The detailed compensation of directors is shown as follows:

Item	Salary and allowance	Retirement benefit	Bonus	Compensation for directors	Total
Amount in the current year					
Executive Directors					
Liu Lei	295	49			344
Li Quancheng	296	42			338
Li Guoming	266	47			313
Zhu Yueguang	266	53			319
Non-executive Directors					
Zhu Peng					
Cao Min					
Zeng Qinghua					
Wang Xiaobo (Note 1)					
Lin Ling (Note 2)					
Independent non-executive directors					
Feng Zhenping (Note 3)				75	75
Wang Yuesheng				90	90
Shen Ling				90	90
Huang Kemeng				90	90
Su Ming (Note 4)				15	15
Total	**1,123**	**191**		**360**	**1,674**

Notes to the Condensed Consolidated Financial Statements (Continued)

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XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Director' and senior executive's employee benefits (Continued)

(1) The detailed compensation of directors is shown as follows: (Continued)

Item	Salary and allowance	Retirement benefit	Bonus	Compensation for directors	Total
Amount in the previous year					
Executive Directors					
Liu Lei	295	43			338
Chen Bin	296	35			331
Li Guoming	265	41			306
Non-executive Directors					
Zhu Peng					
Zhao Wei					
Cao Min					
Zeng Qinghua					
Wang Xiaobo					
Independent non-executive directors					
Feng Zhenping				90	90
Li Xingchun				90	90
Wang Yuesheng				90	90
Shen Ling				90	90
Total	**856**	**119**		**360**	**1,335**

Note 1: Mr. Wang Xiaobo's term expired on 28 May, 2026, and he no longer holds the position of non-executive director of the Company.

Note 2: Ms. Lin Ling was elected and appointed as a non-executive director of the 11th Board of Directors on 28 May 2026.

Note 3: Mr. Feng Zhenping's term expired on 28 May, 2026, and he no longer holds the position of independent non-executive director of the Company.

Note 4: Ms. Su Ming was elected and appointed as a non-executive director of the 11th Board of Directors on 28 May 2026.

Notes to the Condensed Consolidated Financial Statements (Continued)

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XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Director' and senior executive's employee benefits (Continued)

(2) Individuals with top five compensations

The five highest paid employees of the Group during the year included four directors (2025: three directors), details of whose remuneration are set out in note XI.5. (1) above. Details of the remuneration for the year of the remaining one (2025: two) highest paid employee is as follows:

Item	Amount in the current year	Amount in the previous year
Salary and other compensation	**266**	531
Retirement benefit	**49**	79
Bonus		
Total	**315**	610

Scope of compensation:

Item	Number of individuals in the current year	Number of individuals in the previous year
Within HKD1,000,000	**1**	2
HKD1,000,001 to HKD1,500,000		

At the track record period, there has been no director who gives up or agrees to give up any compensation. At the track record period, the Company has not paid any compensation to any director or five persons with the highest compensation as the reward for attracting them to join in the Company or reward for them when joining in or as the separation allowance.

Notes to the Condensed Consolidated Financial Statements (Continued)

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XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Director' and senior executive's employee benefits (Continued)

(3) Compensation for key managers

Compensation for key managers (including the amount which has been paid and shall be paid to directors and senior executive) is shown as follows:

Item	Amount in the current year	Amount in the previous year
Salary and other compensation	**2,278**	2,443
Retirement benefit	**306**	326
Bonus		
Total	**2,584**	2,769

XII. SHARE-BASED PAYMENT

None.

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XIII. COMMITMENTS AND CONTINGENCIES

1. Significant commitments

Please refer to the contents of Note "XI. Related parties and related party transactions" for details of the commitments related to related parties that are not recognised.

Item	Ending balance	Beginning balance
Executed construction contracts not yet recognised in the financial statements, etc.	**19,103,909**	16,371,084
Total	**19,103,909**	16,371,084

2. Contingencies

The Group's subsidiaries were involved in several legal proceedings as defendants. As of the date of approval of the Financial Report, several lawsuits were in progress whose final outcomes cannot be determined at present. Based on the evidence obtained, the management of the Group considered that the above matters will not result in significant adverse effect on the financial position and operating results of the Group.

Except for the above-mentioned legal proceedings, the Group had no other contingent liabilities.

Notes to the Condensed Consolidated Financial Statements (Continued)

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XIV.EVENTS AFTER BALANCE SHEET DATE

1. Significant non-adjusting events

From the balance sheet date to the reporting date, the Group issued the following short-term debentures and medium-term notes:

Name of financial instrument	Issuance time	Accounting classification	Dividend rate or interest rate	Issue price	Quantity (Pcs.)	Amount	Expiration date or renewal status
1st short-term debenture of 2026	7 July 2026	Other current liabilities	1.34%	RMB100/piece	15,000,000	1,500,000	110 days
1st tranche of publicly offered corporate bonds with extended maturity for technological innovation to professional investors for the year of 2026	24 July 2026	Other equity instruments	1.63%	RMB100/piece	13,000,000	1,300,000	2+N
2nd tranche of mid-term notes for the year of 2026	10 August 2026	Bonds Payable	1.74%	RMB100/piece	10,000,000	1,000,000	5years
2026 public offering of science and technology innovation corporate bonds to professional investors (1st tranche)	21 August 2026	Bonds Payable	1.61%	RMB100/piece	10,000,000	1,000,000	3years
10th short-term debenture of 2026 (Jiangsu Energy)	3 July 2026	Other current liabilities	1.41%	RMB100/piece	10,000,000	1,000,000	134 days
11th short-term debenture of 2026 (Jiangsu Energy)	14 July 2026	Other current liabilities	1.39%	RMB100/piece	15,000,000	1,500,000	64 days
1st tranche of mid-term notes for the year of 2026 (Special-purpose Bonds for Energy Supply Guarantee)(Jiangsu Energy)	22 July 2026	Other equity instruments	1.70%	RMB100/piece	10,000,000	1,000,000	2+N
2nd tranche of mid-term notes for the year of 2026 (Special-purpose Bonds for Energy Supply Guarantee)(Jiangsu Energy)	13 August 2026	Other equity instruments	1.69%	RMB100/piece	15,000,000	1,500,000	2+N
2026 public offering of perpetual corporate bonds to professional investors (1st tranche) (Yangtze River Delta Integration) (Sustainability-Linked) (Jiangsu Energy)	25 August 2026	Other equity instruments	1.68%	RMB100/piece	5,000,000	500,000	2+N
1st short-term debenture of 2026 (Hubei Power Generation)	23 July 2026	Other current liabilities	1.50%	RMB100/piece	10,000,000	1,000,000	105 days

Notes to the Condensed Consolidated Financial Statements (Continued)

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XIV. EVENTS AFTER BALANCE SHEET DATE (CONTINUED)

2. Profit distribution

Item	Amount
Distributed profits or dividends	1,045,060

Note: According to the Proposal for the 2026 Interim Cash Dividend considered and approved at the 3rd Meeting of the 11th Board of Directors of the Company, the Board of Directors recommended an interim cash dividend distribution of RMB0.09 per share (tax-included) based on the total share capital of 11,611,774 thousand shares, amounting to a total proposed cash dividend distribution of RMB1,045,060 thousand. The resolution is subject to approval by the shareholders' meeting.

3. Explanation of other events after the balance sheet date

There are no other significant events after the balance sheet date for the Group to disclose, except for the events after the balance sheet date above.

Notes to the Condensed Consolidated Financial Statements (Continued)

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XV. OTHER SIGNIFICANT MATTERS

1. Segment information

(1) Determination basis and accounting policy of reportable segments

The Group's principal business activities involve power generation, heat supply, coal sales, and other related services within China. In accordance with the Group's internal organisational structure, management requirements, and internal reporting system, the Group has identified only one operating segment and reporting segment dedicated to power generation within China. Therefore, the Group is not required to disclose additional segment reporting information.

(2) The Group's operating revenue from major customers and its dependence

Customer name	Operating revenue	Proportion in total operating revenue
State Grid Shandong Electric Power Company	12,273,036	22.62%
State Grid Jiangsu Electric Power Co., Ltd.	7,563,202	13.94%
Guangdong Power Grid Co., Ltd.	4,600,903	8.48%
State Grid Hubei Electric Power Co., Ltd.	3,610,729	6.65%
State Grid Sichuan Electric Power Company	3,062,676	5.64%
Total	**31,110,546**	**57.33%**

Notes to the Condensed Consolidated Financial Statements (Continued)

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XV. OTHER SIGNIFICANT MATTERS (CONTINUED)

1. Segment information (Continued)

(3) Revenue from the external main operations by product or business

Product name	Current period	Previous period
Power generation	**46,511,048**	52,064,493
Heating	**7,040,035**	7,071,016
Coal Sales and Others	**425,706**	457,235
Total	**53,976,789**	59,592,744

2. Other significant transactions and events affecting investors' decisions

There are no other significant transactions and events affecting investors' decisions.

Notes to the Condensed Consolidated Financial Statements (Continued)

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XVI. NOTES TO MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS

1. Accounts receivable

(1) Accounts receivable presented by ageing

Age	Ending book value	Beginning book value
Within 1 year (including 1 year)	**1,615,906**	1,189,002
1-2 years	**14,082**	21,887
2-3 years	**17,662**	1,970
After 3 years	**21,271**	21,845
Subtotal	**1,668,921**	1,234,704
Less: provision for bad debts	**23,830**	23,830
Total	**1,645,091**	1,210,874

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

XVI. NOTES TO MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

1. Accounts receivable (Continued)

(2) Classified presentation of accounts receivable according to bad debt accrual method

Category	Ending balance					Beginning balance				
	Book value		Provision for bad debts			Book value		Provision for bad debts		
	Amount	Proportion (%)	Amount	Provision proportion (%)	Carrying amount	Amount	Proportion (%)	Amount	Provision proportion (%)	Carrying amount
Provision for bad debt accrued individually	1,668,921	100.00	23,830	1.43	1,645,091	1,234,704	100.00	23,830	1.93	1,210,874
Including: accounts receivable with significant single amounts and provision for bad debt accrued individually	1,610,686	96.51	3,907	0.24	1,606,779	1,196,297	96.89	3,907	0.33	1,192,390
Accounts receivable with insignificant single amount and provision for bad debts made on single item	58,235	3.49	19,923	34.21	38,312	38,407	3.11	19,923	51.87	18,484
Total	1,668,921	100.00	23,830	-	1,645,091	1,234,704	100.00	23,830	-	1,210,874

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

XVI.NOTES TO MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

1. Accounts receivable (Continued)

(3) *Top five ending balances of accounts receivable and contract assets allocated according to the borrowers*

Company name	Ending balance of accounts receivable	Ending balance of contract assets	Ending balance of accounts receivable and contract assets	Proportion in the total ending balance of accounts receivable and contract assets (%)	Ending balance of the provision for bad debts for accounts receivable and contract assets
State Grid Shandong Electric Power Company	651,524		651,524	39.04	
Tianjin Taigang Operation Management Co., Ltd.	269,060		269,060	16.12	
Zaozhuang Central District Thermal Power Co., Ltd.	141,644		141,644	8.49	
State Grid Chongqing Electric Power Company	126,283		126,283	7.57	
State Grid Shanxi Electric Power Co., Ltd.	102,654		102,654	6.15	
Total	**1,291,165**		**1,291,165**	**77.37**	

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

XVI. NOTES TO MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

1. Accounts receivable (Continued)

(4) Breakdown of accounts receivable by nature:

Category	Ending balance	Beginning balance
1. Accounts receivable for the sale of electricity	**908,846**	903,154
2. Accounts receivable for the sale of heat	**701,840**	298,294
3. Accounts receivable for the sale of coal	**58,235**	33,256
Subtotal	**1,668,921**	1,234,704
Less: provision for bad debts	**23,830**	23,830
Total	**1,645,091**	1,210,874

2. Other receivables

Item	Ending balance	Beginning balance
Dividends receivable	**1,465,043**	558,212
Other receivables	**3,461,974**	6,445,900
Total	**4,927,017**	7,004,112

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026
(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

XVI. NOTES TO MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

2. Other receivables (Continued)

(1) *Other receivables classified by nature*

Nature	Ending book value	Beginning book value
Subsidiary loans receivable	**4,184,145**	7,161,135
Others	**207,319**	188,954
Subtotal	**4,391,464**	7,350,089
Less: provision for bad debts	**929,490**	904,189
Total	**3,461,974**	6,445,900

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

XVI. NOTES TO MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

2. Other receivables (Continued)

(2) Classified presentation of other receivables by bad debt accrual method

Provision for bad debts	Stage 1 12-month expected credit loss	Stage 2 Lifetime expected credit loss (no credit impairment occurs)	Stage 3 Lifetime expected credit loss (credit impairment has occurred)	Total
Balance as of 1 January 2026			904,189	904,189
Balance as of 1 January 2026 in the current period	–	–	–	–
– Be transferred to Stage 2				
– Be transferred to Stage 3				
– Be transferred back to Stage 2				
– Be transferred back to Stage 1				
Provision in the current period			25,301	25,301
Reversal in the current period				
Write-off in the current period				
Verification in the current period				
Other changes				
Balance as of 30 June 2026			**929,490**	**929,490**

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

XVI. NOTES TO MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

2. Other receivables (Continued)

(3) Top five ending balances of other receivables allocated according to the borrowers

Company name	Nature	Ending balance	Age	Proportion in total ending balance of other receivables	Ending balance of provision for bad debts
Sichuan Huadian Zagunao Hydroelectric Development Company Limited	Subsidiary loans receivable	1,294,300	Within 1 year, 1-2 years, 4-5 years	29.47	
Huadian Zhanjiang Power Generation Co., Ltd.	Subsidiary loans receivable	744,828	Within 1 year, 1-2 years, 2-3 years, 3-4 years, 4-5 years, after 5 years	16.96	744,828
Huadian Luohe Power Generation Company Limited	Subsidiary loans receivable	705,144	Within 1 year, 1-2 years, 2-3 years	16.06	
Sichuan Liangshan Shuiluohe Hydropower Development Co., Ltd.	Subsidiary loans receivable	457,353	Within 1 year, 1-2years	10.41	
Guangdong Huadian Pingshi Power Generation Company Limited	Subsidiary loans receivable	302,198	Within 1 year, 2-3 years	6.88	
Total	-	**3,503,823**	-	**79.78**	**744,828**

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

XVI. NOTES TO MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

3. Long-term equity investments

Item	Ending balance Book value	Ending balance Impairment of assets	Ending balance Carrying amount	Beginning balance Book value	Beginning balance Impairment of assets	Beginning balance Carrying amount
Investment in subsidiaries	61,439,547	2,352,354	59,087,193	59,948,737	2,352,354	57,596,383
Investment in associates and joint ventures	46,534,939	99,290	46,435,649	45,989,299	99,290	45,890,009
Total	107,974,486	2,451,644	105,522,842	105,938,036	2,451,644	103,486,392

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026
(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

XVI.NOTES TO MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

3. Long-term equity investments (Continued)

(1) Investment in subsidiaries

Investee	Beginning balance (Carrying amount)	Beginning balance of impairment provision	Increase/decrease in the current period				Ending balance (Carrying amount)	Ending balance of impairment provision
			Additional investment	Negative investment	Accrual of provision for impairment	Others		
Huadian Zibo Thermal Power Company Limited	1,221,850		149,700				1,371,550	
Huadian Shandong Material Company Limited	38,648						38,648	
Huadian International Shandong Project Management Co., Ltd.	50,334						50,334	
Sichuan Huadian Luding Hydropower Company Limited	1,756,446		2,910				1,759,356	
Hebei Huadian Hybrid Storage Hydropower Company Limited	94,181						94,181	
Hebei Huarui Energy Group Corporation Limited	1,366,895						1,366,895	
Guangdong Huadian Pingshi Power Generation Company Limited	1,706,196		6,400				1,712,596	
Guangdong Huadian Shaoguan Thermal Power Company Limited	1,515,019						1,515,019	
Sichuan Huadian Power Investment Company Limited	2,967,020						2,967,020	
Shijiazhuang Huadian Heat Corporation Limited	595,967						595,967	
Huadian Zhejiang Longyou Thermal Company Limited	292,500		110,000				402,500	
Sichuan Guang'an Power Generation Company Limited	1,299,797						1,299,797	
Huadian Zhangqiu Power Generation Company Limited	624,177						624,177	
Huadian Qingdao Power Generation Co., Ltd.	629,960						629,960	
Huadian Tengzhou Xinyuan Thermal Power Company Limited	806,734						806,734	
Anhui Huadian Suzhou Power Generation Company Limited	914,370						914,370	
Huadian Qingdao Thermal Power Company Limited	16,500						16,500	
Huadian Weifang Power Company Limited	858,983						858,983	
Anhui Huadian Wuhu Power Generation Company Limited	1,072,222						1,072,222	

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

XVI.NOTES TO MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

3. Long-term equity investments (Continued)

(1) Investment in subsidiaries (Continued)

Investee	Beginning balance (Carrying amount)	Beginning balance of impairment provision	Increase/decrease in the current period: Additional investment	Increase/decrease in the current period: Negative investment	Increase/decrease in the current period: Accrual of provision for impairment	Increase/decrease in the current period: Others	Ending balance (Carrying amount)	Ending balance of impairment provision
Huadian Zouxian Power Generation Company Limited	2,070,000						2,070,000	
Huadian Luohe Power Generation Company Limited	475,300						475,300	
Hebei Huadian Shijiazhuang Thermal Power Company Limited	1,194,008						1,194,008	
Hangzhou Huadian Banshan Power Generation Company Limited	1,171,267						1,171,267	
Sichuan Huadian Zagunao Hydroelectric Development Company Limited	201,162	587,200					201,162	587,200
Anhui Huadian Lu'an Power Plant Company Limited	875,430						875,430	
Huadian Longkou Power Generation Company Limited	3,779,369		71,000				3,850,369	
Huadian Laizhou Power Generation Company Limited	1,974,600						1,974,600	
Huadian Zoucheng Thermal Power Company Limited	56,000						56,000	
Huadian Laizhou Port Co. Ltd	139,835						139,835	
Anhui Wenhui New Product Promotion Co., Ltd.		283,315						283,315
Anhui Hualin International Energy Co., Ltd.		25,500						25,500
Inner Mongolia Haoyuan Coal Co., Ltd.		691,777						691,777
Tianjin Huadian Fuyuan Thermal Power Company Limited	757,152						757,152	
Hangzhou Huadian Xiasha Thermal Power Company Limited	145,229						145,229	
Hangzhou Huadian Jiangdong Thermal Power Company Limited								
Tianjin Huadian Nanjiang Thermal Power Company Limited	370,923						370,923	
Xingwang Coal Mine, Dalad Qi Wenwei Coal Co., Ltd.	993,453	506,862					993,453	506,862
Chongqing Mingyang Coal Sales Co., Ltd.	7,000			7,000				

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026
(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

XVI.NOTES TO MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

3. Long-term equity investments (Continued)

(1) Investment in subsidiaries (Continued)

Investee	Beginning balance (Carrying amount)	Beginning balance of impairment provision	Increase/decrease in the current period				Ending balance (Carrying amount)	Ending balance of impairment provision
			Additional investment	Negative investment	Accrual of provision for impairment	Others		
Huadian Foshan Energy Co., Ltd.	730,589						730,589	
Huadian Group Beijing Fuel Logistics Company Limited	381,886						381,886	
Huadian Hubei Power Generation Company Limited	5,017,389						5,017,389	
Huadian Guangdong Energy Sales Co., Ltd.	200,010						200,010	
Qingdao Huatuo Technology Company Limited	100,000						100,000	
Huadian Anhui Energy Sales Co., Ltd.	110,000						110,000	
Huadian Henan Energy Sales Co., Ltd.	100,000						100,000	
Huadian Chongqing Jiangjin Energy Co., Ltd.		59,000						59,000
Huadian Ningxia Energy Sales Co., Ltd.	21,000						21,000	
Huadian Shandong Energy Sales Co., Ltd.	210,000						210,000	
Huadian Jinan Zhangqiu Thermal Power Company Limited	392,000						392,000	
Huadian Dongying Energy Co., Ltd.	46,800						46,800	
Huadian (Zhejiang) Energy Sales Co., Ltd.	20,000						20,000	
Guangdong Huadian Huizhou Energy Company Limited	740,000						740,000	
Hunan Huadian Changsha Power Generation Company Limited	1,243,931						1,243,931	
Hunan Huadian Changde Power Generation Company Limited ("Changde Company")	899,374						899,374	
Hunan Huadian Pingjiang Power Generation Company Limited	2,159,950						2,159,950	
Guangdong Huadian Qingyuan Energy Company Limited	919,731						919,731	

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

XVI. NOTES TO MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

3. Long-term equity investments (Continued)

(1) *Investment in subsidiaries (Continued)*

Investee	Beginning balance (Carrying amount)	Beginning balance of impairment provision	Increase/decrease in the current period: Additional investment	Increase/decrease in the current period: Negative investment	Increase/decrease in the current period: Accrual of provision for impairment	Increase/decrease in the current period: Others	Ending balance (Carrying amount)	Ending balance of impairment provision
Guangdong Huadian Shenzhen Energy Co., Ltd.	460,000						460,000	
Shantou Huadian Power Generation Co. Ltd.	599,838						599,838	
Huadian Zhanjiang Power Generation Co., Ltd.		198,700						198,700
Huadian (Hunan) Energy Sales Co., Ltd.	201,000						201,000	
Zhejiang Huadian Wuxijiang Hybrid Pumped Storage Power Generation Co., Ltd.	81,700		22,800				104,500	
Shaanxi Huadian Jinshuihe Pumped Storage Co., Ltd.	128,250						128,250	
Huadian Hebei Ruixin Investment Partnership (Limited Partnership) ("Hebei Ruixin")	534,400						534,400	
Huadian Jingyu Pumped Storage Co., Ltd.	207,000						207,000	
Jiangxi Huadian Pumped Storage Co., Ltd.	41,000						41,000	
Huadian Hebei Energy Sales Co., Ltd.	201,000						201,000	
Huadian (Lingbao) Pumped Storage Co., Ltd.	168,970		70,000				238,970	
Huayu Phase I (Tianjin) Power Energy Partnership (Limited Partnership)	462,000						462,000	
Huadian (Chongqing) Gas Turbine Power Generation Co., Ltd.	459,600		204,000				663,600	
Huadian (Guangdong) Fuel Co., Ltd.	5,000						5,000	
Shantou Huadian Energy Co., Ltd.	517,500		480,000				997,500	
Anhui Huadian Fuel Co., Ltd.	10,000						10,000	
Huadian (Hunan) Fuel Co., Ltd.	10,000						10,000	
Huadian (Shandong) Fuel Co., Ltd.	50,000						50,000	

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

XVI. NOTES TO MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

3. Long-term equity investments (Continued)

(1) Investment in subsidiaries (Continued)

Investee	Beginning balance (Carrying amount)	Beginning balance of impairment provision	Increase/decrease in the current period				Ending balance (Carrying amount)	Ending balance of impairment provision
			Additional investment	Negative investment	Accrual of provision for impairment	Others		
Ningxia Huadian Niushoushan Pumped Storage Power Generation Co., Ltd.	112,000						112,000	
Anhui Huadian Xixing Chong Pumped Storage Power Generation Co., Ltd.	163,260		90,000				253,260	
Huadian Yongchang Pumped Storage Co., Ltd.	115,000		60,000				175,000	
Tianjin Huadian Jibei Pumped Storage Co., Ltd.	30,000						30,000	
Hualu (Tianjin) Power Energy Partnership (Limited Partnership)	471,000						471,000	
Zhejiang Huadian Jiangdong Energy Operation Co., Ltd.	100,000						100,000	
Huayu Phase II (Tianjin) Power Energy Partnership (Limited Partnership)	436,000						436,000	
Jiangsu Huadian Energy Co., Ltd.	1,054,858						1,054,858	
CHD Guigang Electric Power Co., Ltd.	1,312,738						1,312,738	
Shanghai Huadian Fuxin Energy Co., Ltd.	100,612						100,612	
Shanghai Huadian Minhang Energy Co., Ltd.	425,291						425,291	
Guangzhou University City Huadian New Energy Company Limited	236,730						236,730	
Huadian Fuxin Guangzhou Energy Co., Ltd.	445,913						445,913	
Huadian Fuxin Jiangmen Energy Company Limited	122,863						122,863	
Huadian Fuxin Qingyuan Energy Company Limited	277,027						277,027	
Xinxiang Huadian Thermal Power Co., Ltd.	62,501						62,501	
Huadian Pumped Storage Project Management (Chengdu) Co., Ltd.	20,000						20,000	
Huadian Clean Energy Closed-end Infrastructure Securities Investment Fund	966,195						966,195	
Jiangsu Huadian Wangting Energy Development Co., Ltd.	1,250,000		231,000				1,481,000	

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

XVI.NOTES TO MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

3. Long-term equity investments (Continued)

(1) Investment in subsidiaries (Continued)

Investee	Beginning balance (Carrying amount)	Beginning balance of impairment provision	Increase/decrease in the current period: Additional investment	Negative investment	Accrual of provision for impairment	Others	Ending balance (Carrying amount)	Ending balance of impairment provision
Tianjin Huadian Energy Management Co., Ltd.	101,000						101,000	
Guangxi Huadian Integrated Energy Services Co., Ltd.	201,000						201,000	
Huadian (Chongqing) Energy Sales Co., Ltd.	101,000						101,000	
Huadian Changjiang (Hubei) Smart Energy Technology Co., Ltd.	22,950						22,950	
Total	**57,596,383**	**2,352,354**	**1,497,810**	**7,000**			**59,087,193**	**2,352,354**

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

XVI. NOTES TO MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

3. Long-term equity investments (Continued)

(2) Investment in joint ventures and associates

Investee	Beginning balance (Carrying amount)	Beginning balance of impairment provision	Increase/decrease in the current period: Additional investment	Negative investment	Profit or loss on investments recognised under the equity method	Other comprehensive income adjustments	Other changes in equity	Cash dividends or profits declared to pay	Accrual of provision for impairment	Others	Ending balance (Carrying amount)	Ending balance of impairment provision
I. Associates												
Huadian New Energy Group Corporation Limited	33,393,011				945,542	18,870	36,253	670,169			**33,723,507**	
China Huadian Finance Corporation Limited	2,099,697				95,858						**2,195,555**	
Huadian Coal Industry Group Company Limited	2,538,237				163,624	28,881	-18,969	144,038			**2,567,735**	
Huadian Property Company Limited	297,414				5,883	5	-5				**303,297**	
Huadian Jinsha River Upstream Hydropower Development Company Limited	1,486,304		134,400		20,987		693				**1,642,384**	
Sichuan Luzhou Chuannan Power Generation Co., Ltd.		99,290									**99,290**	
Ningxia Western Venture Industrial Co., Ltd.	312,149				3,358		-1,055				**314,452**	
Ningxia Yinxing Coal Company Limited	1,893,778				53,098		20,717				**1,967,593**	

(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

XVI.NOTES TO MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

3. Long-term equity investments (Continued)

(2) Investment in joint ventures and associates (Continued)

Investee	Beginning balance (Carrying amount)	Beginning balance of impairment provision	Increase/decrease in the current period: Additional investment	Negative investment	Profit or loss on investments recognised under the equity method	Other comprehensive income adjustments	Other changes in equity	Cash dividends or profits declared to pay	Accrual of provision for impairment	Others	Ending balance (Carrying amount)	Ending balance of impairment provision
Otog Front Banner Changcheng Mine Company Limited	1,112,952				-177,402		5,401				940,951	
Otog Front Banner Changcheng No.3 Mining Company Limited	1,584,794				-25,207		17,054				1,576,641	
Otog Front Banner Changcheng No.5 Mining Company Limited	941,517				5,626		26,235				973,378	
CNNP CHD Hebei Nuclear Power Co., Ltd.	230,156										230,156	
Total	45,890,009	99,290	134,400		1,091,367	47,756	86,324	814,207			46,435,649	99,290

Notes to the Condensed Consolidated Financial Statements (Continued)

From 1 January 2026 to 30 June 2026
(Monetary unit for the Notes to the Financial Statements is RMB'000 unless otherwise stated)

XVI. NOTES TO MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

4. Operating revenue and operating costs

Item	Amount incurred in the current period		Amount in the previous period	
	Revenue	Cost	Revenue	Cost
Main business	**6,072,085**	**5,304,931**	6,379,743	5,649,023
Other businesses	**35,848**	**39,266**	40,025	36,954
Total	**6,107,933**	**5,344,197**	6,419,768	5,685,977

5. Investment income

Item	Amount incurred in the current period	Amount in the previous period
Long-term equity investment income calculated by the cost method	**1,116,813**	964,386
Long-term equity investment income calculated by equity method	**1,091,367**	2,227,091
Investment income from disposal of long-term equity investments	**3,042**	82,125
Entrusted loan	**7,378**	7,378
Total	**2,218,600**	3,280,980

Supplementary Information of Financial Statements

1. NON-RECURRING PROFIT OR LOSS IN CURRENT PERIOD

Item	Amount in the current period	Description
Profit and loss of non-current assets disposal (including the write-off part of the provision for impairment of assets)	47,543	
Government grants included in the current profits or losses (excluding those which are closely related to the Company's normal business operations, in line with national policies and regulations, and granted in accordance with defined criteria, and have a continuous influence on the Company's profits or losses)	18,794	
Profit or loss from changes in the fair value of financial assets and financial liabilities held by the Company as a non-financial company, as well as profit or loss from the disposal of the financial assets and financial liabilities, except in effective hedging activities related to the normal operating activities of the Company.		
Profit or loss acquired from externally entrusted loans	7,378	
Reversed impairment provision in value of receivables under independent impairment test	1,119	
Net profits or losses of subsidiaries from the beginning of the period to the combination date arising from business combination involving entities under common control		
Other non-operating revenue and expenses other than the above	-21,329	
Other profit or loss conforming to the definition of non-recurring profit or loss		
Subtotal	53,505	
Less: Effect of income tax	12,065	
Effect on non-controlling interests (after-tax)	20,243	
Total	**21,197**	–

Supplementary Information of Financial Statements (Continued)

1. NON-RECURRING PROFIT OR LOSS IN CURRENT PERIOD (CONTINUED)

(1) If the Company identifies an item not listed in the *Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Securities to the Public – Non-recurring Profit or Loss* (Rev. 2023) as a non-recurring profit or loss item with a material amount, and defines the non-recurring profit or loss item as a recurring profit or loss item

Item	Amount	Reason
Net Gain (Loss) on Carbon Emissions Trading	457,418	Closely related to the Company's normal business operations

2. RETURN ON NET ASSETS AND EARNINGS PER SHARE

Profit during the reporting period	Weighted average return on equity (%)	Earnings per share (RMB/share) Basic earnings per share	Diluted earnings per share
Net profit attributable to common shareholders of the parent company	5.76	0.25	N/A
Net profit attributable to common shareholders of the Company after deduction of non-recurring profit or loss	5.72	0.24	N/A

Huadian Power International Corporation Limited

27 August 2026