龍源電力集團股份有限公司
China Longyuan Power Group Corporation*



* For Identification Purpose Only


国家能源集团

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CHAIRMAN'S STATEMENT

Dear Shareholders,

The year 2024 marked the 75th anniversary of the founding of New China and the 10th anniversary of the proposal of the new energy security strategy. We adhered to Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, thoroughly implemented the spirit of the 20th National Congress of the Communist Party of China and the plenary sessions of the 20th Central Committee, and under the strong leadership of the Board of Directors of the Company, we accelerated the construction of a "new Longyuan" characterized by "inherent safety, doubled scale, digital transformation, innovation-driven leadership, and proactive growth". We achieved the best historical level of key indicators and successfully completed all annual goals and tasks, laying a solid foundation for achieving the goals of the 14th Five-Year Plan.

In 2024, Longyuan Power remained committed to serving national strategies and achieved new milestones in high-quality development. Focusing on the implementation of major national base projects and key strategic initiatives, we prioritized the large-scale development of onshore wind power photovoltaic bases and offshore wind power, and guided by multi-dimensional synergistic innovation and excellence, we advanced the large-scale development and construction of new energy through multiple methods and types. Throughout the year, we secured development indicators totaling 14.72 GW and added 7.48 GW of consolidated installed capacity. As of the end of 2024, the Group's consolidated installed capacity reached 41.14 GW, including 30.41 GW of wind power, maintaining its leading position in the industry.

In 2024, Longyuan Power adhered to deepening reforms and innovation, opening up new prospects in high-level operational management. We implemented a new operation and maintenance model characterized by "regional maintenance, centralised monitoring, digital empowerment, professionality and high-efficiency", with wind turbines operating continuously over long cycles accounting for 60% of the total, representing an increase of 14 percentage points year on year. We continued to strengthen market value management, implemented the injection of some of the new energy assets of CHN Energy and introduced state-owned active shareholders, thereby continuously improving the quality of listed companies. We actively explored new business models, and the world's first floating platform integrating wind and fishery – "Guoneng Gong Xiang Hao (國能共享號)" was successfully put into operation, while the Ningxia Tengger base of photovoltaic sand treatment made an impressive appearance at the United Nations Conference to Combat Desertification. These achievements have continuously elevated our brand image.

CHAIRMAN'S STATEMENT

2025 is a pivotal year for fully implementing the spirit of the Third Plenary Session of the 20th CPC Central Committee, the concluding year of the 14th Five-Year Plan, and the decisive year for comprehensively building a new Longyuan. Longyuan Power will resolutely shoulder its responsibility as the main force of new energy within CHN Energy, anchor its goal of becoming a world-leading new energy technology enterprise, take high-quality development as the core, technological innovation as the guide and safety and compliance as the foundation to expand its scale, optimize efficiency, strengthen innovation and ensure safety, ensure the completion of the goals set forth in the 14th Five-Year Plan, and fully realize the vision of a new Longyuan characterized by "inherent safety, doubled scale, digital transformation, innovation-driven leadership, and proactive growth", so as to make greater contributions to advancing the high-quality development of new energy in China!

Chairman **Gong Yufei**



PRESIDENT'S STATEMENT

Dear Shareholders,

In 2024, facing a complex external environment and the arduous tasks of reform, development, and stability, the management of the Group, under the strong leadership of the Board of Directors, led all the staff to conscientiously implement the spirit of our work conferences at the beginning and in the middle of the year, deeply implemented the development strategy of "one goal, three roles, and six responsibilities" and "41663" overall working guidelines of CHN Energy, actively practiced the "12556" work ideas, and comprehensively built a world-class leading enterprise in new energy technology, achieving new successes in major indicators.

The scale development remained at the forefront. We resolutely implemented the task of doubling installed capacity during the "

Digital intelligence innovation continued to empower. We implemented the "164" digital transformation and upgrading plan, launched the "Longteng No. 1" new energy intelligent management platform, released the industry's first comprehensive meteorological big data pool, and digital achievement was selected as one of the top ten typical cases of the Ministry of Industry and Information Technology. We held the first "New Energy Intelligent Algorithm Competition", integrating and absorbing 32 excellent competition models, and steadily improving the accuracy of fault warning. We continuously improved the "1+1+4+N" scientific and technological innovation system. The world's first floating wind fishing integration technology has created a new quality productivity model of "green energy + blue granary". Five scientific and technological achievements, including BIM+GIS localization system, have reached the international leading level. We have cumulatively released 114 national, industry, and group standards, continuously expanding its influence in the industry.

We deepened reforms to stimulate vitality. We launched the enhancement initiative of "Five capabilities", initially forming a GREAT excellence capability model with distinctive new energy features. We built a specialized talent training system for skills and technology, continuously enhancing the training brands such as "Craftsman Training Camp" and "Famous Teacher Lecture Hall" as well as "three teams". Reserves achieved simultaneous increases in quantity and quality. We systematically refined the assessment and incentive mechanism, emphasizing revenue growth sharing and encouraging value creation, thus fostering a more robust atmosphere for cadres and employees to be dedicated, enterprising and responsible. We continuously improved the quality of the listed company, engaged in multi-channel and high-frequency investor communications, efficiently promoted the injection of some new energy assets from CHN Energy, supported the release of the first domestic sustainability report guidelines for the new energy industry, and was honored with 12 awards including the CCTV ESG Pioneer 100.

Our achievements in 2024 were hard won, which were inseparable from the united efforts and selfless dedication of all our staff, as well as the consistent care and support from all walks of life and the investors. I, on behalf of the management of the Group, hereby extend our heartfelt gratitude to all of you!

PRESIDENT'S STATEMENT

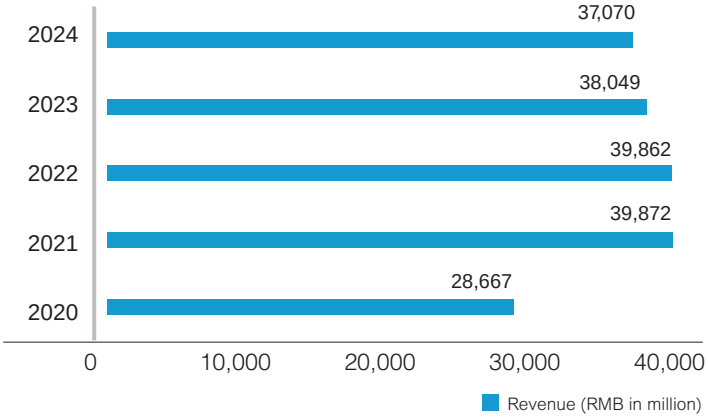
2025 marked the final year for completing the "14th Five-Year Plan" and the key start to develop the "15th Five-Year Plan". The Group will continue to deepen the construction of the "Five capabilities", enhance the level of intrinsic safety, accelerate the pace of scale development, improve the quality and efficiency of project construction, increase the benefits of production and operation, boost technological innovation capabilities, advance the effectiveness of deepening reforms, and strengthen the leading role of party building, aiming to comprehensively build a world-class leading enterprise in new energy technology and rewarding the investors with excellent performance!

Executive Director, President **Wang Liqiang**

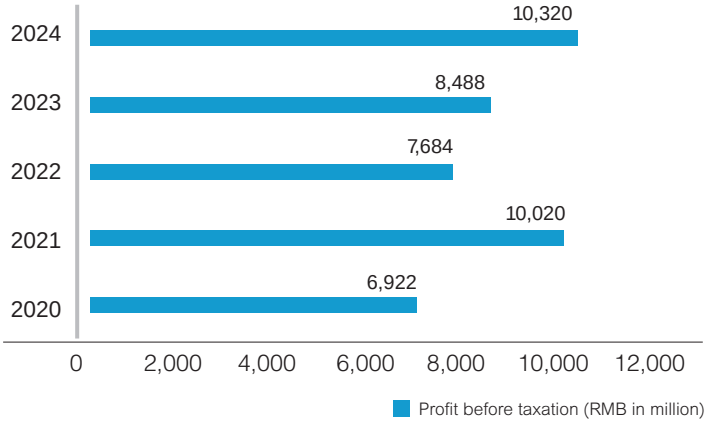


KEY OPERATING AND FINANCIAL DATA

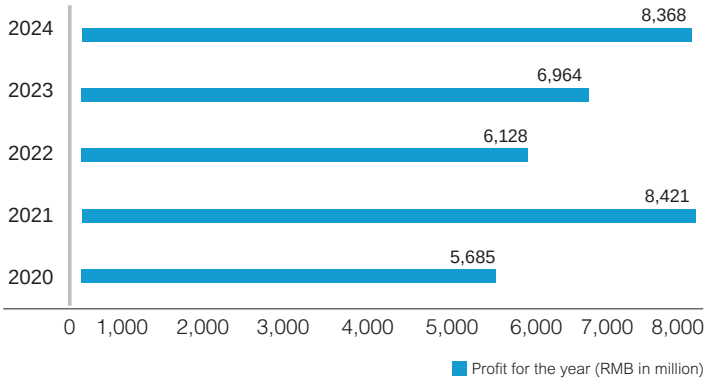
1. Revenue



2. Profit before taxation

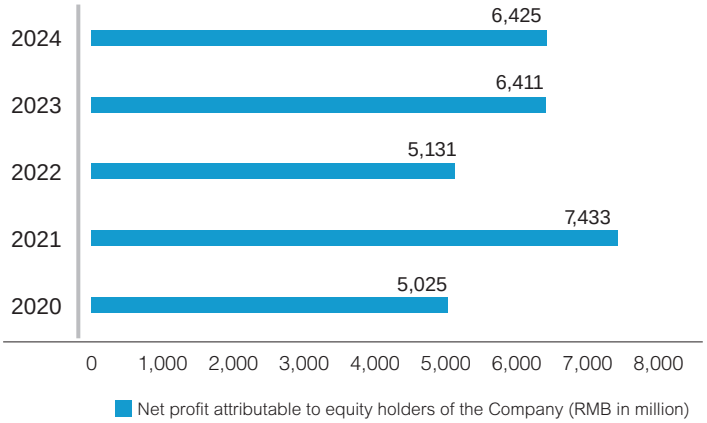


3. Profit for the year

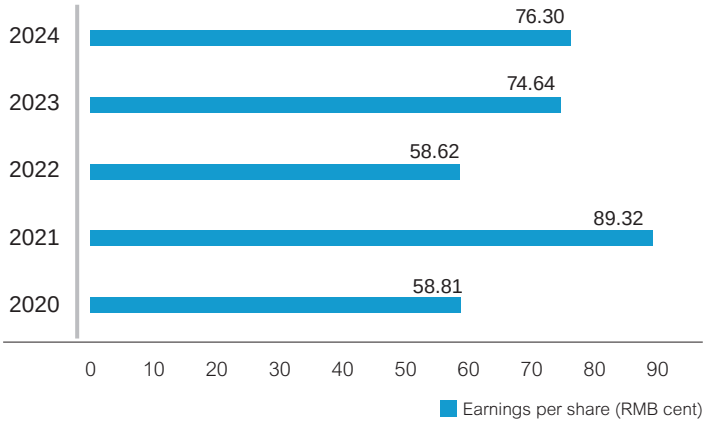


KEY OPERATING AND FINANCIAL DATA

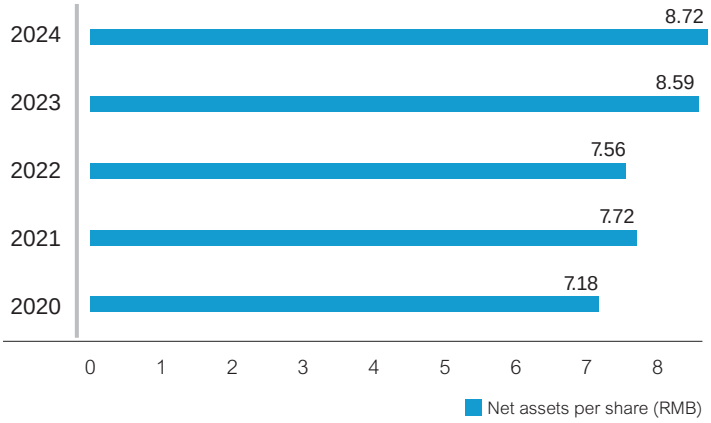
4. Net profit attributable to equity holders of the Company



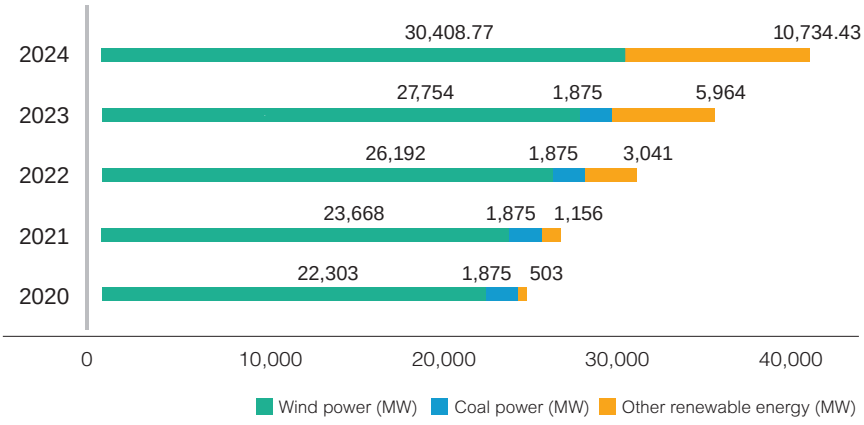
5. Earnings per share

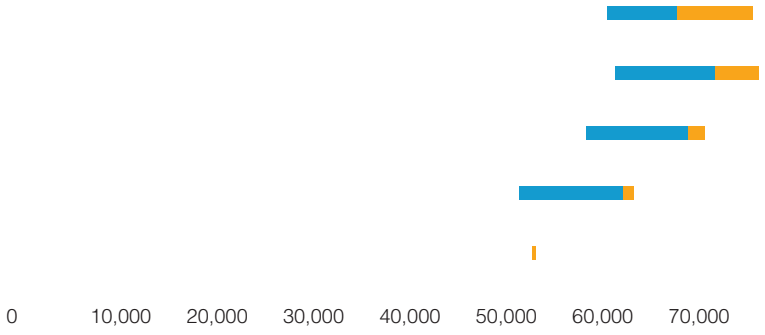


6. Net assets per share



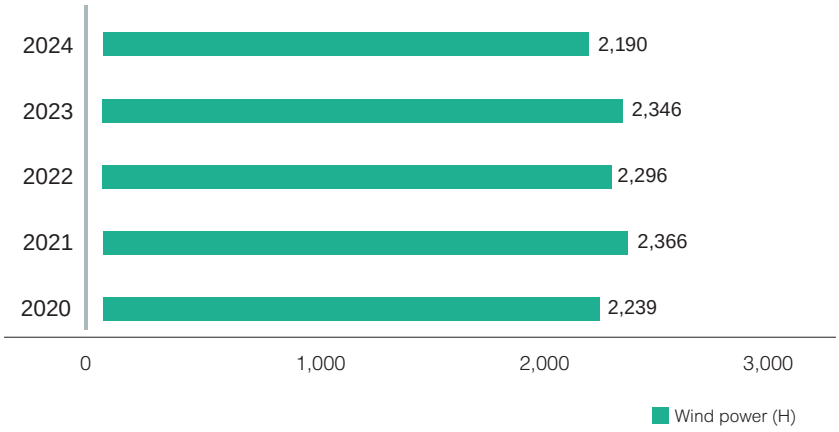
7. Consolidated installed capacity



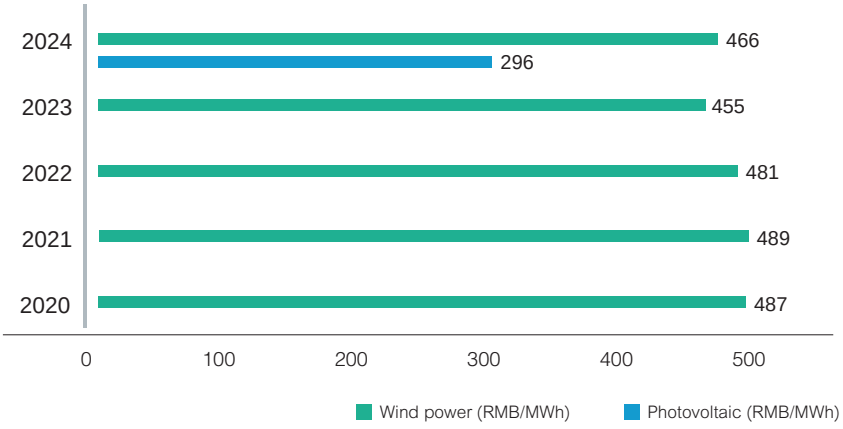


KEY OPERATING AND FINANCIAL DATA

10. Utilisation hours



11. Tariffs (excluding VAT)



KEY OPERATING AND FINANCIAL DATA

	2020 *RMB'000*	2021 *RMB'000*	2022 *RMB'000*	2023 *RMB'000*	**2024** ***RMB'000***
Revenue	28,667,181	39,871,937	39,861,647	38,049,007	**37,069,647**
Profit before taxation	6,921,577	10,019,791	7,683,712	8,488,143	**10,320,255**
Income tax	(1,236,082)	(1,598,839)	(1,555,542)	(1,523,973)	**(1,952,322)**
Profit for the year	5,685,495	8,420,952	6,128,170	6,964,170	**8,367,933**
Attributable to:					
Equity holders of the Company	5,024,979	7,432,663	5,130,763	6,410,655	**6,424,515**
Non-controlling interests	660,516	988,289	997,407	553,515	**1,943,418**
Total comprehensive income for the year	5,532,714	8,452,586	6,096,487	6,986,774	**8,422,120**

KEY OPERATING AND FINANCIAL DATA

	2020 *RMB'000*	2021 *RMB'000*	2022 *RMB'000*	2023 *RMB'000*	**2024** ***RMB'000***
Total non-current assets	144,101,991	165,971,744	170,706,566	192,849,985	**207,077,898**
Total current assets	31,183,881	39,723,694	52,904,789	45,412,544	**50,289,764**
Total assets	175,285,872	205,695,438	223,611,355	238,262,529	**257,367,662**
Total current liabilities	52,907,326	62,239,403	74,279,570	72,763,230	**78,972,388**
Total non-current liabilities	55,929,572	65,431,856	69,536,675	81,055,154	**92,593,879**
Total liabilities	108,836,898	127,671,259	143,816,245	153,818,384	**171,566,267**
Net liabilities	66,448,974	78,024,179	79,795,110	84,444,145	**85,801,395**
Total equity attributable to the equity holders of the Company	57,687,575	68,088,055	68,446,593	71,946,949	**72,900,859**
Non-controlling interests	8,761,399	9,936,124	11,348,517	12,497,196	**12,900,536**
Total equity	66,448,974	78,024,179	79,795,110	84,444,145	**85,801,395**
Net assets per share *(RMB)*	7.18	7.72	7.56	8.59	**8.72**

CORPORATE PROFILE

CORPORATE PROFILE

Founded in 1993, Longyuan Power is the earliest specialized company in China to develop wind power. It was successfully listed on the Main Board of the Hong Kong Stock Exchange in 2009, which made it known as the "First Listed New Energy Company in the PRC". It was officially listed on the A share market in 2022 and became the first domestic central government-owned new energy power generation company which is listed on both H-share and A-share markets, the first among the five major power generation groups which are listed on the A-share capital market as new energy enterprise, and the first company which simultaneously implemented absorption and merger through share swap, asset sales and asset purchase projects to create an A+H listing platform. Over the years, Longyuan Power took the lead in exploring wind power fields such as offshore, low wind speed, high altitude and integrated exploration of deep and far sea in China, firstly realizing the "going global" of wind power in China. The business is distributed in 32 provinces, regions, and municipalities in China, as well as countries such as Canada, South Africa, and Ukraine. In the past decade, it has maintained the position as the world's leading wind power operator and made positive contributions to the global green and low-carbon development of energy and the utilization of renewable energy.

Currently, Longyuan Power has become a large-scale power generation conglomerate focusing on the development and operation of new energy. It possesses wind power, photovoltaic, tidal, and geothermal generation projects, which has established eleven technical support systems, including new energy engineering consulting and design, preliminary development, development research, industry public services, carbon asset development and management, vocational training, and network security. The Company has successively won honors such as the National May Day Labor Award, the China Securities Golden Bauhinia Award for the Most Valuable Listed Company, and the Best Listed Company. It has been named one of the Global Top 500 New Energy Enterprises for 14 consecutive years.

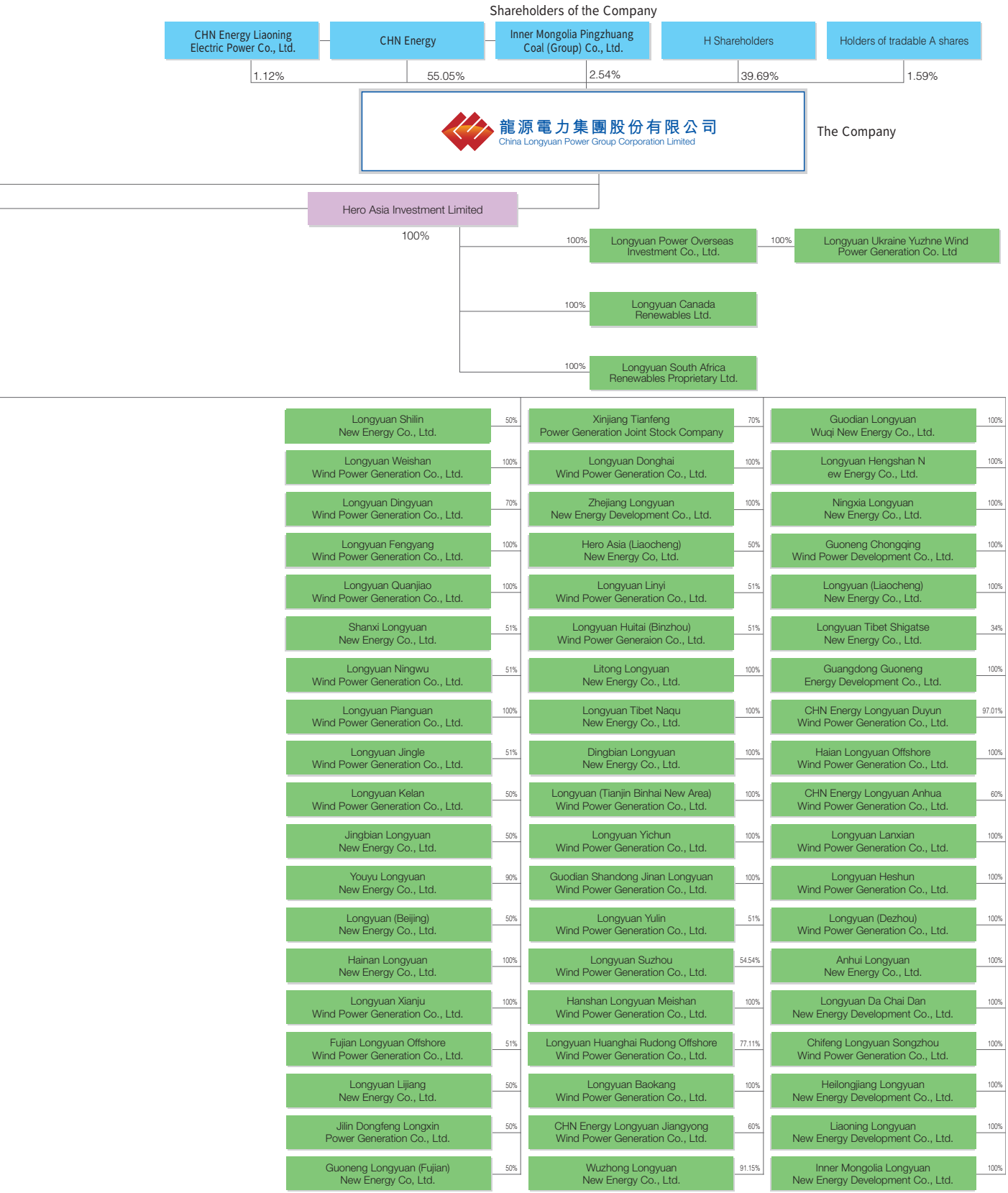
Longyuan Power adheres to the guidance of the new energy security strategy of "Four Revolutions and One Cooperation", and has always taken "developing clean energy and building a Beautiful China" as our mission all the time, being committed itself to building a world class new energy company with global competitiveness, and contributing to the realization of the national goal of "carbon peak and carbon neutrality".

CORPORATE PROFILE

CORPORATE PROFILE

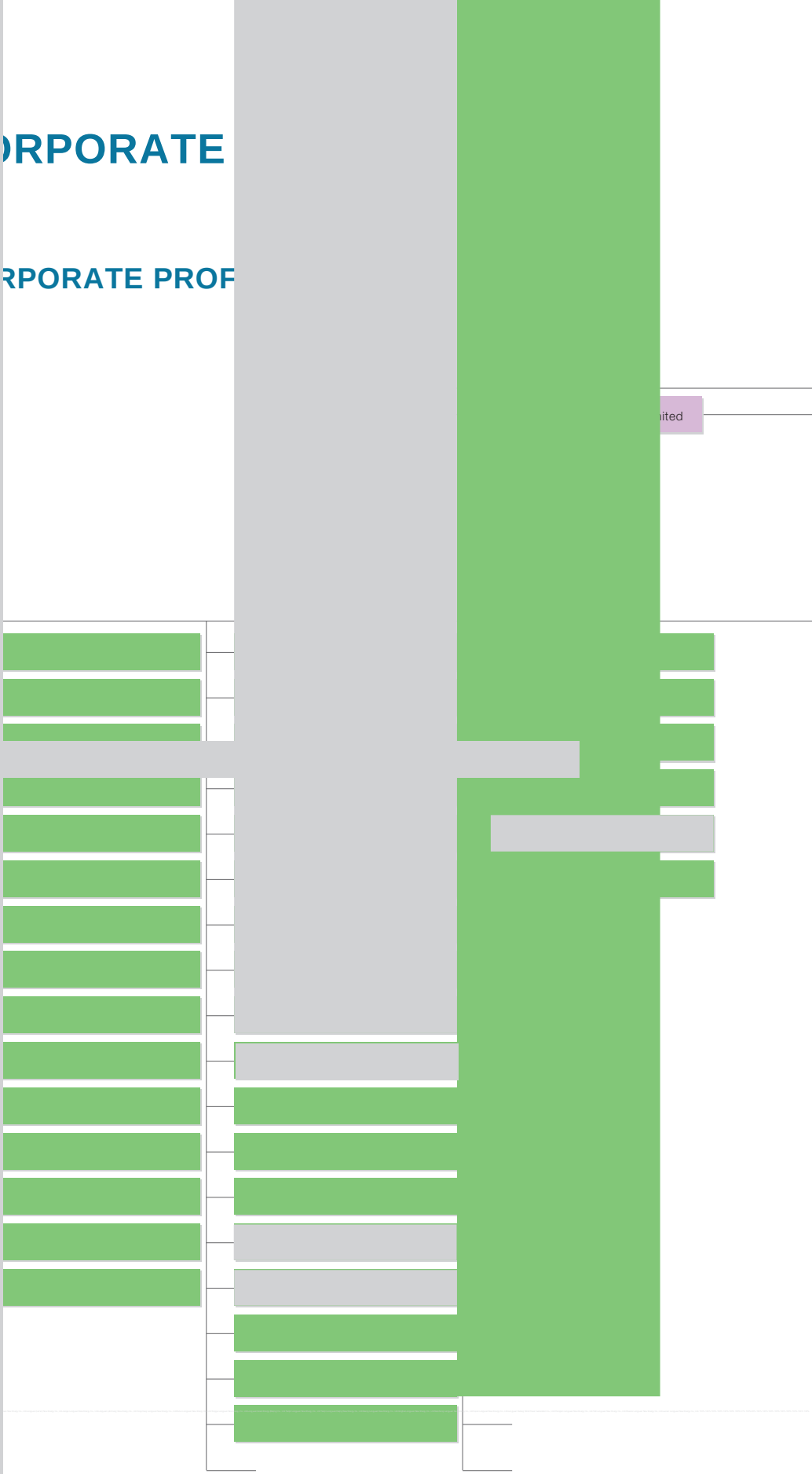


CORPORATE PROFILE

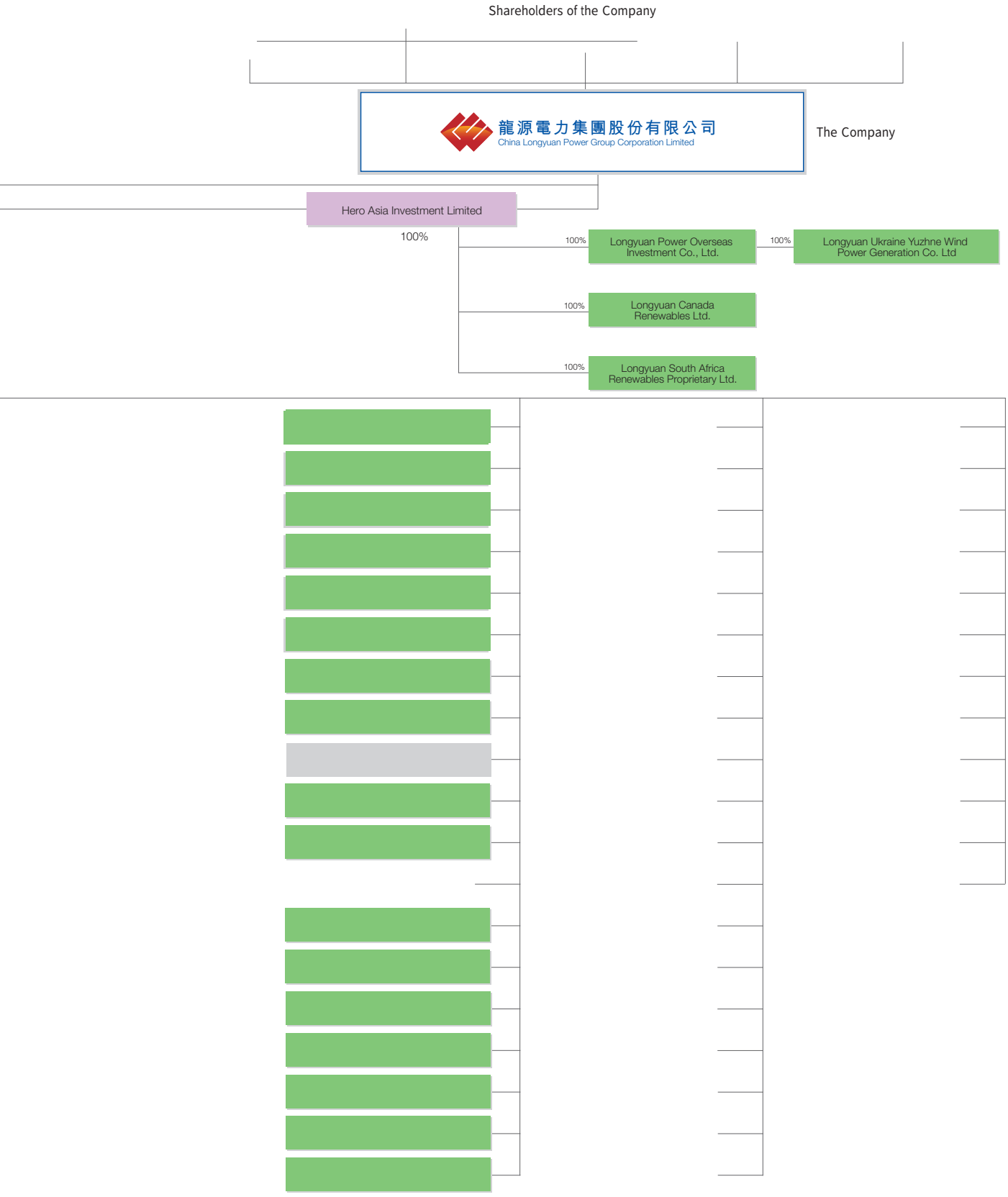


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CORPORATE PROFILE





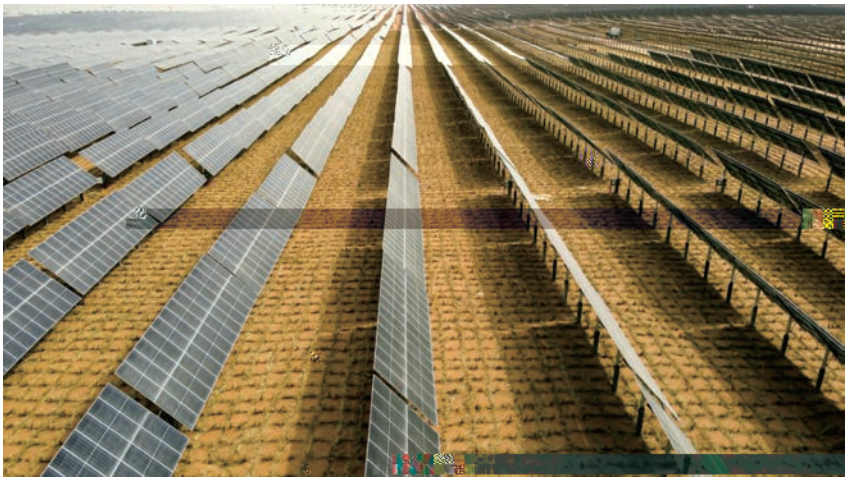


HONOURS AND AWARDS

On 18 March, it was announced in a joint recognition notice issued by the Central Committee of the Communist Youth League and the Ministry of Emergency Management that Longyuan Power Hebei Jifeng Wind Farm and Anhui Henglong Wind Farm were awarded the title of "National Youth Safety Production Demonstration Post" for the year 2023.



On 22 March, according to the results of the 2023 Excellent Case Selection for Enterprise Quality Management jointly organized by the Commercial Technology Quality Center of the State-owned Assets Supervision and Administration Commission of the State Council and the Enterprise Management magazine, Longyuan Power's "Construction and Application of Quality Management System for Photovoltaic Sand Control Ecological Engineering Projects" was awarded the Best Practice Case for Enterprise Quality Management in 2023.



HONOURS AND AWARDS

On 18 April, the Power Equipment and Supply Chain Branch of the China Electricity Council released the evaluation results of the "Typical Cases of Innovation and Application of Material Supply Chain Management in the Power Industry in 2023". The idle and waste material management platform of Longyuan Power was awarded the "Excellent Case of Innovation and Application of Power Material Supply Chain Management" and the special prize.



On 10 May, the China Energy Research Association announced the list of 100 typical cases of energy industry brand achievements in 2024 and the evaluation results of "Green Energy Star" in 2024. Longyuan Power's "Jiangxi Photovoltaic + Rural Revitalization Project" was selected as a typical case of energy industry brand achievements.

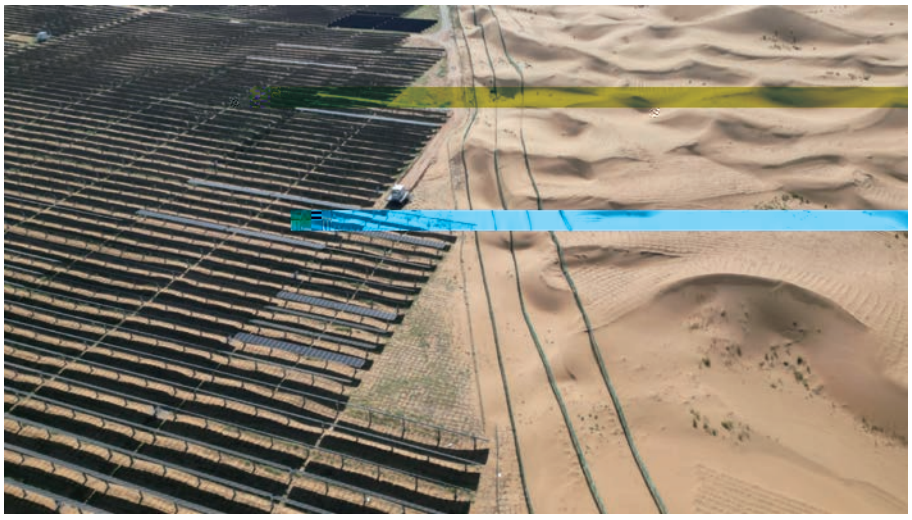


HONOURS AND AWARDS

On 13 May, the 2024 Fortune China ESG Impact List was officially released, and Longyuan Power once again topped the list with its outstanding performance and industry leadership in environmental, social, and corporate governance (ESG).



On 15 May, the China Electric Power Planning and Design Association announced the list of award-winning projects for excellent survey, engineering design, standard design, and computer software in the power industry in 2023. The “Ningxiang DC” supporting new energy base Zhongwei 3 million kilowatts photovoltaic composite project (1 million kilowatts in Phase 1) designed by Longyuan (Beijing) New Energy Engineering Design and Research Institute Co., Ltd. (龍源(北京)新能源工程設計研究院有限公司) won the second prize for excellent engineering design in new energy.



HONOURS AND AWARDS

On 30 June, the Financial Program Center of China Media Group, together with the State-owned Assets Supervision and Administration Commission of the State Council, the All China Federation of Industry and Commerce and other institutions, officially released the "China ESG (Corporate Social Responsibility) 2024 ESG Action Report" in Beijing. Longyuan Power was successfully selected as one of the "Top 100 Chinese ESG Listed Companies".



On 12 October, the State Administration of Civil Affairs and the National Development and Reform Commission jointly issued a notice stating that the rooftop distributed photovoltaic power generation project of Jiangxi Yichun Vocational and Technical College, invested and constructed by Longyuan Power, has been awarded the "Typical Case of Green and Low Carbon Development of Public Institutions in 2023–2024".



HONOURS AND AWARDS

On 17 October, the 2024 Beijing International Wind Energy Conference and Exhibition was held at the China International Exhibition Center (Shunyi Hall). During the exhibition, the "China Wind Power Installation 500 Million Kilowatts" celebration event was held, and the Company was awarded the "China Wind Power Installation 500 Million Kilowatts • Outstanding Contribution Enterprise" award.



HONOURS AND AWARDS

On 5 November, the Hong Kong International Financial Forum and Hong Kong International ESG List Annual Awards Ceremony were held in Hong Kong. Longyuan Power was once again shortlisted with outstanding ESG performance and won the “Best ESG Information Disclosure Award” and “Best ESG Practice Case Award”.



HONOURS AND AWARDS

On 7 November, the "7th China Enterprise Forum – Parallel Forum on State-owned Enterprise Social Responsibility" hosted by the Social Responsibility Bureau of the State-owned Assets Supervision and Administration Commission of the State Council was held in Beijing. Longyuan Power has been selected for four consecutive years in the "Environmental, Social and Governance (ESG) Blue Book of Central Enterprise Listed Companies (2024)" and the "ESG Pioneer 100 Index of Central Enterprise Listed Companies (2024)". The case submitted by the Company, "Taking advantage of the situation and empowering high-quality development with ESG", was awarded the top ten ESG cases of central enterprise listed companies.

HONOURS AND AWARDS

On 21 December, the 2024 China Enterprise ESG Sustainable Development Summit, jointly organized by the China Enterprise Reform and Development Research Association and the China Comment, was held in Beijing. Longyuan Power's Guangdong Hailing Island "New Energy+" Integrated Development Project was awarded as an excellent case of ESG in China in 2024.



CORPORATE MILESTONES IN 2024

On 22 January, the National Greenhouse Gas Voluntary Emission Reduction Trading (CCER) market was launched in Beijing. Longyuan Power purchased 40,000 tons of wind power project CCER and 10,000 tons of carbon sequestration afforestation project CCER with its own funds on the first trading day, the first renewable energy project transaction in the national greenhouse gas voluntary emission reduction trading market.

On 22 January, five industry standards including the health status assessment regulations for expired service wind turbine equipment (NB/T 11360–2023) edited by Longyuan Power were approved and released by the National Energy Administration, and were later officially implemented on 28 June 2024.

On 27 January, the seventh employee representatives meeting of the fourth session of Longyuan Power and the 2024 work conference were held in Beijing. Guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, the conference thoroughly implemented the spirit of the 20th National Congress of the Communist Party of China and the spirit of the Central Economic Work Conference, fully implemented the deployment of the annual work conference of the group company, summarized the work of 2023, analyzed the current situation, deployed key tasks for 2024, and called on all staff and workers to unify their thoughts with concerted actions to comprehensively build a world-class leading enterprise in new energy.

On 11 March, the Development and Reform Commission of Chifeng City, Inner Mongolia, released the "Announcement on the Optimal Selection of Leading Enterprises for Chifeng City's Sand Control and Wind Power Photovoltaic Integration Project". Longyuan Power was selected as the leading enterprise for the project to be responsible for the construction of the 4 million kilowatts Chifeng Sand Control and Wind Power Photovoltaic Integration Project.

On 2 April, Longyuan Power successfully threw in the first batch of 10,000 large yellow croaker fry in the world's first floating wind-fishing integration project "Guoneng Gong Xiang Hao (國能共享號)", marking the official implementation of the project's fishery aquaculture plan and helping to create a new integrated development model of "power generation offshore and fish farming underwater".

On 11 May, Xinhua News Agency, China Brand Building Promotion Association and other units jointly released the "2024 China Brand Value Evaluation Information" list. Longyuan Power ranked 20th on the list for its outstanding performance and significant brand building achievements in the field of new energy, with a brand value of RMB23.16 billion.

CORPORATE MILESTONES IN 2024

On 28 May, the State Administration for Market Regulation and the National Standardization Administration of China issued the "Announcement of Chinese National Standards No. 9 of 2024". Among them, the national standard "Part 71 of Communication of Wind Farm Monitoring System in Wind Power Generation System: Configuration Description Language" (GB/Z 30966.71-2024), of which Longyuan Power led the preparation, and the national standard "Design Requirements for Floating Offshore Wind Turbine Generator" (GB/Z 44047–2024), of which Longyuan Power participated in the preparation, were approved for release.

On 19 June, the paper "SDWPF: A Dataset for Spatial Dynamic Wind Power Forecasting over a Large Turbine Array", jointly completed by Longyuan Power, Tsinghua University, and Baidu Research Institute, was published in the journal "Scientific Data" under the Nature Publishing Group, marking a new breakthrough in the Company's research on the synergy technology of new energy and thermal power.

On 28 June, the world's first floating wind-fishing integration platform, "Guoneng Gong Xiang Hao (國能共享號)" of Longyuan Power, was put into operation, creating a new scenario for the development and application of marine economy in the floating offshore wind power field of "fish farming underwater and power generation offshore", promoting the formation of a new model of "green energy + blue granary", and providing technical reserves for the three-dimensional development of green energy and intensive utilization of marine resources in deep and distant seas.

On 12 July, Longyuan Power Engineering Technology Co., Ltd. passed the assessment and evaluation of the China National Accreditation Service for Conformity Assessment (CNAS), becoming the first domestic power generation enterprise authorized by CNAS to conduct multi-directional business such as new energy station power generation performance testing, grid-related support capabilities, and transient stability simulation.

On 29 July, Longyuan Power held the mid-year work conference for 2024 along with the commendation meeting for the job performance campaign featuring "socialism can only be achieved through hard work". Guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, it thoroughly studied and implemented the guiding principles set forth by the Third Plenary Session of the 20th Party Central Committee, deeply implemented the deployment requirements of the group company's mid-year work conference for 2024, summarized the work of the first half of the year, analyzed the development situation, and arranged the key tasks for the second half of the year, to ensure the high-quality completion of the annual goals and objectives.

CORPORATE MILESTONES IN 2024

On 2 August, the Comprehensive Department of the National Energy Administration issued the Notice on the Issuance of the 2024 Energy Industry Standard Revision Plan and Foreign Language Translation Plan. Five industry standards, including the "Technical Regulations for the Reuse of Retired Wind Farm Power Generation Equipment" led by Longyuan Power, were approved for release, setting a record in history.

On 23 September, the 2024 "Visiting China" international media group jointly sponsored by the China Public Diplomacy Association and Global Network entered the Tengger Desert New Energy Base of CHN Group Longyuan Power in Ningxia to experience China's achievements in photovoltaic desertification control.

On 20 November, the "China Enterprise Sustainable Development Report Guidelines (CASS-ESG6.0) for the New Energy Power Generation Industry", edited by the China Enterprise Reform and Development Research Association and the Responsibility Cloud Research Institute, with the support and participation of Longyuan Power, was officially released in Beijing. This guide is the first domestic sustainable development report guide for the new energy industry after the three major exchanges released the information disclosure guidelines for sustainable development reports.

On 27 November, the first Longyuan Power New Energy Intelligent Algorithm Competition Awards Ceremony was held in Beijing. The competition was hosted by Longyuan Power. It focused on the common difficulties and pain points faced by the new energy industry in the fields of fault warning, power prediction, image recognition and other digital intelligence, and built an open, inclusive and innovative competitive stage to contribute Longyuan's solutions to promoting the high-quality development of the new energy industry.

On 4 December, the National Cultural Heritage Administration and the Ministry of Industry and Information Technology announced the list of "Republic Mark" witnesses and typical cases of industrial heritage protection and utilization. Longyuan Power Tide Power Station was rated as "Republic Mark" witness and typical cases of national industrial heritage protection and utilization.

From 2 to 13 December, the 16th Conference of the Parties to the United Nations Convention to Combat Desertification (UNCCD COP16) was held in Riyadh, the capital of Saudi Arabia. The Chinese government was invited to send a delegation to attend, and Longyuan Power, as a member unit of the delegation, attended the meeting to share its experience in photovoltaic desertification control.

CORPORATE MILESTONES IN 2024

From 11 to 13 December, Longyuan Power held the 2024 "Towards the Wind" reverse roadshow event at the Hailing Island wind farm in Guangdong Province, inviting domestic and foreign investment bank analysts and institutional investors to visit, learn about and recognize Longyuan, and further understand the Company's practices and achievements in the field of green energy, establishing a positive interactive relationship.

On 18 December, Longyuan Power Carbon Asset Company's self-developed domestic first full market carbon price index, the "Longyuan Carbon Quota Comprehensive Price Index", was officially released and presented to the market through Wind financial and mobile terminals.

On 24 December, the Tianjin company's "Rail+" photovoltaic project had a cumulative production capacity of 28.37 MW, becoming the largest rail distributed photovoltaic project in the country, helping Tianjin build a green transportation network and promote low-carbon and high-quality development.

MANAGEMENT DISCUSSION AND ANALYSIS

(Unless otherwise specified, the following information disclosure was based on financial information prepared in accordance with the International Financial Reporting Standards)

I. INDUSTRY REVIEW

(I) Operational Environment

In 2024, facing the complex and severe external environment and new situations and problems in the domestic economic operation, the country adhered to the general tone of seeking progress while maintaining stability, increased macroeconomic regulation, focused on deepening reform and opening up, expanded domestic demand, optimized economic structure, effectively implemented existing policies, and vigorously promoted new policies. The overall operation of the national economy was stable and progressed steadily, the production demand grew steadily, the employment and prices remained stable, people's livelihood was secured, new quality productivity developed steadily, and high-quality development was solidly promoted.

According to the statistics from the National Energy Administration and China Electricity Council, in 2024, power consumption across the country was 9,852.1 billion kWh, representing a year-on-year increase of 6.8%. The total power generation across the country was 9,912.9 billion kWh, representing a year-on-year increase of 6.7%, of which the proportion of wind and solar power generation was 18.5%, representing a year-on-year increase of 0.6 percentage point. As of the end of 2024, the power generation installed capacity across the country was approximately 3.35 billion kW, representing a year-on-year increase of 14.6%, of which the capacity of solar energy power generation was approximately 890 million kW, representing a year-on-year increase of 45.2%; the capacity of hydro power generation was 520 million kW, representing a year-on-year increase of 18.0%. In 2024, the average utilisation hours of power generation facilities of 6,000 kilowatts and above across the country were 3,442 hours, representing a year-on-year decrease of 157 hours; the average utilisation hours for on-grid wind power were 2,127 hours, representing a year-on-year decrease of 107 hours; and the average utilisation hours for on-grid solar power generation were 1,211 hours, representing a year-on-year decrease of 81 hours. In 2024, the investment in power engineering completed by major power enterprises nationwide was RMB1.1687 trillion, representing a year-on-year increase of 12.1%; the investment in the power grid project reached RMB608.3 billion, representing a year-on-year increase of 15.3%.

(II) Policy Environment

1. The macro policies are generally stable, and new energy maintained rapid development

In January 2024, the State Council issued the "Opinions on Comprehensively Promoting the Construction of a Beautiful China", proposing to implement the carbon peak action in a planned and step-by-step manner, striving to achieve carbon peak before 2030, and laying the foundation for striving to achieve carbon neutrality before 2060; adhere to the principle of establishing before breaking, accelerate the planning and construction of a new energy system, and ensure energy security; focus on controlling the consumption of fossil fuels such as coal, strengthen the clean and efficient utilization of coal, vigorously develop non-fossil energy, and accelerate the construction of a new type of power system; promote the gradual shift from dual control of energy consumption to dual control of total carbon emissions and intensity, and strengthen the basic capacity and institutional construction for dual control of carbon emissions.

In March 2024, the National Energy Administration issued the "Guiding Opinions on Energy Work in 2024", proposing to deeply implement the "dual carbon" target tasks, vigorously promote the high-quality development of non-fossil energy, consolidate and expand the good development trend of wind, electricity, and solar power, continuously improve the policy system of green and low-carbon transformation, accelerate the cultivation of new energy business models, continuously promote the replacement of clean energy in key areas, and provide guidance for the construction of hydrogen energy industry, ultra-high voltage engineering, coal, natural gas, wind power and photovoltaic bases, hydropower and nuclear power development and construction in 2024.

In August 2024, the National Development and Reform Commission, the National Energy Administration, and the National Data Administration jointly issued the "Action Plan for Accelerating the Construction of a New Power System (2024–2027)", proposing nine special actions such as the power system stability guarantee action, the large scale high proportion new energy outward transmission campaign, and the new energy system friendly performance improvement action, clarifying the main tasks and key work. Practical results have been achieved to accelerate the construction of the new power system, which is of great significance for alleviating consumption in the northwest region, and promoting the large-scale development of green power and the sustainable and healthy development of energy storage.

In November 2024, the 12th meeting of the Standing Committee of the 14th National People's Congress voted to pass the Energy Law of the People's Republic of China, which put forward the overall requirements that the consumption of renewable energy in China would reach more than 1.1 billion tons of standard coal in 2025. The production and lifestyle of prioritizing the use of renewable energy in various fields during the 15th Five Year Plan period has basically taken shape, and by 2030, the national consumption of renewable energy will reach over 1.5 billion tons of standard coal. The country will comprehensively enhance the supply capacity of renewable energy, accelerate the construction of large-scale wind and photovoltaic bases with a focus on desert, Gobi, and desert areas, and promote the cluster development of offshore wind power. It will coordinate the comprehensive development of water, wind, and solar energy, develop distributed renewable energy sources nearby, and promote the large-scale development of solar thermal power generation.

2. With the accelerated introduction of policy rules, the electricity market system was improved in a rapid manner

In January 2024, the National Energy Administration issued the “Key Points for Energy Supervision in 2024", emphasizing green development and focusing on strengthening the supervision of clean energy development. In terms of promoting the participation of new energy in market transactions, a sound green electricity trading mechanism will be established to gradually expand the scale of green electricity trading and solve problems such as high demand for green electricity from enterprises and difficulties in cross-provincial and cross-regional trading of green electricity. In terms of strengthening the fair and open supervision of the power grid, it will regulate power grid enterprises to provide grid connection services to new energy projects in a fair and non-discriminatory manner. It will also explore a penetrative regulatory approach to deeply regulate issues such as difficulties in grid connection of new energy and unreasonable use of energy storage.

In August 2024, the National Energy Administration issued the “Rules for the Issuance and Trading of Renewable Energy Green Power Certificates”. The Rules apply to the issuance, trading, and related management of green certificates for renewable energy generation projects such as wind power, solar power, and conventional hydropower produced within China. The Rules point out that green certificates may be traded on platforms that meet relevant national regulatory requirements separately or together with renewable energy electricity, and the quantity, price, and delivery time of green certificates shall be separately stipulated in the trading contract.

In January 2025, the National Development and Reform Commission and the National Energy Administration jointly issued the "Notice on Deepening the Marketization Reform of New Energy Grid Electricity Prices and Promoting High-quality Development of New Energy" (hereinafter referred to as "**NDRC Price [2025] No. 136**"), further promoting the participation of new energy grid electricity in market transactions, improving and perfecting the electricity market trading mechanism, and fully forming grid electricity prices through the market; establishing a pricing settlement mechanism for sustainable development of new energy, proposing requirements for the scale of settlement mechanism electricity, mechanism electricity price, and implementation period; and implementing classified management for existing and new projects starting from 1 June 2025.

3. Multiple measures have been taken to optimize the mechanism and fully promote the efficient consumption of new energy electricity

In February 2024, the National Development and Reform Commission and the National Energy Administration issued the "Notice on Establishing and Improving the Price Mechanism of Power Auxiliary Services Market", requiring all regions to reasonably determine the price mechanism of peak shaving auxiliary services based on the principle that the consumption cost of new energy projects should not exceed the value of power generation. The issuance of this notice will effectively prevent some regions from consuming new energy electricity at a cost higher than the revenue level of new energy projects, which is conducive to reducing the burden of auxiliary service fees on new energy operators and meeting the economic requirements of projects while reasonably consuming new energy electricity.

In March 2024, the National Development and Reform Commission issued the "Regulatory Measures for Fully Guaranteed Acquisition of Renewable Energy Electricity", which came into effect on 1 April 2024. It specifies that the on-grid electricity of renewable energy generation projects includes guaranteed purchase of electricity and market traded electricity. Guaranteed purchase of electricity refers to the amount of electricity that should be purchased by relevant members of the electricity market in accordance with the national renewable energy consumption guarantee mechanism, proportion targets, and other relevant regulations. Market traded electricity refers to the amount of electricity that is priced through market-oriented means, which is jointly purchased by electricity market members such as sales companies and electricity users.

In May 2024, the National Energy Administration issued the Notice on Ensuring the High-quality Development of New Energy by Doing a Good Job in the Consumption of New Energy, proposing that power grid enterprises should further increase the proportion of new energy transmission through cross provincial and cross regional transmission channels, fairly allocate various regulatory resources, and build an intelligent dispatch system; break down inter provincial barriers without restriction of cross provincial new energy trading; explore the orderly and fair participation of distributed new energy in market transactions through aggregation agents and other methods; scientifically determine the utilization rate targets of new energy in various regions.

In July 2024, the National Development and Reform Commission and the National Energy Administration jointly issued the "Notice on the Weight of Renewable Energy Electricity Consumption Responsibility and Related Matters in 2024", which sets the weight of consumption responsibility to ensure the market demand for renewable energy electricity and incentivize power generation enterprises to invest in renewable energy projects; enhance the proportion of renewable energy in energy consumption, reduce dependence on fossil fuels, and promote the transition of energy structure towards clean and low-carbon; promote the coordinated development of renewable energy among regions by setting differentiated consumption responsibility weights and considering the differences in resource endowments and economic development among regions.

4. Promote the establishment of a "dual carbon" standard system and accelerate the transition to clean and low-carbon

In February 2024, the State Council issued the "Interim Regulations on the Administration of Carbon Emission Trading" (hereinafter referred to as the "Regulations"), which came into effect on 1 May 2024. The formulation of specialized administrative regulations by the state provides clear basis for the operation and management of the national carbon emission trading market, and ensures and promotes its healthy development, which is of great significance. The Regulations summarize practical experience, adhere to full process management, focus on building a basic institutional framework, and ensure the full play of carbon emission trading policy functions.

In February 2024, the Ministry of Industry and Information Technology issued the Notice on the Construction Guidelines for the Carbon Peak and Carbon Neutrality Standard System in the Industrial Sector, proposing to accelerate the development of standards for collaborative carbon reduction, carbon emission management, and low-carbon evaluation. By 2025, a preliminary industrial carbon peak and carbon neutrality standard system will be established, and by 2030, a relatively complete industrial carbon peak and carbon neutrality standard system will be formed. In terms of renewable energy utilization, technical and equipment standards for the development, transmission, storage, utilization, and distributed application of renewable energy such as solar energy, wind energy, solar thermal energy, geothermal energy, tidal energy, and biomass energy will be formulated.

In September 2024, the Ministry of Ecology and Environment issued the Draft Plan for Soliciting Opinions on the Coverage of the National Carbon Emission Trading Market in the Cement, Steel, and Electrolytic Aluminum Industries, clarifying that the year 2024 is the first control year for the cement, steel, and electrolytic aluminum industries, and the first compliance work will be completed by the end of 2025. Previously, power generation industry alone covered 40% of the country's total carbon emissions. After the inclusion of the cement, steel, and electrolytic aluminum industries, the proportion of emissions covered by the national carbon emission trading market will reach about 60% of the country's total emissions.

In October 2024, eight departments including the National Development and Reform Commission, the Ministry of Ecology and Environment, and the National Energy Administration jointly issued the "Work Plan for Improving the Carbon Emission Statistical Accounting System", proposing that by 2025, the national and provincial carbon emission annual report and express system will be fully established; by 2030, the construction of a comprehensive carbon emission statistical accounting system will be completed; it will effectively promote the improvement of carbon emission statistics and accounting capabilities at all levels, fields, and industries, which is of great significance for supporting the implementation of carbon emission dual control and accelerating the green transformation of development mode during the 15th Five Year Plan period.

II. BUSINESS REVIEW

(I) Business

In 2024, under the strong leadership of the Board of Directors and guided by the Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, the Group deeply implemented the development strategy of “one goal, three roles, and six responsibilities”, closely focused on the “12556" work ideas, fought for the goals of the 14th Five Year Plan and completed all annual targets and tasks with high quality. We accelerated the construction of a new Longyuan with “inherent safety, doubled scale, digital transformation, innovation-driven leadership, and proactive growth”, and comprehensively built a world-class leading enterprise in new energy technology.

In 2024, the newly added new energy consolidated installed capacity of the Group was 7,480.66 MW, of which the newly added consolidated installed capacity of wind power was 2,654.38 MW (including 1,118.50 MW from acquisition), and that of the consolidated installed capacity of photovoltaic was 4,826.28 MW (including 450.80 MW from acquisition). Due to that Jiangyin Sulinclud 0.5 (v)0.6 (e)14. (fro)0.5 (.3 (.)-1.5Heated)32.2 (nTw 0 -1.5Powerw 0 -1.5Ge

1. Fully consolidate the foundation of safety and improve the level of production and operation

In 2024, the Group made every effort to consolidate the foundation of safety management, comprehensively implemented risk prevention and resolution, coordinated the implementation of the No.1 safety and environmental protection document and the three-year action task of tackling the root cause of safety production, and ensured the continuous stability of the safety situation. We improved the production safety system, optimized the content of safety management systems, and strictly implemented the leadership team's safety guarantee and contact point system, continuously strengthened the "Three Management and Three Musts" requirements, comprehensively implemented safety credit management, and strengthened quantitative control. Disaster warning and emergency drills were constantly carried out, effectively responding to multiple typhoons. Outstanding achievements have been made in ecological governance, and the Tengger Base in Ningxia has built the country's first "large-scale desert photovoltaic base scientific sand prevention and control monitoring station", making contribution to ecological protection.

The Group deepened the reform of operation and inspection, optimized the responsibilities of "One Department and Two Centers", refined four types of professional teams, and promoted production and operation towards intensive and specialized management. By implementing the strategy of "one machine, one policy, prevention first, centralized tackling, and dynamic zeroing", we have strengthened the management of long shutdown units, solved equipment defects and removed fire hazards, and achieved a 59.7% proportion of long-term operation of the units. We created a "visible scene", with nearly 74,000 videos being monitored without blind spots, and optimized warning models to improve control accuracy. We built smart power stations, used technologies such as drones and AI to conduct intelligent inspections and data analysis, and accurately located equipment defects.

In 2024, the accumulated new energy power generation of the Group amounted to 68,383,219 MWh, representing a year-on-year increase of 3.76%, of which wind power generation amounted to 60,550,359 MWh, representing a year-on-year decrease of 1.31%; photovoltaic power generation amounted to 7,826,961 MWh, representing a year-on-year increase of 72.13%; and other renewable energy power generation amounted to 5,898 MWh, representing a year-on-year decrease of 2.64%. The average utilisation hours of wind power in 2024 were 2,190 hours, 156 hours less than that in 2023 and 63 hours higher than industry average. The decrease in wind power generation and average utilisation hours was mainly due to the year-on-year decline in wind resource levels. In 2024, the average wind speed in the region where the Group's projects are located decreased by 0.2 meters per second year on year. Geographical breakdown of the consolidated power generation of the Company's wind farms for 2023 and 2024 is:

Region	2024 *(MWh)*	2023 *(MWh)*	Percentage of change
Heilongjiang	**3,198,283**	3,321,621	-3.71%
Jilin	**2,145,298**	2,066,421	3.82%
Liaoning	**3,260,372**	3,447,291	-5.42%
Inner Mongolia	**6,620,070**	7,327,001	-9.65%
Jiangsu (onshore)	**2,332,205**	2,350,093	-0.76%
Jiangsu (offshore)	**5,877,313**	5,449,194	7.86%
Zhejiang	**375,001**	352,411	6.41%
Fujian	**3,338,939**	3,192,975	4.57%
Hainan	**128,144**	133,048	-3.69%
Gansu	**3,505,095**	3,591,915	-2.42%
Xinjiang	**3,517,156**	3,895,993	-9.72%
Hebei	**3,673,333**	4,112,734	-10.68%
Yunnan	**3,247,012**	2,992,453	8.51%
Anhui	**1,771,316**	1,772,622	-0.07%

Region	2024 *(MWh)*	2023 *(MWh)*	Percentage of change

Geographical breakdown of the average utilisation hours/load factor of wind power of the Company's wind farms for 2023 and 2024 is:

Region	Average utilisation hours of wind power for 2024 *(hour)*	Average load factor of wind power for 2024	Average utilisation hours of wind power for 2023 *(hour)*	Average load factor of wind power for 2023	Percentage of change of the average utilisation hours of wind power
Heilongjiang	**2,140**	**24%**	2,475	28%	-13.54%
Jilin	**2,257**	**26%**	2,360	27%	-4.36%
Liaoning	**2,190**	**25%**	2,388	27%	-8.29%
Inner Mongolia	**2,176**	**25%**	2,435	28%	-10.64%
Jiangsu (onshore)	**1,764**	**20%**	1,743	20%	1.20%
Jiangsu (offshore)	**2,685**	**31%**	2,484	28%	8.09%
Zhejiang	**1,638**	**19%**	1,536	18%	6.64%
Fujian	**3,068**	**35%**	2,939	34%	4.39%
Hainan	**1,294**	**15%**	1,344	15%	-3.72%
Gansu	**1,693**	**19%**	2,122	24%	-20.22%
Xinjiang	**2,144**	**24%**	2,434	28%	-11.91%
Hebei	**2,072**	**24%**	2,320	26%	-10.69%
Yunnan	**2,480**	**28%**	2,786	32%	-10.98%
Anhui	**2,124**	**24%**	2,153	25%	-1.35%
Shandong	**2,188**	**25%**	2,278	26%	-3.95%
Tianjin	**1,849**	**21%**	1,933	22%	-4.35%

Region	Average utilisation hours of wind power for 2024 *(hour)*	Average load factor of wind power for 2024	Average utilisation hours of wind power for 2023 *(hour)*	Average load factor of wind power for 2023	Percentage of change of the average utilisation hours of wind power
Shanxi	**1,860**	**21%**	2,129	24%	-12.64%
Ningxia	**1,755**	**20%**	2,026	23%	-13.38%
Guizhou	**1,943**	**22%**	2,043	23%	-4.89%
Shaanxi	**2,122**	**24%**	2,188	25%	-3.02%
Tibet	**1,929**	**22%**	1,851	21%	4.21%
Chongqing	**2,308**	**26%**	2,293	26%	0.65%
Shanghai	**2,530**	**29%**	2,401	27%	5.37%
Guangdong	**2,710**	**31%**	2,548	29%	6.36%
Hunan	**2,295**	**26%**	2,435	28%	-5.75%
Guangxi	**2,812**	**32%**	2,894	33%	-2.83%
Jiangxi	**2,369**	**27%**	2,317	26%	2.24%
Hubei	**2,235**	**25%**	2,367	27%	-5.58%
Qinghai	**1,715**	**20%**	1,994	23%	-13.99%
Henan	**2,406**	**27%**	2,495	28%	-3.57%
Canada	**2,421**	**28%**	2,350	27%	3.02%
South Africa	**3,209**	**37%**	3,405	39%	-5.76%
Ukraine	**2,396**	**27%**	2,667	30%	-10.16%
Total	**2,190**	**25%**	2,346	27%	-6.65%

2. Improve the speed of scale development and achieve remarkable results in resource acquisition

In 2024, the Group actively responded to the national major development strategy, adhered to the equal emphasis on rapid scale development and quality, improved the development strategy of "one province, one policy", drove great development, breakthroughs, and innovations with large projects, and fully promoted the "desert, Gobi, and desert" wind and solar power base projects, accelerated the large-scale development of offshore projects, and created a national landmark new energy base with Longyuan characteristics; actively promoted the construction of base areas and prioritise competitive allocation targets in the central and southeastern regions with guaranteed consumption; accurately, scientifically, and reasonably implemented the "replacing small-capacity units with large-capacity units" projects, orderly promoted the "Mu Guang Yu Feng (沐光馭風)" action, and secured continuous development of projects with consideration of rural revitalization; promoted shared energy storage projects according to local conditions, timely tapped into power generation, grid, load and energy storage projects, hydrogen ammonia alcohol projects, centralized and distributed energy storage projects, and steadily promoted distributed projects.

In 2024, the Group achieved a development target of 14.72 GW, including 6.37 GW for wind power and 8.35 GW for photovoltaics.

3. Pool efforts to tackle challenges in key projects and achieve excellent results in project construction

In 2024, the Group thoroughly implemented the deployment of the "Year of Major Project Construction Management" and comprehensively promoted project construction work; steadily strengthened the quality control of the entire engineering process, concentrated advantages to overcome difficulties and bottlenecks in the construction process; coordinated key elements such as handling procedures, material allocation, and personnel organization to ensure the acceleration of project construction; strengthened the comparison and demonstration of multiple schemes, promoted design optimization through production and operation data, promoted the application of new technologies, processes, equipment, materials, and processes, and improved project profitability; enhanced the awareness of innovation, carried out innovation planning, strictly implemented standard process manuals, used equipment manufacturing control platforms to improve the quality and efficiency of supervision, and built "Two-high-one-low" high-quality projects; strengthened cost analysis, carried out "Three Sames" Benchmarking, strictly implemented budget control, rigorously reviewed engineering changes, and conducted process tracking audits to ensure industry-leading cost levels; integrated ESG indicators such as environmental protection, efficient resource utilization, and supplier management into project construction management, and created more exemplary ESG projects in the power industry.

In 2024, the Group's Tianjin Haijing Salt Light Complementary Project, Shanxi Suopo Wind Farm Domestic BIM Digital Technology Demonstration and Application Project, and Jiangsu Sheyang Offshore South Area 400,000 KW Wind Power Project were awarded the title of "Typical Cases of Smart Engineering in Power Construction" by the China Association of Electric Power Construction Enterprises for the year 2023.

In 2024, the newly added new energy consolidated installed capacity of the Group was 7,480.66 MW, including the self-built project of 5,911.36 MW that was put into production (1,535.88 MW of wind power and 4,375.48 MW of photovoltaic power); and the acquisition projects of 1,569.30 MW (1,118.50 MW of wind power and 450.80 MW of photovoltaic power). Due to that Jiangyin Sulong Heat and Power Generating Co., Ltd. and Nantong Tianshenggang Power Generating Co., Ltd. were no longer included in the consolidated financial statements of the Group, the Group has correspondingly reduced the consolidated installed capacity of the coal-fire power by 1,875.00 MW and photovoltaic by 56.13 MW.

As of 31 December 2024, the consolidated installed capacity of the Group was 41,143.20 MW, among which, the consolidated installed capacity of the wind power, photovoltaic and other renewable energy segments were 30,408.77 MW, 10,698.33 MW and 36.10 MW, respectively. Geographical breakdown of the consolidated installed capacity of the Company's wind farms as at 31 December 2023 and 31 December 2024 is:

Region	31 December 2024 *(MW)*	31 December 2023 *(MW)*	Percentage of change
Heilongjiang	**1,695.70**	1,495.70	13.37%
Jilin	**943.90**	943.90	0.00%
Liaoning	**1,489.70**	1,489.70	0.00%
Inner Mongolia	**3,078.30**	3,034.30	1.45%
Jiangsu (onshore)	**1,338.50**	1,338.50	0.00%
Jiangsu (offshore)	**2,191.60**	2,191.60	0.00%
Zhejiang	**227.90**	227.90	0.00%
Fujian	**1,053.10**	1,049.10	0.38%
Hainan	**99.00**	99.00	0.00%
Gansu	**2,569.30**	1,840.80	39.58%
Xinjiang	**2,031.50**	1,790.30	13.47%
Hebei	**1,782.60**	1,770.10	0.71%
Yunnan	**1,440.30**	1,429.10	0.78%
Anhui	**834.10**	834.10	0.00%
Shandong	**646.90**	646.90	0.00%

Region	31 December 2024 *(MW)*	31 December 2023 *(MW)*	Percentage of change
Tianjin	**583.00**	538.00	8.36%
Shanxi	**1,339.75**	1,339.75	0.00%
Ningxia	**974.70**	974.70	0.00%
Guizhou	**1,029.08**	1017.80	1.11%
Shaanxi	**833.85**	833.85	0.00%
Tibet	**7.50**	7.50	0.00%
Chongqing	**289.50**	289.50	0.00%
Shanghai	**47.50**	47.50	0.00%
Guangdong	**125.74**	125.74	0.00%
Hunan	**308.35**	308.35	0.00%
Guangxi	**2,317.85**	993.85	133.22%
Jiangxi	**233.90**	208.90	11.97%
Hubei	**94.20**	94.20	0.00%
Qinghai	**157.70**	150.00	5.13%
Henan	**223.65**	223.65	0.00%
Canada	**99.10**	99.10	0.00%
South Africa	**244.50**	244.50	0.00%
Ukraine	**76.50**	76.50	0.00%
Total	**30,408.77**	27,754.39	9.56%

4. Deepen marketing management and make continuous efforts to generate revenue and increase efficiency

In 2024, the Group conducted in-depth analysis and judgment of the electricity market situation, coordinated and deepened power rationing and trading management, adhered to the principle of "prioritizing price, balancing quantity and price", coordinated and studied medium and long-term trading plans, completed annual trading work with high quality, and accurately grasped monthly and intra month trading efficiency opportunities; continuously improved the ability to predict prices in different time periods, optimized the medium and long-term time period curves, and achieved effective connection between medium and long-term trading and the spot market; actively carried out high price transactions such as inter provincial and inter regional exchanges, green power transactions and power generation rights swaps to achieve the optimal comprehensive electricity price; established a collaborative mechanism of "prediction, supervision, and notification" for power rationing management, implemented weekly supervision and monthly reporting, and flexibly adjusted spot trading strategies to increase trading returns from multiple sources; deeply implemented the work deployment of "one zone, one marketing", explored the establishment of standardized transaction processes, and enhanced the ability to respond to transaction risks.

In 2024, the average on-grid tariffs for wind power amounted to RMB466 per MWh (VAT exclusive), representing an increase of RMB11 per MWh as compared to RMB455 per MWh (VAT exclusive) in 2023, which was mainly due to the increase in the proportion of electricity sales from hightariff projects within the Group in 2024 as a result of structural factors. The average on-grid tariffs for photovoltaic amounted to RMB296 per MWh (VAT exclusive), representing a decrease of RMB14 per MWh as compared to RMB310 per MWh (VAT exclusive) in 2023, which was mainly due to the fact that the newly-launched photovoltaic projects are all parity production projects, resulting in a lower average tariff for overall photovoltaic projects.

6. Enhance the efficiency of financial management and achieve significant financial value creation

In 2024, the Group closely monitored policy guidance, made full use of green finance policies, continuously optimized financing structure, actively carried out existing loan replacement, and reduced the cost of existing loan funds; possessed the qualification to issue non-financial corporate debt financing instruments and the qualification to issue RMB10 billion of corporate bonds on the Shenzhen Stock Exchange, which effectively assisted the Company in carrying out dual market financing and ensured smooth multi-channel financing; persisted in implementing a rigid management fund plan, utilized measures such as fund collection, unified allocation, and shareholder borrowing to increase the frequency of fund utilization and maximize the time value of funds.

In 2024, the Group issued a total of 25 bonds totaling RMB51.9 billion, successfully issued 19 ultra short financing bonds, 5 medium-term notes, and 1 green medium-term note. We maintained the industry advantage in annual capital cost, effectively reduced the capital cost and demonstrated the Group's responsibility and commitment to "carbon peak and carbon neutrality".

7. Deeply cultivate overseas under the guide of "one country, one policy", and expand energy layout steadily to move forward

In 2024, the Group actively participated in international green energy cooperation practices, and efficiently and orderly carried out overseas new energy development business. In the face of the complex and

8. Expand green electricity and green certificate trading to actively realize green value

In 2024, the Group adhered to the concept of green development, established a centralized and unified management mode for green certificates, and leveraged our scale advantages to enhance marketing capabilities for green electricity and green certificates; orderly carried out green certificate sales, completed the maintenance of the green certificate transaction control platform project ledger information, completed the authorization of the filing and card system project, and ensure to obtain green certificates as much as possible, maximizing the realization of green environmental value; organized the revision of the "Management Measures for the Development and Sales of Green Power Certificates", and optimized the sales management process and sales methods of green certificates. We completed 6.701 billion kWh of green electricity transactions throughout the year, a year-on-year increase of 288.84%; 10.2354 million green certificates were traded, a year-on-year increase of 140.83%.

In 2024, the Group expanded the sales channels of green certificates, increased the scale of green electricity trading, solidly carried out carbon emissions and carbon trading business, continued to demonstrate green value, and obtained the first renewable energy project transaction on the first day of trading in the national greenhouse gas voluntary emission reduction trading market, supporting the initiatives with various types of trading; independently developed the first nationwide market wide carbon price index, the "Longyuan Carbon Quota Comprehensive Price Index," and released it to the public through the Wind financial terminal; orderly promoted VCS trading, and completed online VCS trading for the first time on the Hong Kong Core Climate platform and the US CBL platform, maximizing emission reduction benefits; received the title of "Top 10 Members of Beijing Green Exchange in 2023" and "Excellent Market Service and Management Practice Enterprise" in the National Carbon Market of Shanghai Environment and Energy Exchange in 2023; completed the upgrade of the carbon asset trading operation platform system, improved the level of trading automation and intelligence, passed the results appraisal of the China Electricity Council and was awarded the "International Leading" level.

(II) Core competitiveness analysis

1. Collaborative progress empowers scale development

The Group is committed to collaborative development, explores diverse coupling models, deepens cooperation with external enterprises, extends the resource development chain, and promotes parallel collaboration in resource acquisition, development, and utilization. With the integration advantage of the controlling shareholder, CHN Energy, we are fully competing for the leading position in the development of base projects, actively tapping into large bases, offshore and overseas projects, and consolidating our development foundation; build a cutting-edge technology service system covering station design, power prediction, and other eleven industries, relying on experience and core technologies such as resource assessment and equipment selection to safeguard project progress; vigorously promote the "new energy+" model, and introduce industrial clusters through complementary agriculture and photovoltaics, ecological governance, and other means; enhance resource acquisition capabilities through large-scale development, continuously lead the industry, and inject strong momentum into the development of the Group.

2. Technological innovation empowers management efficiency improvement

The Group focused on top-level design and relied on the "1+1+4+N" technological innovation system to work together to tackle key areas; implemented the "164" digital transformation and upgrading plan, launched the "Longteng No. 1" new energy intelligent management platform, released the industry's first comprehensive meteorological big data pool, and digital achievement was selected as the pilot list of the State-owned Assets Supervision and Administration Commission and the typical cases of the Ministry of Industry and Information Technology; privatized and deployed multi-type large-scale models such as DeepSeek-R1 to implement scenarios around core business areas such as production and operation, equipment maintenance and safety management, and held the industry's first "New Energy Intelligent Algorithm Competition", integrating and absorbing 32 excellent competition models, and improving the accuracy of fault warning by 1 percentage point; built a "1+N+X" compliance management digital system, promoted the application of the "4+4+2" contract intelligent system, and independently developed 5 systems to achieve full chain digital intelligent control of new energy project development and design; and built the first national level cybersecurity shooting range in China with high standard and a focus on new energy, providing comprehensive support for cybersecurity research in the new energy industry.

3. Marketing empowers business efficiency

The Group placed importance on enhancing marketing capabilities, comprehensively strengthening the marketing system, and reinforcing marketing benefit creation; focused on improving policy and market research capabilities, actively influenced and analyzed policies related to electricity trading, subsidy compliance, and auxiliary services, relied on marketing systems to deeply analyze market data, and accurately grasped policy orientation and market dynamics, providing decision-making support for market transactions; focused on enhancing the capability to formulate market strategies, coordinated multiple markets such as intra provincial and inter provincial, medium and long-term and spot, green electricity (green certificate) and carbon trading, dynamically optimized trading strategies, and ensured the optimal solution of electricity and price; focused on enhancing the capability to prevent and control market risks, proactively adapted to complex market environments, summarized the trading experience of spot pilot regions such as Shanxi and Gansu, explored the establishment of standardized trading processes, and formed a systematic risk prevention and control mechanism to comprehensively respond to policy, market, compliance, operational and other risks, ensuring safe transaction. The Company strengthened the construction of the marketing team, enhanced marketing capabilities, and built a diversified training system, with training categorized by type and years of experience; designed differentiated goals and pathways, increased practical training programs, and selected outstanding traders for focused cultivation; nurtured marketing and technical talents with market awareness and an understanding of the electricity market, thereby forming a robust marketing team.

4. Financial management help reduce costs and increase efficiency

The Group has taken multiple measures to increase income, and reduced costs and expenses through careful operations; promoted the labor competition of "reducing losses and optimizing compensation (降損優賠)" and "reducing taxes and fees" to explore the space for tax reduction and fee reduction, and carried out special work on special equipment credit; coordinated the replacement of existing debt to save financial costs, led the industry in fund operation efficiency, further consolidated competitive advantages, established valuation management mechanisms, flexibly captured time windows, deepened the application of supply chain finance, significantly increased business volume, reduced the total cost per unit capacity year on year, optimized the structure of long and short-term debt, and controlled liquidity risks; paid attention to financial control, made good use of the "1+N" system, consolidated the quality of accounting information, independently developed overseas financial information systems, and achieved online monitoring of overseas financial risks and closed-loop management of business processes.

5. Strengthening enterprises through talents empowers development vitality

The Group vigorously strengthens the construction of its talent team; establishes a correct orientation for selecting and employing personnel, adheres to a correct view of political achievements, strengthens supervision and management of the "top leaders" and leadership teams, enhances education and training, and improves the political quality and professional ability of the cadre team. We have achieved remarkable results in the construction of the "three teams". The Group currently has 2 national skilled craftsmen, 7 skilled craftsmen in CHN Group, 5 young pioneers in scientific and technological innovation, and 1 rising star in science and technology. We built a specialized talent training system for skills and technology, established training brands such as "Craftsman Training Camp" and "Famous Teacher Lecture Hall", and won 156 group and individual honors in various competitions; at the same time, strengthened internal human resource allocation and selected 29 people to support key projects; established a "1+2+N" training base system, obtained multiple qualification certifications, and created the "Longteng Project" talent training program; improved the salary incentive mechanism with a focus on performance contribution orientation, comprehensively promoted the term system and contractual management of management members, and continuously revised relevant management system to stimulate new entrepreneurial momentum among employees.

II. RESULTS OF OPERATIONS AND ANALYSIS THEREOF

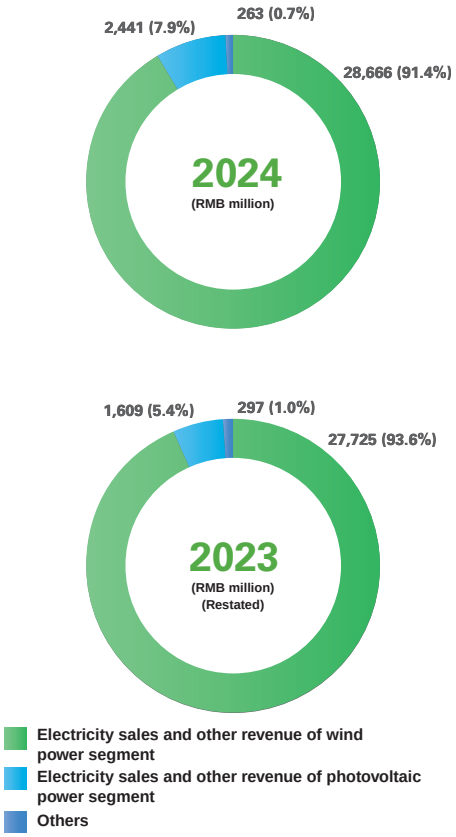
In 2024, the Group achieved a net profit of RMB8,368 million, representing an increase of 20.2% as compared to RMB6,964 million in 2023, of which RMB7,686 million was from continuing operations and RMB682 million was from discontinued operations. The net profit attributable to equity holders of the Company was RMB6,425 million, representing an increase of 0.2% as compared to RMB6,411 million in 2023. Earnings per share was RMB76.30 cents, representing an increase of RMB1.66 cents as compared to RMB74.64 cents in 2023.

Profit or loss and other comprehensive income from continuing operations

Operating revenue

Operating revenue of the Group amounted to RMB31,370 million in 2024, representing an increase of 5.9% as compared to RMB29,631 million in 2023. The increase in operating revenue was primarily due to: (1) an increase of RMB941 million, or 3.4%, in electricity sales and other revenue of the wind power segment to RMB28,666 million in 2024 as compared to RMB27,725 million in 2023, which was primarily due to the increase in the average installed capacity of wind power, and the increase in the average on-grid tariff; and (2) an increase of RMB832 million, or 51.7%, in electricity sales and other revenue of the photovoltaic power segment to RMB2,441 million in 2024 as compared to RMB1,609 million in 2023, which was mainly due to the increase in installed capacity and power generation.

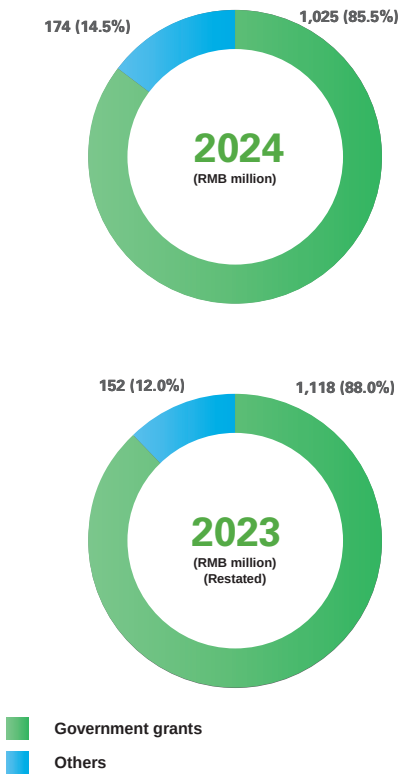
The operating revenue and proportion of each segment are shown in the diagrams below:



Other net income

Other net income of the Group amounted to RMB1,199 million in 2024, representing a decrease of 5.6% as compared to RMB1,270 million in 2023, primarily due to the decrease in government grants as compared to the previous year.

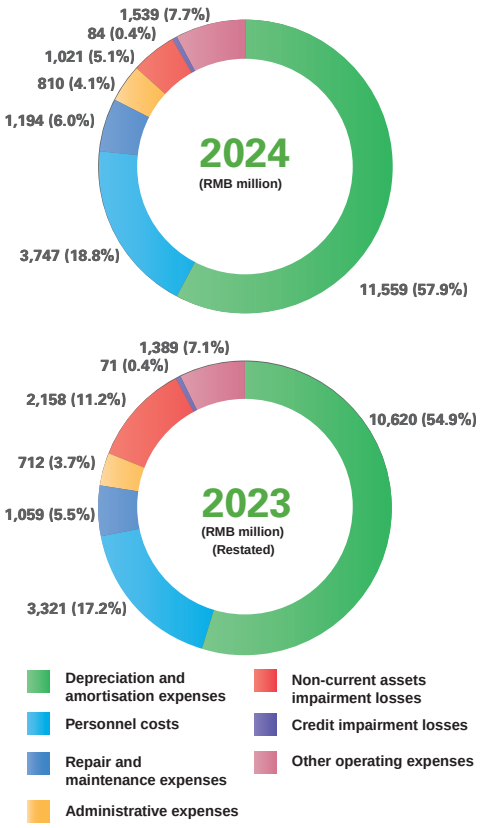
The breakdown of other net income items and their respective proportions are set out in the diagram below:



Operating expenses

Operating expenses of the Group amounted to RMB19,954 million in 2024, representing an increase of 3.2% as compared to RMB19,330 million in 2023, primarily due to: (1) the increase of RMB939 million in the depreciation and amortisation of the wind power and photovoltaic power segments as a result of the conversion of new projects into fixed assets; and (2) the increase of RMB426 million in personnel costs as more projects were put into operation.

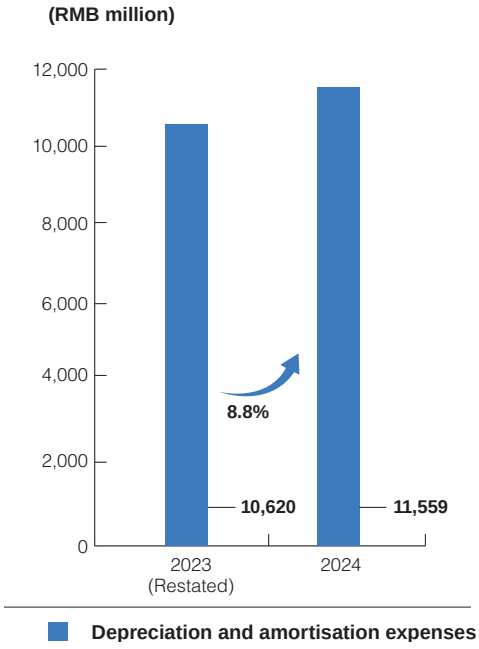
The breakdown of operating expenses items and their respective proportions are set out in the diagrams below:



Depreciation and amortisation expenses

Depreciation and amortisation expenses of the Group amounted to RMB11,559 million in 2024, representing an increase of 8.8% as compared to RMB10,620 million in 2023, primarily due to the impact of the conversion of new projects into fixed assets, including: (1) an increase of RMB676 million or 119.0% in depreciation and amortisation expenses in the photovoltaic power segment as compared to 2023; and (2) an increase of RMB285 million or 2.8% in depreciation and amortisation expenses in the wind power segment as compared to 2023.

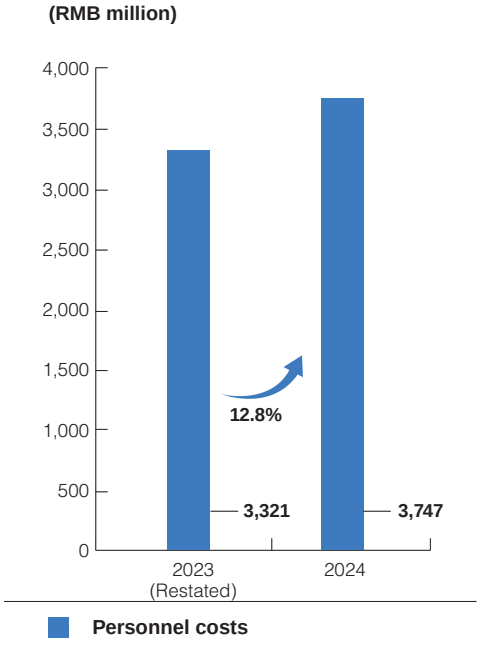
Depreciation and amortisation expenses are set out in the diagram below:



Personnel costs

Personnel costs of the Group amounted to RMB3,747 million in 2024, representing an increase of 12.8% as compared to RMB3,321 million in 2023, which was primarily due to: (1) an increase in headcounts as a result of expansion in the installed capacity of photovoltaic and wind power project; and (2) the fact that a portion of the personnel costs were expensed instead of being capitalised as more projects commenced operation.

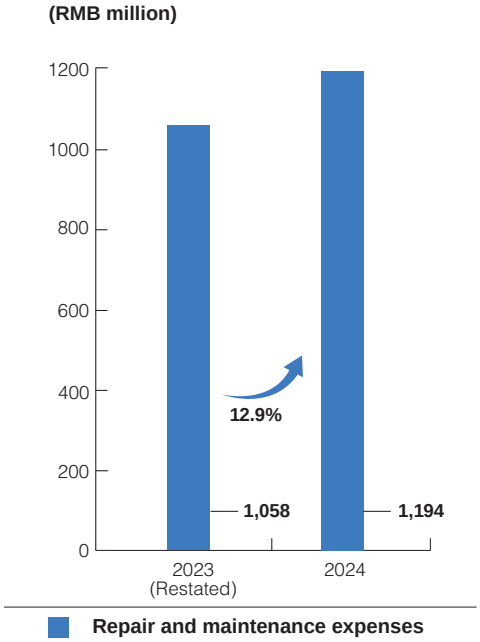
Personnel costs are set out in the diagram below:



Repair and maintenance expenses

The repair and maintenance expenses of the Group amounted to RMB1,194 million in 2024, representing an increase of 12.9% as compared to RMB1,058 million in 2023, primarily due to the relatively more maintenance for the large-scale production of the photovoltaic power segment in 2024.

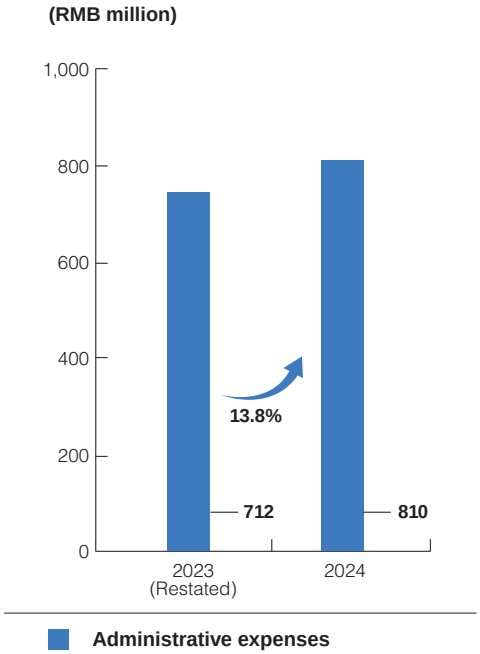
Repair and maintenance expenses are set out in the diagram below:



Administrative expenses

Administrative expenses of the Group amounted to RMB810 million in 2024, representing an increase of 13.8% as compared to RMB712 million in 2023, which was primarily due to the general increase in various administrative expenses as a result of the addition of new projects in operation in the wind power and photovoltaic power segments this year.

Administrative expenses are set out in the diagram below:



Non-current assets impairment losses

Non-current assets impairment losses of the Group amounted to RMB1,020 million in 2024, representing a decrease of 52.7% as compared to RMB2,158 million in 2023, which was primarily due to the decrease in the impairment losses on property, plant and equipment.

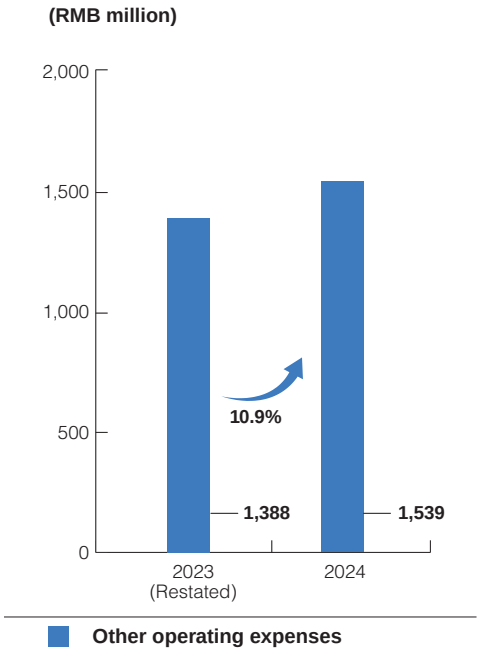
Non-current assets impairment losses are set out in the diagram below:



Other operating expenses

Other operating expenses of the Group amounted to RMB1,539 million in 2024, representing an increase of 10.9% as compared to RMB1,388 million in 2023, which was primarily due to the general increase in various operation expense as a result of the addition of new projects in operation in the wind power and photovoltaic segments into fixed assets in 2024.

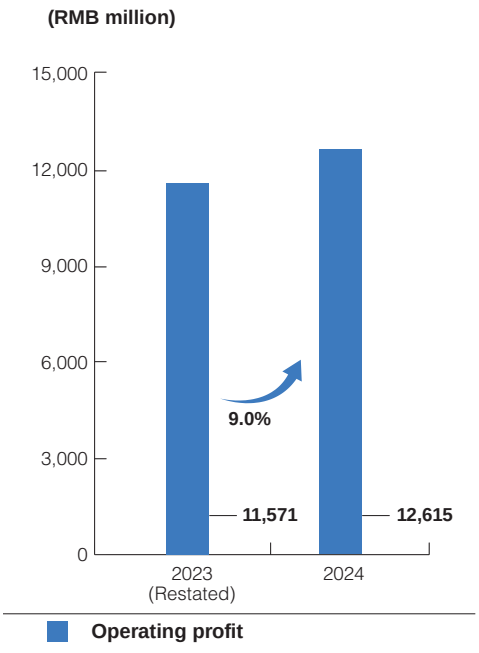
Other operating expenses are set out in the diagram below:



Operating profit

Operating profit of the Group amounted to RMB12,615 million in 2024, representing an increase of 9.0% as compared to RMB11,571 million in 2023, which was primarily due to: (1) the increase of RMB1,192 million in operating profit of wind power segment as a result of the increase in the average installed capacity of wind power, the increase in electricity sales and the average on-grid tariff, and hence increase in revenue from the electricity sales; and (2) the decrease of RMB162 million in operating profit of the photovoltaic power segment as a result of the increase in impairment losses on non-current assets of the photovoltaic power segment.

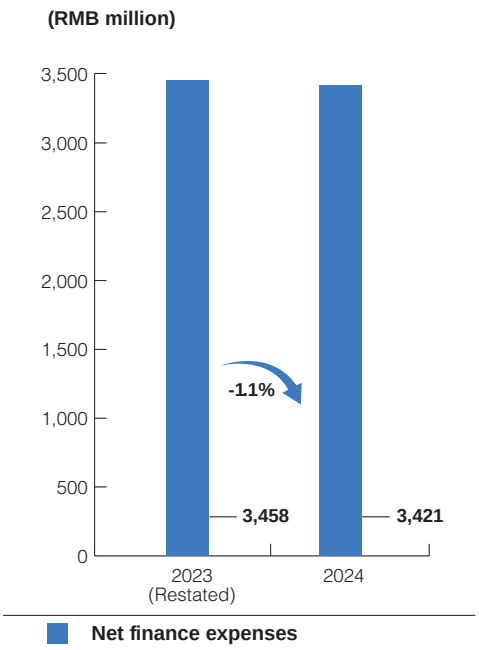
Operating profit is set out in the diagram below:



Net finance expenses

Net finance expenses of the Group amounted to RMB3,421 million in 2024, representing a decrease of RMB37 million or 1.1% as compared to RMB3,458 million in 2023, with no significant change as compared to the previous year.

Net finance expenses are set out in the diagram below:



Share of profits less losses of associates and joint ventures

The Group's share of profits less losses of associates and joint ventures amounted to RMB165 million in 2024, representing an increase of RMB160 million as compared to the share of losses of RMB5 million in 2023, which was mainly due to the increase in net profit of an associate, Guoneng Finance Leasing Co., Ltd. (國能融資租賃有限公司).

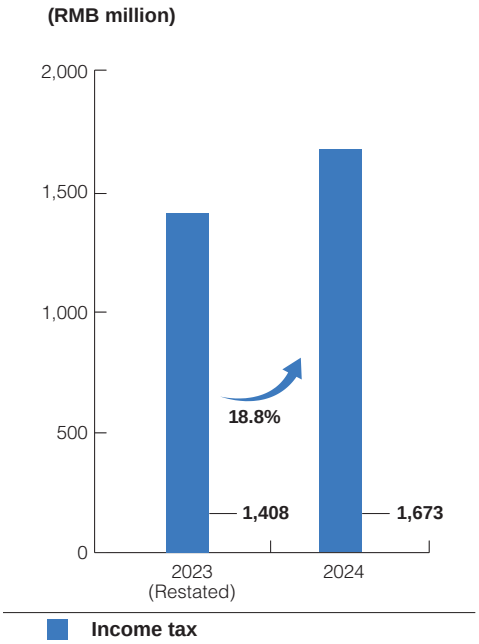
Share of profits less losses of associates and joint ventures is set out in the diagram below:

Share of profits less losses of associates and joint ventures

Income tax

Income tax of the Group amounted to RMB1,673 million in 2024, representing an increase of 18.8% as compared to RMB1,408 million in 2023, which was mainly due to the fact that a number of wind power projects and photovoltaic projects were no longer entitled to tax incentives in 2024.

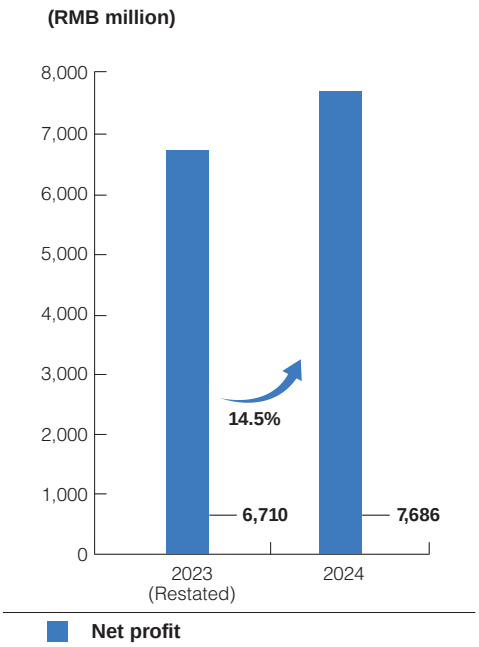
Income tax is set out in the diagram below:



Net profit

Net profit of the Group amounted to RMB7,686 million in 2024, representing an increase of 14.5% as compared to RMB6,710 million in 2023, mainly due to the increase in net profit of the wind power segment, which was greater than the decrease in net profit of the photovoltaic power segment.

Net profit is set out in the diagram below:



Discontinued operations of coal power segment

In 2024, the Group disposed of its coal power segment. From 1 January 2024 to the date of Disposals, the coal power segment generated a net profit of RMB250 million and a net gain on sale of discontinued operations of RMB433 million.

Net profit attributable to equity holders of the Company

Net profit attributable to equity holders of the Company amounted to RMB6,425 million in 2024, representing an increase of 0.2% as compared to RMB6,411 million in 2023, which was mainly due to the combined effect of the increase in net profit of the wind power segment, the decrease in net operating profit of the photovoltaic power segment, the gains on disposal of the coal power segment this year.

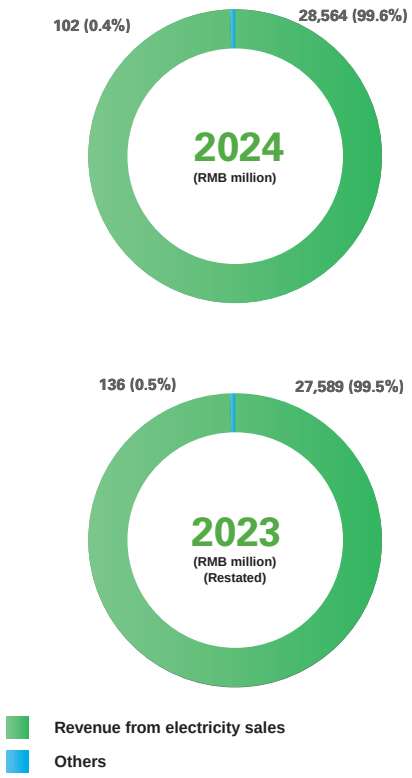
Segment results of operations

Wind power segment

Operating revenue

Operating revenue of the wind power segment of the Group amounted to RMB28,666 million in 2024, representing an increase of 3.4% as compared to RMB27,725 million in 2023, which was primarily due to the increase in the average installed capacity of wind power, the year-on-year increase in electricity sales and the increase in the average on-grid tariff.

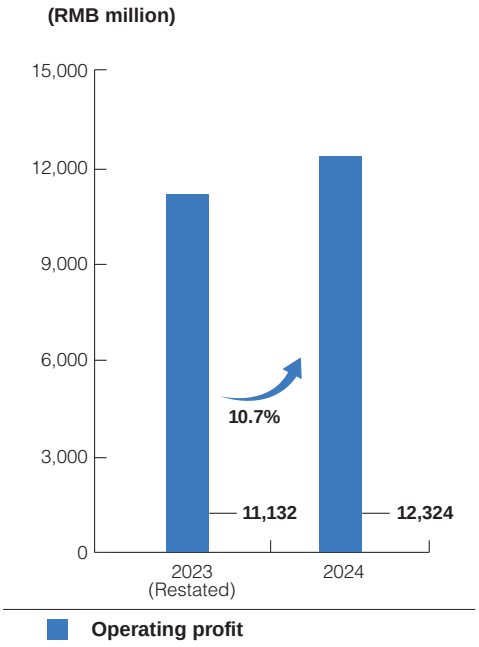
Operating revenue of the wind power segment and proportions are set out in the diagrams below:



Operating profit

Operating profit of the wind power segment of the Group amounted to RMB12,324 million in 2024, representing an increase of 10.7% as compared to RMB11,132 million in 2023, which was primarily due to the increase in revenue from electricity sales in the wind power segment.

Operating profit of the wind power segment is set out in the diagram below:

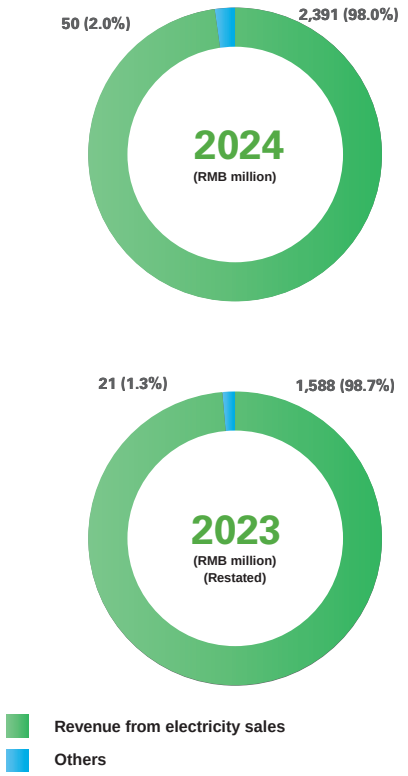


Photovoltaic power segment

Operating revenue

Operating revenue of the photovoltaic power segment of the Group amounted to RMB2,441 million in 2024, representing an increase of 51.7% as compared to RMB1,609 million in 2023, which was mainly due to the increase in the power generation resulting from the increase in installed capacity.

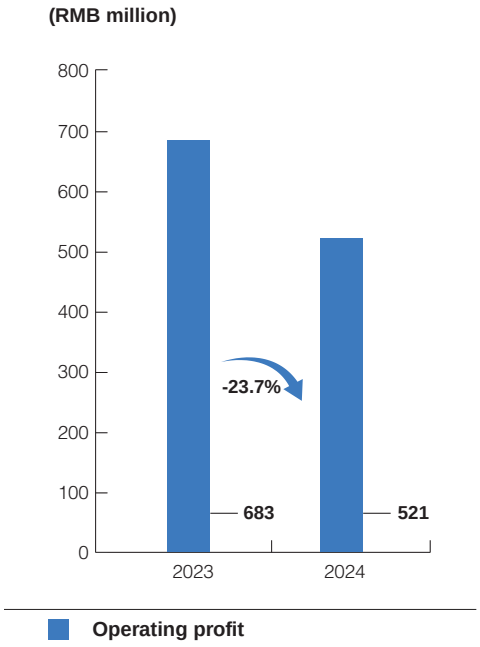
Operating revenue of the photovoltaic power segment and proportions are set out in the diagrams below:



Operating profit

Operating profit of the photovoltaic power segment of the Group amounted to RMB521 million in 2024, representing a decrease of 23.7% as compared to RMB683 million in 2023, which was mainly due to the provision for non-current assets losses by the photovoltaic power segment.

Operating profit of the photovoltaic power segment is set out in the diagram below:

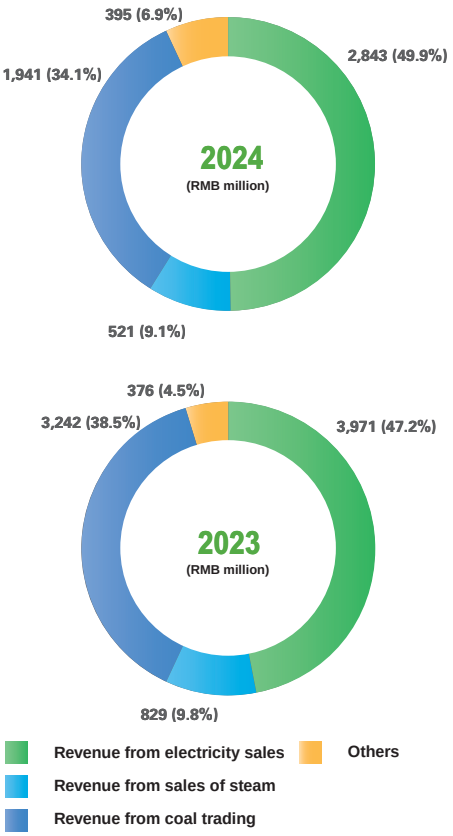


Coal power segment

Operating revenue

Operating revenue of the coal power segment of the Group from 1 January 2024 to the date of Disposals amounted to RMB5,700 million, representing a decrease of 32.3% as compared to RMB8,418 million in 2023, which was mainly due to the disposal of the coal power segment in the second half of 2024.

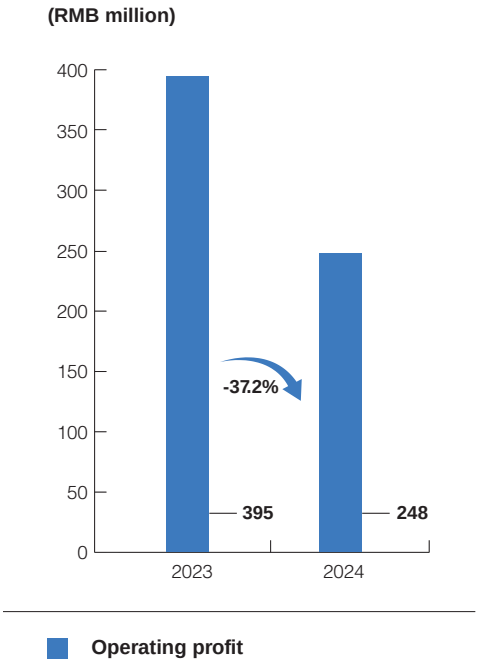
Operating revenue of the coal power segment and proportions are set out in the diagram below:



Operating profit

Operating profit of the coal power segment of the Group from 1 January 2024 to the date of Disposals amounted to RMB248 million, representing a decrease of 37.2% as compared to RMB395 million in 2023, which was mainly due to the decrease in revenue from electricity sales against no significant changes in fixed cost of personnel and depreciation.

Operating profit of the coal power segment and proportions are set out in the diagram below:

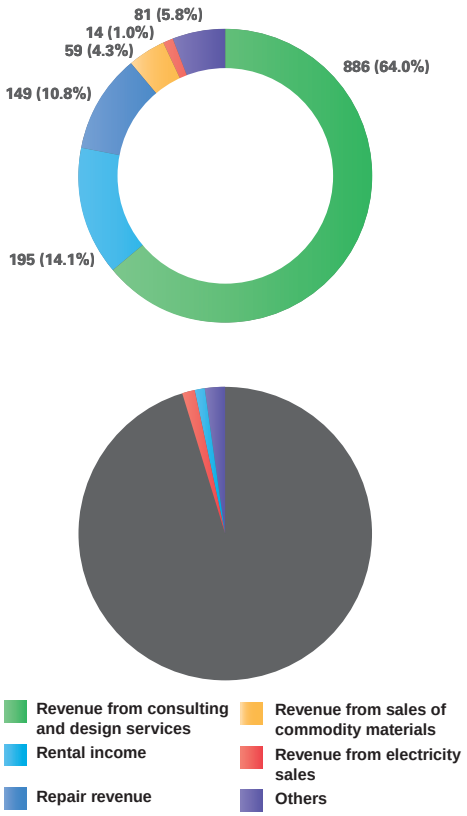


Other Segment

Operating revenue

Operating revenue of other segments of the Group amounted to RMB1,384 million in 2024, representing an increase of 30.1% as compared to RMB1,064 million in 2023, which was mainly due to the increase in revenues from energy storage equipment rental, repair and sales of commodity materials.

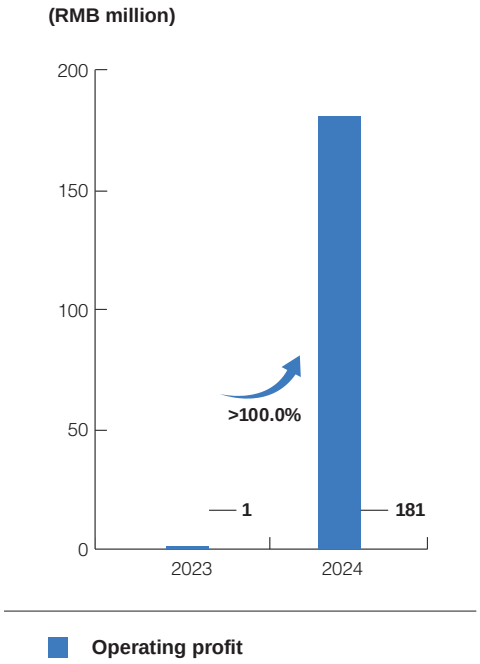
Operating revenue of other segments and proportions are set out in the diagrams below:



Operating profit

Operating profit of other segments of the Group amounted to RMB181 million in 2024, representing an increase of RMB180 million as compared to RMB1 million in 2023, which was mainly due to the increase in revenues from energy storage equipment rental, repair and sales of commodity materials for the year.

Operating profit of other segments is set out in the diagram below:



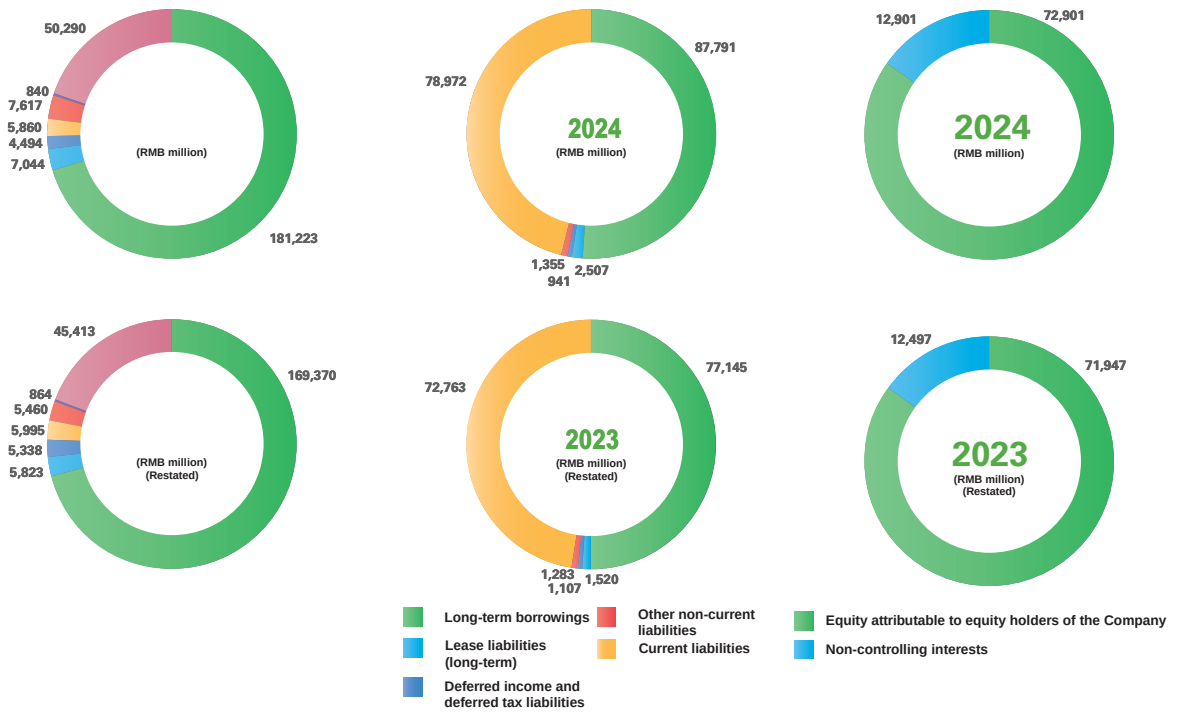
Assets and liabilities

As at 31 December 2024, the total assets of the Group amounted to RMB257,368 million, representing an increase of RMB19,105 million as compared to those of RMB238,263 million as at 31 December 2023. This was primarily due to: (1) an increase of RMB4,877 million in current assets including trade and bills receivables; and (2) an increase of RMB14,228 million in non-current assets including property, plant and equipment.

As at 31 December 2024, the total liabilities of the Group amounted to RMB171,566 million, representing an increase of RMB17,748 million as compared to those of RMB153,818 million as at 31 December 2023. This was primarily due to: (1) an increase of RMB6,209 million in current liabilities including short-term borrowings; and (2) an increase of RMB11,539 million in non-current liabilities including long-term borrowings.

As at 31 December 2024, the equity attributable to equity holders of the Company amounted to RMB72,901 million, representing an increase of RMB954 million as compared to RMB71,947 million as at 31 December 2023. This was primarily due to: (1) an increase of RMB6,425 million in earnings from business for the year; (2) a decrease of RMB1,860 million in dividend distribution; and (3) a decrease of RMB2,000 million in redemption of perpetual medium-term notes.

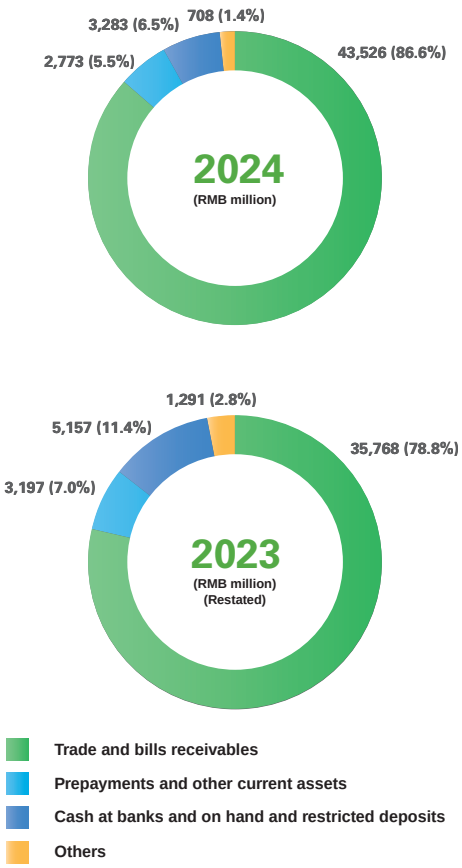
Details of assets, liabilities and equity are set out in the diagram below:



Capital liquidity

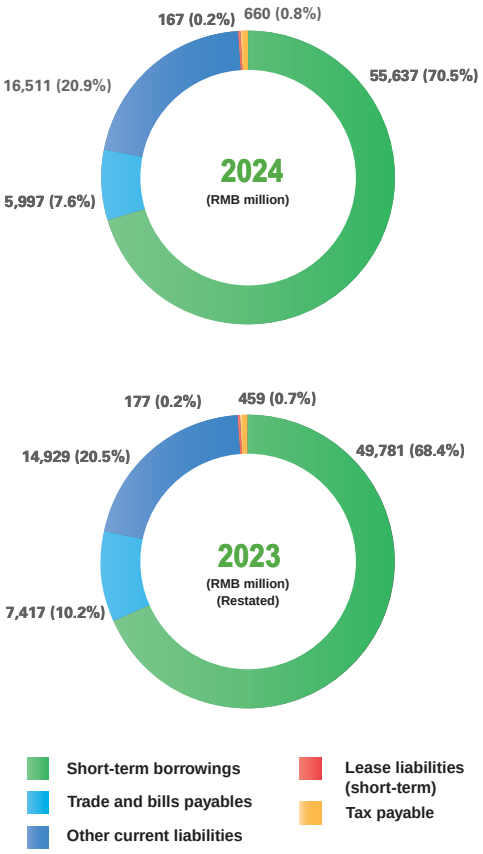
As at 31 December 2024, the current assets of the Group amounted to RMB50,290 million, representing an increase of RMB4,877 million as compared to those of RMB45,413 million as at 31 December 2023, which was mainly attributable to the increase in trade and bills receivables.

Current assets by item and proportions are set out in the diagram below:



As at 31 December 2024, the current liabilities of the Group amounted to RMB78,972 million, representing an increase of RMB6,209 million as compared to those of RMB72,763 million as at 31 December 2023, which was mainly attributable to the increase in short-term borrowings.

Current liabilities by item and proportions are set out in the diagrams below:



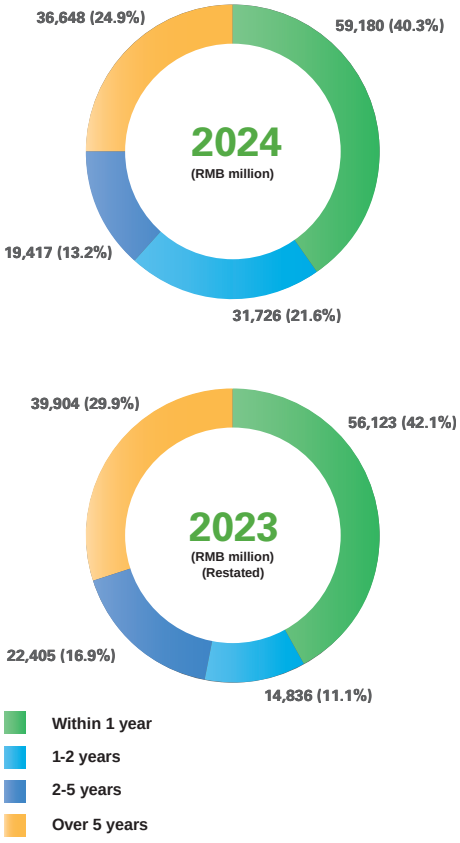
As at 31 December 2024, the net current liabilities of the Group amounted to RMB28,683 million, representing an increase of RMB1,332 million as compared to those of RMB27,351 million as at 31 December 2023; the liquidity ratio was 0.64 as at 31 December 2024, representing an increase of 0.02 as compared to that of 0.62 as at 31 December 2023, mainly attributable to the fact that the increase in trade and bills receivables was greater than the increase in short-term borrowings for the year.

The restricted deposits amounted to RMB159 million, which mainly represent the deposits for credit supervision and land rehabilitation.

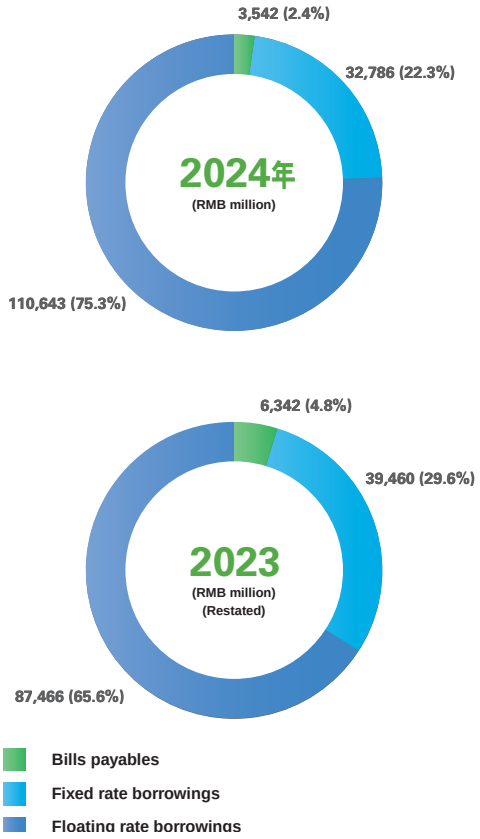
Borrowings and bills payables

As at 31 December 2024, the balance of borrowings and bills payables of the Group amounted to RMB146,971 million, representing an increase of RMB13,703 million as compared to that of RMB133,268 million as at 31 December 2023. As at 31 December 2024, the Group's outstanding borrowings and bills included short-term ng 3s6

Borrowings and bills payables by term and proportions are set out in the diagram below:



The types of interest rate structure of borrowings and bills payables and their respective proportions are set out in the diagram below:

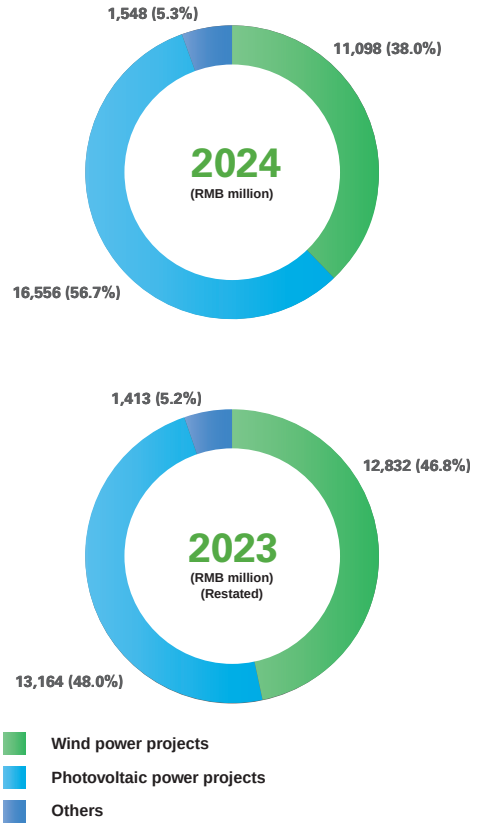


Capital expenditures

The capital expenditures of the Company amounted to RMB29,202 million in 2024, representing an increase of 6.5% as compared to RMB27,409 million in 2023, among which the expenditures for the construction of wind power projects amounted to RMB11,098 million, and the expenditures for the construction of photovoltaic and other renewable energy projects amounted to RMB18,104 million.

The sources of funds mainly included self-owned funds, the borrowings from banks and other financial institutes and the proceeds from the issuance of bonds.

Capital expenditures classified by use and proportions are set out in the diagrams below:



Net gearing ratio

As at 31 December 2024, the net gearing ratio of the Company, which is calculated by dividing net debt (the sum of borrowings and finance lease less cash and cash equivalents) by the sum of net debt and total equity, was 62.5%, representing an increase of 3.0 percentage points from 59.5% as at 31 December 2023. This was primarily due to the increase in debts being slightly higher than the increase in total equity.

Significant investments

The Group made no significant investments in 2024.

Material acquisitions and disposals

References are made to the announcements of the Company dated 27 June 2024

On 18 June 2021, the Company entered into the Profit Compensation Agreement with each of Liaoning Electric Power, Gansu Electric Power, Guangxi Electric Power, North China Electric Power, Shaanxi Electric Power, and Yunnan Electric Power (individually or collectively, the "**Performance Undertaker(s)**"). According to the completion of this transaction and the provisions of the Profit Compensation Agreement, the performance commitment period set by the Performance Undertakers in respect of Valuation Adjustment Targets is the year following the completion of the purchase of the assets (i.e. the transfer of the assets of the Valuation Adjustment Targets) and the two financial years thereafter, namely 2022, 2023 and 2024 (collectively, the "**Performance Commitment Period**"). Performance Undertakers shall make compensation to the Company in cash for the difference in the valuation result corresponding to the difference in net profit pursuant to the agreement if the amount of the actual net profit (being the net profit attributable to shareholders of the parent company after deduction of non-recurring profit or loss) of the valuation adjustment targets in any accounting year during the Performance Commitment Period is lower than the amount of the committed net profit. In 2024, the predicted net profit of each Valuation Adjustment Target is shown in the table below:

Performance Undertakers	Valuation Adjustment Targets	Committed Net Profit for the Year 2024	Audited Actual Net Profit for the Year 2024
Liaoning Electric Power	Northeast New Energy	**8,894.29**	8,994.30
Shaanxi Electric Power	Dingbian New Energy	**11,429.55**	11,673.72
Guangxi Electric Power	Guangxi New Energy	**23,401.92**	23,519.67
Yunnan Electric Power	Yunnan New Energy	**10,658.67**	10,302.64
Gansu Electric Power	Gansu New Energy	**4,743.56**	3,877.90
North China Electric Power[1]	Tianjin Jieneng Inner Mongolia New Energy Shanxi Jieneng	**13,971.47[2]**	11,225.45

Notes:

1. North China Electric Power has been renamed as CHN Energy Tianjin Electric Power Co., Ltd. (國家能源集團天津電力有限公司) in November 2024, and subsequent compensation will be fulfilled by CHN Energy Tianjin Electric Power Co., Ltd..

2. The undertaking made by North China Electric Power represents undertaking in respect of the aggregate amount of the net profit in 2024 for relevant Valuation Adjustment Targets (which, in the case of North China Electric Power, comprises three companies, namely, Tianjin Jieneng, Inner Mongolia New Energy and Shanxi Jieneng).

The actual net profit of the above-mentioned Valuation Adjustment Targets in 2024 has been audited by Zhongshen Zhonghuan Certified Public Accountants LLP. Yunnan Electric Power, Gansu Electric Power and North China Electric Power did not meet the performance commitment requirements and, as measured in accordance with the method stipulated in the Profit Compensation Agreement:

Compensation amount for the year = (cumulative committed net profit of the Target Company as of the end of the year – cumulative actual net profit of the Target Company as of the end of the year) ÷ cumulative committed net profit during the performance commitment period of the Target Company × transaction consideration of the Target Company – cumulative compensated amount.

In terms of Yunnan Electric Power:

Compensation amount in 2024 = (cumulative committed net profit of the Target Company as of the end of the year – cumulative actual net profit of the Target Company as of the end of the year) ÷ cumulative committed net profit during the performance commitment period of the Target Company × transaction consideration of the Target Company – cumulative compensated amount = (39,378.92 – 39,589.16) ÷ 39,378.92 × 75,200.00 – 0 = -401.49 (in RMB ten thousand)

It is estimated that, as of the end of 2024, Yunnan Electric Power's cumulative actual net profit from 2022 to 2024 was higher than the cumulative committed net profit and no compensation amount is payable.

In terms of Gansu Electric Power:

Compensation amount in 2024 = (cumulative committed net profit of the Target Company as of the end of the year – cumulative actual net profit of the Target Company as of the end of the year) ÷ cumulative committed net profit during the performance commitment period of the Target Company × transaction consideration of the Target Company – cumulative compensated amount = (11,612.05 – 18,248.95) ÷ 11,612.05 × 44,200.00 – 0 = -25,262.63 (in RMB ten thousand)

It is estimated that, as of the end of 2024, Gansu Electric Power's cumulative actual net profit from 2022 to 2024 was higher than the cumulative committed net profit and no compensation amount is payable.

In terms of North China Electric:

Compensation amount in 2024 = (cumulative committed net profit of the Target Company as of the end of the year – cumulative actual net profit of the Target Company as of the end of the year) ÷ cumulative committed net profit during the performance commitment period of the Target Company × transaction consideration of the Target Company – cumulative compensated amount = (41,651.01 – 38,618.27) ÷ 41,651.01 × (198,400.00 – 2,959.58) – 5,320.13 = 14,230.63 – 5,320.13 = 8,910.50 (in RMB ten thousand)

It is estimated that, as of the end of 2024, the North China Electric Power's cumulative amount of compensation payable from 2022 to 2024 was RMB142,306,300, and after deducting the compensation amount paid of RMB53,201,300, a supplemental compensation payment of RMB89,105,000 is still required.

Based on the above, the cumulative actual net profit of Yunnan Electric Power and Gansu Electric Power for the years from 2022 to 2024 is higher than the cumulative committed net profit, and no compensation is payable, and North China Electric is required to compensate the Group with RMB89.1050 million. The actual net profits of the remaining Performance Undertakers have all met the committed net profit requirements specified in the Profit Compensation Agreement.

For details, please refer to the announcement of the Company dated 28 March 2025. The Company will make further announcements on the progress of compensation in a timely manner.

Pledged assets

As at 31 December 2024, general banking facilities and debentures amounting to RMB11,227 million are secured by property, plant and equipment with net carrying amount of RMB4,439 million, inventories with net carrying amount of RMB4 million and trade debtors' beneficial rights arising from future electricity sales.

Contingent liabilities/guarantees

As at 31 December 2024, the Company provided a counter-guarantee of no more than RMB14 million to the controlling shareholder of an associate. As at 31 December 2024, the bank loan balance for which the Group provided the counter-guarantee amounted to RMB7 million.

Cash flow analysis

As at 31 December 2024, the bank deposits and cash held by the Group amounted to RMB3,125 million, representing a decrease of RMB1,686 million as compared to RMB4,811 million as at 31 December 2023, which was mainly due to the payments for acquisition of non-current assets during the year. The principal sources of funds of the Group included self-owned funds and external borrowings. The Group mainly used the funds for capital turnovers, construction of projects, and acquisition and disposal of subsidiaries.

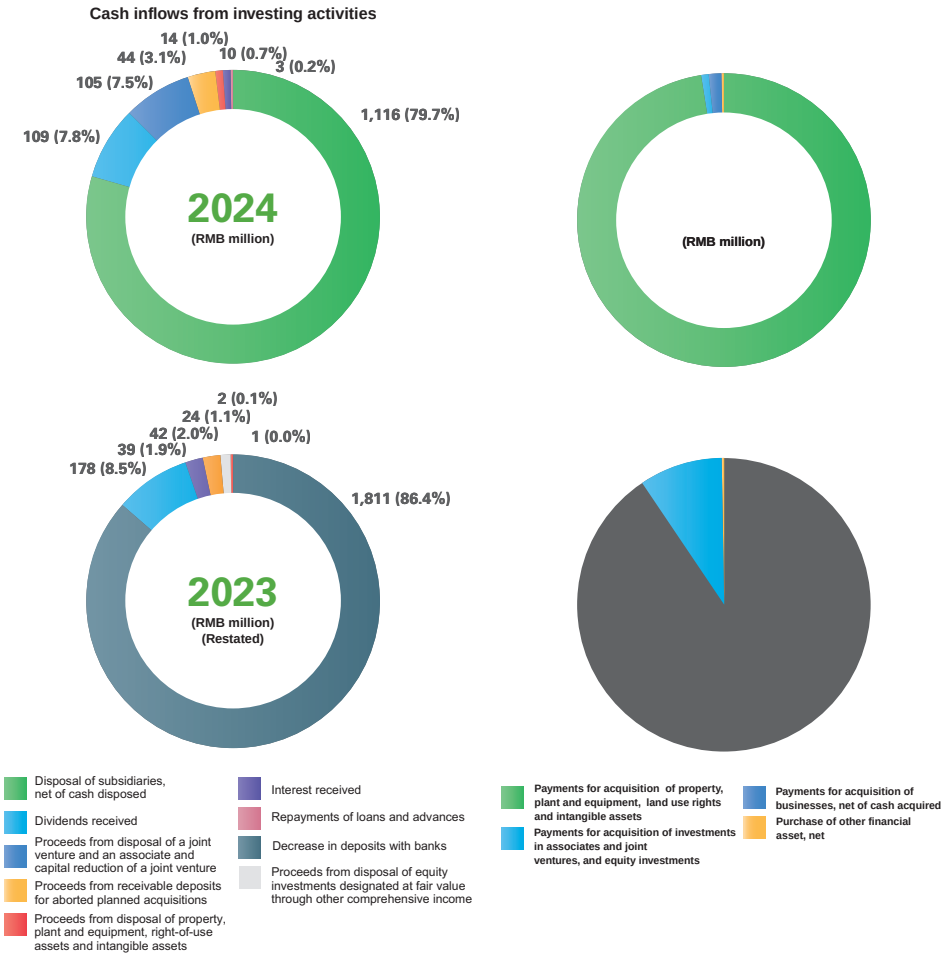
The net cash inflow from the Group's operating activities amounted to RMB17,062 million in 2024, representing an increase of RMB2,729 million as compared to RMB14,333 million in 2023, which was mainly due to the combined effect of the increase in sales of goods and cash received from rendering of services and the decrease in payment of taxes during the year.

The net cash outflow from the Group's investing activities amounted to RMB26,068 million in 2024, representing an increase of RMB1,916 million as compared to RMB24,152 million in 2023, which was mainly due to the increase in payments for acquisition of non-current assets.

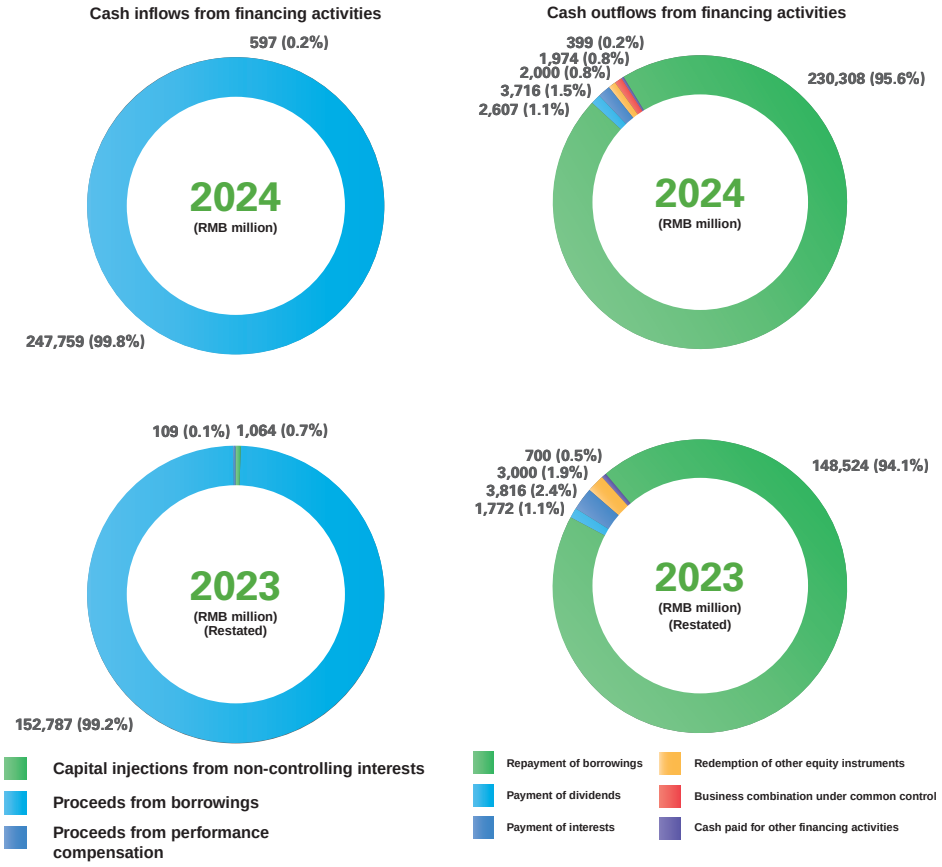
The net cash inflow from the Group's financing activities amounted to RMB7,353 million in 2024, representing an increase of RMB11,205 million from the net cash outflow from financing activities of RMB3,852 million in 2023. The cash inflow from financing activities was mainly generated from bank loans. The cash outflow from financing activities was primarily used for repayment of borrowings and payments of interest of borrowings.

Cash inflows from operating activities and cash outflows from operating activities are set out in the diagrams below:

Cash inflows from investing activities and cash outflows from investing activities are set out in the diagrams below:



Cash inflows from financing activities and cash outflows from financing activities are set out in the diagrams below:



IV. RISK FACTORS AND RISK MANAGEMENT

1. Resource risk and countermeasures

The major resource risk confronted by the wind power industry is the annual fluctuation of wind and solar resources, which is represented by the higher power generation in years of high wind velocity and the lower power generation in years of low wind velocity than that in normal years. On the vast territory of our nation which covers a wide span of areas, there is a great variation in climate conditions in different regions. To be specific, the regions have different climatic characteristics of the years of high and low wind velocity in the same period. In 2024, the annual total solar radiation in most provinces (including autonomous regions and municipalities) in China was at normal levels, and power generation was also at normal levels. However, the average wind speed at Longyuan Power's wind farms was 0.2 meters per second lower than the long-term average, resulting in slightly lower power generation compared to previous years.

In response to different climate conditions in different regions, the Group carried out the nationwide dispersed layout to reduce investment risks. As of the end of 2024, the Group had power projects in 31 provinces, autonomous regions and municipalities in China, covering all regions except for Hong Kong, Macau and Taiwan and formulating an increasingly optimized and rational project layout. In the future, the Group will further balance the project development ratio in the regions subject to the impact of different climatic conditions.

2. Market risk and countermeasures

Since the new round of power system reforms, China's power market construction has advanced rapidly, with the market playing an increasingly significant role in optimizing the allocation of power resources across a broader scope. The issuance of the "Fa Gai Jia Ge Document [2025] No. 136 (發改價格[2025]136號文) has accelerated the full integration of new energy into the market. The trading of new energy power is influenced by various factors such as supply and demand dynamics, policies, and regulations. Changes in market access conditions and trading price policies have introduced uncertainties to corporate operating revenues, creating pressure on stabilizing prices and increasing income for new energy.

The Group will closely monitor national and local policy developments, conduct in-depth analysis of the new energy power market, and study trading policies to accurately assess opportunities and policy impacts. Faced with downward pressure on electricity prices, the Group will take proactive measures, formulate and implement effective strategies, and continuously promote cost reduction and efficiency improvement. The Group will conduct timely and in-depth analyses and studies on the implementation rules of marketisation in various provinces that have been successively introduced; research and apply AI technology to improve the accuracy of tariff and power forecasts; and improve the level of marketing strategies and strengthen its marketing capabilities. At the same time, based on the characteristics and rules of new energy power trading, the Group will strengthen the full-process control of market-oriented trading, ensuring seamless and efficient operations from decision-making and declaration to settlement. By actively adapting to external environmental changes and continuously tapping internal potential, the Group will enhance its core competitiveness, laying a solid foundation for the steady development of its new energy power business.

3. Risks relating to power grids and countermeasures

During the 14th Five-Year Plan period, the scale of new energy grid integration has seen significant growth. However, the increase in power demand and the improvement of system regulation capabilities have been relatively slow. In some regions, the continuous addition of new energy installations has exacerbated issues such as insufficient capacity of main transformers and transmission lines, particularly when wind and solar resources coincide at high rates, creating substantial pressure on new energy consumption. Meanwhile, large-scale wind and photovoltaic bases, primarily relying on ultra-high voltage transmission, are under continuous construction. However, the progress of transmission channel construction has lagged, posing certain risks to the consumption of these large-scale projects.

The Group will, based on the unique characteristics and conditions of each region, further strengthen communication and collaboration with government authorities and grid dispatchers. The Group will proactively expand channels for new energy consumption, strive for more favorable policy support and greater power generation space, actively promote the optimization and improvement of local grid structures, actively explore new energy+ new development modes, develop synergies with various industries and increase local consumption to better meet the needs of new energy development.

4. Risk in production and countermeasures

Since its establishment in 1993, the Group has been committed to the development, operation, and management of new energy. With the increase in operating years, the equipment put into production in the early stages gradually exposed problems such as electrical components breakdown, decreased cable insulation, and aging sealing rings, resulting in certain safety risks.

To cope with the risk of equipment aging, the Group strengthened equipment governance by enhancing equipment monitoring, status evaluation, point inspections, and intelligent monitoring to timely detect anomalies and hidden dangers. At the same time, it optimized equipment systems and solved problems through thematic analysis and technical breakthroughs. Standardized unit maintenance management, priority maintenance arrangements for key equipment, and full process management all aim to ensure the stability and reliability of equipment operation. In addition, the Group accelerated the renovation and upgrading of old wind farms and continued to carry out unit life extension work relying on the principle of "overall planning and step-by-step implementation" to ensure targeted plans and measures in place, thereby safeguarding the efficient and long-term operation of the wind farms.

5. Internationalization risks and countermeasures

The current external environment is complex and ever-changing, the conflicts between Russia and Ukraine and between Palestine and Israel continue, geopolitical risks in Europe and Central Asia are increasing, and globalization is experiencing a reversal. The global economic landscape remains turbulent, with factors such as EU anti-subsidy investigations, the Federal Reserve's interest rate cuts, and economic fluctuations in various countries driving the restructuring of supply and industrial chains. This has intensified competition for investments in new energy projects, impacting the profitability. Additionally, high inflation in some countries has led to a significant increase in project costs. Competition for national projects in key regions such as Southeast Asia and South Africa is becoming increasingly fierce.

The Group will take overall measures to prevent risks of overseas projects in the preliminary stage, construction in progress, and in operation, and continue to perfect risk control and compliance system construction to improve management efficiency; intensify tracking analysis of the conflict between Russia and Ukraine as well as the risk prevention of Ukrainian projects, and ensure the local operation and maintenance of projects in operation and the equipment safety of projects under construction and supplier relationship maintenance, laying a solid foundation for subsequent resumption of work and production. Additionally, the Group will strengthen personnel safety foundation

Domestically, under the guidance of the "dual carbon" goals, the new energy industry is experiencing rapid development. The new energy power sector faces both opportunities and challenges. The transformation and upgrading of traditional industries have led to a surge in demand for clean energy, while the construction of large-scale bases is steadily progressing. Breakthroughs in new battery technologies, the development of high-capacity wind turbines, and the commercialization of new energy storage technologies are opening up vast market opportunities for the new energy industry. Following the release of the "Fa Gai Jia Ge Document [2025] No. 136 (發改價格[2025]136號文)", the full integration of new energy into the power market has been accelerated, promoting the efficient allocation of power resources and guiding the healthy and orderly development of the new energy sector. With the establishment of a price settlement mechanism, differentiated policies for existing and new projects ensure a smooth transition and development of new and old projects, driving the optimization of the energy structure and green economic transformation, and contributing to the construction of a new power system. The fair allocation of power system regulation costs to new energy will also promote the coordinated development of various power sources, fostering a more efficient and synergistic industrial landscape. As the construction of a unified national power market accelerates, collaboration among upstream and downstream enterprises in the new energy industry chain will further strengthen, paving the way for broader development prospects and a significant role in the global energy transformation.

2. Operation Targets of the Group in 2025

In 2025, the Group will adhere to Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, fully implement the spirit of the 20th National Congress of the Communist Party of China, the 2nd and 3rd Plenary Sessions of the 20th CPC Central Committee, and the Central Economic Work Conference, anchor the goal of becoming a world-class leader in new energy technology, and achieve five "unwavering" commitments. The Group will vigorously promote the unique and excellent qualities of Longyuan, continue to deepen the "12556" work mindset, focus on strengthening the "5 World-Class Platforms", and ensure the completion of the tasks outlined in the 14th Five-Year Plan. The Group will comprehensively build a new Longyuan that is "inherent safety, doubled scale, digital transformation, innovation-driven leadership, and proactive growth", and continue to maintain our position as a global leader in the field of new energy.

In 2025, the Group plans to start construction on 5.5 million kW of new energy projects and put 5 million kW into operation, resolutely fulfilling the goal of doubling installed capacity during the "14th Five-Year Plan" period. The Group will focus on "six prominent areas and six key tasks" to complete the following work.

1. Emphasizing Party building to strengthen the enterprise, and focusing on gathering new momentum for development

The Group will promote the Party's political construction throughout the year, and persistently use Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era to consolidate hearts and shape spirits. The Group will promote the construction of a clean and upright political culture throughout the year, and deepen the comprehensive and strict governance of the Party, tightly implement the main responsibility, supervision responsibility, and "dual responsibility of one post". The Group will promote the development of its cadre and talent team throughout the year, strengthen the supervision and management of "top leaders" and leadership teams, and accelerate the construction of the "three teams". The Group will drive the ideological and cultural development of the enterprise year-round, build industry-leading brands in offshore wind power, large-scale bases, and digital platforms, showcase the Longyuan brand image and unique advantages, and inspire positive energy for entrepreneurship and innovation.

2. Emphasizing safety to strengthen the enterprise, and focusing on creating a new risk control landscape

The Group will deepen the construction of its production safety management system, strictly implement the "Three Management and Three Musts" requirements, advance the three-year action plan for fundamental improvements in safety production, strengthen hierarchical control of safety risks, thoroughly conduct hazard investigation and management, and enhance emergency response capabilities to solidify the "three lines of defense" against safety risks. The Group will also deepen the construction of its infrastructure safety management system, fully achieve visual safety control throughout the entire lifecycle of construction sites, comprehensively strengthen inspection and rectification across all construction sites, improve standardized safety management for projects, increase investment in safety management, and ensure the "Three Simultaneities" implementation of water resources conservation and environmental protection facilities in construction projects, aiming to create green and ecological projects. The Group will focus on building a "Law-Based Longyuan", deepen the construction of a legal and compliance management system, strengthen economic responsibility audits and issue rectification, enhance the internal control and risk management system, scientifically prevent major operational risks annually, and continuously fortify the defense lines for safety and stability.

3. Emphasizing development to strengthen the enterprise, and focusing on enhancing new competitive advantages

The Group will better balance the relationship between scale and efficiency, resolutely expand resource scale, scientifically optimize resource efficiency, and ensure the improvement of project development quality and effectiveness. The Group will firmly focus on the "two key areas" of large-scale bases and offshore projects, while steadily advancing the "four supplementary areas" of local consumption, hydrogen-based projects, overseas projects, and mergers and acquisitions. The Group will better balance the relationship between efficiency and quality, using "two enhancements" to improve infrastructure efficiency, strengthening organizational coordination mechanisms and bidding and procurement control, and using "four strengthening measures" to enhance project quality, build robust preliminary design review systems, equipment manufacturing supervision systems, quality acceptance management systems, and standardized quality management systems. The Group will also leverage two "innovations" to boost both quality and efficiency, innovating and optimizing the development and construction management system and constructing exemplary ESG projects. The Group will better balance external and internal relationships, and adhering to the principle of increasing quantity while improving quality, the Group will formulate a distinctive "15th Five-Year Plan" development strategy that embodies the Longyuan characteristics.

4. Emphasizing operations to strengthen the enterprise, and focusing on unlocking new sources of value

The Group will drive incremental growth and value enhancement through lean operations, efficiently manage production and operations, accelerate the development and application of large-scale models in the new energy industry, continue to address long-term shutdown units and transmission and distribution failures, and improve the comprehensive long-term operation index of equipment. The Group will strengthen market marketing to create value, actively respond to full market integration, and focus on improving the ability to conduct policy and market research, formulate market strategies, and prevent and control market risks. The Group will promote financial efficiency through meticulous control, implement comprehensive budget management in detail, optimize fund management, and ensure that all costs are controllable. The Group will strategically plan to enhance market value, and comprehensively utilize the "toolbox" for market value management to establish itself as a leading listed company.

5. Emphasizing reform to strengthen the enterprise, and focusing on shaping a new governance model

The Group will ensure the effective implementation of comprehensive deepening reforms, coordinate the advancement of reform enhancement initiatives with the construction of first-class enterprises, and complete major reform tasks with high quality. The Group will fully implement the "Management Improvement Year" action plan, establishing a normalized mechanism for enhancing the "Five capabilities". The Group will modernize its corporate governance system and capabilities, improve the governance mechanisms of listed companies, strengthen support for directors' compliance in fulfilling their duties, and create best practices in corporate governance. The Group will deepen and solidify the reform of the three systems, implement a new operational responsibility system, strengthen performance evaluation and rigid fulfillment of contractual targets, optimize the total wage management system, and tilt income distribution towards key research personnel to stimulate innovation and efficiency.

6. Emphasizing innovation to strengthen the enterprise, and focusing on building a new engine for technology

The Group will effectively promote the optimization and upgrading of its scientific and technological innovation system, improve the "1+1+4+N" technological innovation system the Company, and establish a group-level R&D platform for new energy storage technologies, carbon footprint and carbon reduction with the core of building a strong National Energy Wind Power Operation Technology R&D (Experiment) Center. The Group will enhance collaboration with universities, research institutes, and upstream and downstream enterprises, and actively apply for and participate in national key projects to elevate its industry influence and voice. The Group will focus on major technological innovation breakthroughs targeting industry frontiers and development strategies, create integrated technology innovation demonstrations, drive the economic viability and large-scale application of emerging technologies such as green hydrogen, and proactively advance original technological innovations to seize the high ground for future development. The Group will accelerate its digital transformation, concentrate on new energy digital platforms and cloud computing centers, aggregate larger-scale data assets, and deeply explore the value of data in decision-making support to build a strong new energy digital platform.

The Group's operation targets and capital expenditure plans for 2025 are subject to factors such as changes in the scope of the consolidated financial statements, risks, uncertainties and assumptions, and the actual results may differ materially from those described above. Such statements do not constitute actual commitments to investors. Investors should be aware that undue reliance on or use of such information may lead to risks of investment.

DIRECTORS' REPORT

The Board of Directors of the Company hereby presents to the Shareholders the annual report and the audited financial statements for the year ended 31 December 2024 (the "**Financial Statements**").

BOARD OF DIRECTORS MEETING

During the Reporting Period, twelve Board meetings were held and a total of 70 resolutions of the Board were approved:

The 2024 first meeting of the fifth session of the Board was held on 27 March 2024, at which thirty-three resolutions were considered and approved.

The 2024 second meeting of the fifth session of the Board was held on 3 April 2024, at which one resolution was considered and approved.

The 2024 third meeting of the fifth session of the Board was held on 25 April 2024, at which five resolutions were considered and approved.

The 2024 fourth meeting of the fifth session of the Board was held on 17 May 2024, at which two resolutions were considered and approved.

The 2024 fifth meeting of the fifth session of the Board was held on 24 May 2024, at which four resolutions were considered and approved.

The 2024 sixth meeting of the fifth session of the Board was held on 27 June 2024, at which one resolution was considered and approved.

The 2024 seventh meeting of the fifth session of the Board was held on 1 August 2024, at which three resolutions were considered and approved.

The 2024 eighth meeting of the fifth session of the Board was held on 28 August 2024, at which nine resolutions were considered and approved.

The 2024 ninth meeting of the fifth session of the Board was held on 22 October 2024, at which two resolutions were considered and approved.

The 2024 tenth meeting of the fifth session of the Board was held on 30 October 2024, at which five resolutions were considered and approved.

The 2024 eleventh meeting of the fifth session of the Board was held on 22 November 2024, at which three resolutions were considered and approved.

The 2024 twelfth meeting of the fifth session of the Board was held on 30 December 2024, at which two resolutions were considered and approved.

During the Reporting Period, Directors' attendance at the Board meetings is as follows:

Name	Position in the Company	Number of Meetings Attended/Held	Attendance Rate
Gong Yufei	Chairman of the Board, Executive Director	12/12	100%
Wang Liqiang	President, Executive Director	7/7	100%
Wang Xuelian	Non-executive Director	6/6	100%
Chen Jie	Non-executive Director	6/6	100%
Zhang Tong	Non-executive Director	4/4	100%
Wang Yong	Non-executive Director	1/1	100%
Michael Ngai Ming Tak	Independent Non-executive Director	12/12	100%
Gao Debu	Independent Non-executive Director	12/12	100%
Zhao Feng	Independent Non-executive Director	12/12	100%
Tang Jian	Chairman of the Board, Executive Director	4/4	100%
Tang Chaoxiong	Non-executive Director	10/10	100%
Wang Yiguo	Non-executive Director	0/0	/
Ma Bingyan	Non-executive Director	6/6	100%

Notes:

1. Mr. Gong Yufei was appointed as the Chairman of the Board of the Company on 24 May 2024.

2. Mr. Wang Liqiang was appointed as the President of the Company on 24 May 2024 and was appointed as an executive Director of the Company on 27 June 2024.

3. Ms. Wang Xuelian and Ms. Chen Jie were appointed as Non-executive Directors of the Company on 6 June 2024.

4. Mr. Zhang Tong was appointed as a Non-executive Director of the Company on 28 August 2024.

5. Mr. Wang Yong was appointed as a Non-executive Director of the Company on 20 December 2024.

6. Mr. Tang Jian resigned as the Chairman of the Board and an executive Director of the Company on 24 May 2024.

7. Mr. Tang Chaoxiong resigned as a Non-executive Director of the Company on 13 November 2024.

8. Mr. Wang Yiguo resigned as a Non-executive Director of the Company on 27 February 2024.

9. Mr. Ma Bingyan resigned as a Non-executive Director of the Company on 24 July 2024.

DIRECTORS' REPORT

SHARE CAPITAL

From November 2023 to January 2024, the Company repurchased a total of 22,147,000 H shares and the repurchased shares were all cancelled on 11 March 2024. As at 31 December 2024, the total share capital of the Company was RMB8,359,816,164, divided into 8,359,816,164 shares of RMB1.00 each, comprising 5,041,934,164 A shares and 3,317,882,000 H shares. Details of movements in the share capital of the Company during the year are set out in Note 36 to the Financial Statements.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

In order to safeguard the value of the Company and the interests of the Shareholders and to facilitate the healthy development of the Company, the Company repurchased 11,812,000 H shares on the Hong Kong Stock Exchange at an aggregate consideration of HK$59,883,175.10 during the Reporting Period. Such shares together with the 10,335,000 H shares repurchased in 2023 (totaling 22,147,000 H shares) were cancelled on 11 March 2024, after which the total issued shares of the Company were reduced to 8,359,816,164, comprising 5,041,934,164 A shares and 3,317,882,000 H shares. Details of the shares repurchased are as follows:

		Price paid per share		
Month of repurchase	**Number of shares repurchased**	**Highest** *(HK$)*	**Lowest** *(HK$)*	**Aggregate consideration** *(HK$)*
January 2024	11,812,000	5.90	4.37	59,883,175.10

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2024 (including sales of treasury shares (as defined in the Listing Rules)). As at the end of the Reporting Period, there were no treasury shares held by the Company or its subsidiaries.

PRE-EMPTIVE RIGHTS

Pursuant to the Articles of Association and the laws of the PRC, the Company is not subject to any pre-emptive rights requiring it to propose new issues to its existing Shareholders in proportion to their shareholdings.

PRINCIPAL BUSINESS

The Group is principally engaged in the design, development, construction, management and operation of wind farms in areas with abundant wind resources in the PRC and the sales of electricity to the local grid companies. Details of major subsidiaries and associates of the Company are set out in Notes 20 and 21 to the Financial Statements respectively.

BUSINESS REVIEW

In 2024, the Group followed strictly the Company Law of the PRC (《中華人民共和國公司法》), the Securities Law of the PRC (《中華人民共和國證券法》), the Civil Code of the PRC (《中華人民共和國民法典》), the Law of the People's Republic of China on the State-Owned Assets of Enterprises (《中華人民共和國企業國有資產法》), the Electricity Law of the PRC (《中華人民共和國電力法》), the Environmental Protection Law of the PRC (《中華人民共和國環境保護法》), the Forest Law of the People's Republic of China (《中華人民共和國森林法》), the Labour Law of the PRC (《中華人民共和國勞動法》), Administrative Measures for the Legal Disclosure of Corporate Environmental Information (《企業環境信息依法披露管理辦法》) and other relevant laws and regulations as well as environmental policies in China. The Group was not involved in any serious violation of laws or regulations during the Reporting Period.

For the analysis details of business using key financial indicators, major risks the Company is exposed to, particulars of important events affecting the Company and the future business development of the Company, please refer to the section headed Management Discussion and Analysis. For the discussion on the Company's environmental policies and their effectiveness, and the relations between the Company and its employees, customers and suppliers, please refer to the 2024 Sustainability Report.

RELATIONS WITH EMPLOYEES, SUPPLIERS AND CUSTOMERS

The Group had no material or major disputes with its suppliers and customers in 2024.

RELATIONS WITH EMPLOYEES

The Group has maintained friendly relationships with the employees. It improved the working environment and living conditions for the front-line production staff, expanded the frontline work in distressed regions into the advanced study and recreation systems for model workers and thoroughly implemented the system of employee fraternal funds, which enhanced the staff's sense of belonging and the enterprise cohesiveness.

RELATIONS WITH SUPPLIERS

In 2024, the Group continued to attach great emphasis on good cooperative relationships with major suppliers in the industry. The management frequently communicated, exchanged opinions, and discussed cooperative relations with them, so as to achieve the goal of long-term cooperation and win-win results. The Group attracted strong suppliers to participate in the competition and cooperation by adopting centralized bundling, entering into of long-term agreements and other centralized procurement methods, so as to ensure good brand quality at the source of procurement while reasonably saving cost.

The Group selects its suppliers in a completely competitive manner. It does not make statistics on the number of suppliers by region, conducts monthly tracking performance evaluation on engineering suppliers, gives an annual comprehensive scoring evaluation on engineering, material and service suppliers, adds the content of the annual ESG evaluation, and sets up a warning and no-access mechanism for dishonest suppliers, thus selecting a group of quality suppliers through long-term cooperation.

The Group strengthens the requirements on quality, environmental protection and social responsibility of suppliers in procurement, and requires suppliers to have relevant certifications of quality management system, environmental management system and occupational safety and health management system in major bid sections. At the same time, bidders for major construction bid sections were required to focus on the environmental protection and safety measures, and included this content in the selection system, so as to promote the use of more green and environmental protection products and services. In addition, in the course of the implementation of contracts, an on-site supervision or manufacturing supervision management system was maintained for the construction and the major equipment bid sections.

RELATIONS WITH CUSTOMERS

The Group has maintained a good relationship with its customers and continuously improved the quality of its services to enhance customer satisfaction on an ongoing basis.

The Group has given high priority to the relations with customers and always adhered to the customer-centric concept in carrying out power marketing. It has maintained a good relationship with customers on a long-term basis by analyzing and processing customers' feedback in a timely manner, further exploring customers' needs, continuously enhancing its service quality, and providing fast and thoughtful quality services.

For details of the relations with employees, suppliers and customers, please refer to the 2024 Sustainability Report.

ENVIRONMENT-RELATED PERFORMANCE AND POLICIES

The Group empowered the green development of enterprises with science and technology and completed the pilot construction of a "zero-waste enterprise" in Liaoning. The Group explored the recycling and reuse process of decommissioned wind turbines, and the first "demonstration project of waste wind turbine blade recycling production line" was put into trial operation, which was reported by Sina, Sohu and other mainstream media, providing a "sample of Guoneng" for the construction of a "zero-waste city" in the region. The Group adhered to the "new energy +" green development model, deepened the "grass grid + shrub forest" governance model, and thoroughly practiced ecological protection and high-quality development in the Yellow River basin. The new energy base in Tengger Desert, Ningxia, has achieved remarkable results in desertification prevention and control, with the vegetation coverage rate of 1 million kilowatts in Phase 1 growing to 20%. The 2024 "Travelogue of China" international media delegation went to the Tengger photovoltaic desertification control project, where journalists from 14 countries in Africa and Asian-Pacific region learnt about Longyuan Power's advanced concept of windbreak and desertification control.

For details of the environment-related performance and policies, please refer to the 2024 Sustainability Report.

MATERIAL LITIGATION

As of 31 December 2024, the Group has not been involved in any material litigation or arbitration. As far as the Directors are aware, there is no material litigation or claim of material importance pending or threatened against the Group.

PERFORMANCE

The audited results of the Company and its subsidiaries for the year ended 31 December 2024 are set out in the Consolidated Statement of Profit or Loss and Other Comprehensive Income on pages 246 to 248. The financial position of the Company and its subsidiaries as at 31 December 2024 is set out in the Consolidated Statement of Financial Position on pages 249 to 251. The consolidated cash flows of the Company and its subsidiaries for the year ended 31 December 2024 are set out in the Consolidated Statement of Cash Flows on pages 254 to 258.

A discussion and analysis of the Company's performance during the year and the material factors underlying its results and financial position are set out in the Management Discussion and Analysis on pages 33 to 104 in this annual report.

PROFIT DISTRIBUTION

Pursuant to the regulations of the relevant laws of the People's Republic of China, the laws and regulations of the Company's listed places, regulatory requirements and the Articles of Association, the Company has formulated the following profit distribution policies:

I. The Company may distribute dividend in the form of (or take two forms at the same time): 1. cash; 2. shares.

II. When the Company distributes the after-tax profits of the relevant accounting year, the profit shall be distributed based on the after-tax profits in the financial statements prepared in accordance with PRC Accounting Standards for Business Enterprises ("PRC GAAP") and the financial statements prepared in accordance with International Financial Reporting Standards, whichever is less.

III. When the Company distributes the after-tax profits of the current year, it shall withdraw 10% of the profits into the Company's statutory reserve. If the accumulated amount of the Company's statutory reserve amounts to more than 50% of the Company's registered capital, it may no longer be withdrawn.

If the Company's statutory reserve is not sufficient to offset the losses of the previous year, it shall first use the current year's profit to offset the loss before drawing the statutory reserve in accordance with the provisions of the previous terms.

After the Company withdraws the statutory reserve from after-tax profits, it can also withdraw discretionary surplus reserve from after-tax profits after passing a resolution in the general meeting.

After the Company offsets the losses and withdraws the reserve, the remaining after-tax profits shall be distributed to the Shareholders in proportion to their shareholdings.

If the general meeting violates the provisions of the previous terms and distributes profits to Shareholders before the Company offsets losses and withdraws statutory reserve, the Shareholders must return the profits distributed in violation of the regulations to the Company.

The Company shares held by the Company are not involved in the distribution of profits.

IV. The Company pays dividends and other payments to holders of A shares, which are denominated and declared in RMB, and are paid in RMB within three months after the date of the declaration of dividends. The Company pays dividends and other payments to holders of foreign shares, which are denominated and declared in RMB, and are paid in foreign currency within three months after the date of the declaration of dividends. The exchange rate is calculated based on the average closing price of the relevant foreign currency against the Renminbi announced by the People's Bank of China five working days before the date of the declaration of dividends or other distributions, the foreign currency paid to the holders of foreign shares by the Company should be handled in accordance with the regulations of relevant foreign exchange management in China. The distribution of Company dividends is implemented by the Board authorized by the general meeting through ordinary resolutions.

V. Pursuant to the regulations of the prevailing Enterprise Income Tax Law of the PRC and its implementation rules, the Company will withhold and pay income tax on behalf of these Shareholders when distributing the dividend in accordance with relevant regulations.

VI. The Company's profit distribution policy aims at maximizing the value of the Company and the interests of Shareholders, in order to continuously and stably provide reasonable return on investment to Shareholders of the Company. The Company's Board will comprehensively consider the Company's operating conditions, financial performance, cash flow conditions, investment demands and future development plans, decide whether to recommend the distribution of dividends and determine the amount of dividends. The Company intends to distribute dividends to Shareholders after each accounting year, and may also pay interim dividends or distribute special dividends at appropriate times.

The Board resolved on 28 March 2025 to propose to distribute the final dividend for the year ended 31 December 2024 in cash to the shareholders whose names appear on the register of members of the Company on Monday, 30 June 2025. The total proposed cash dividend for 2024 was RMB1,904,366,122.16, determined at 30% of the net profit attributable to the shareholders of the Company in the consolidated financial statements prepared in accordance with PRC GAAP of RMB6,345,287,410.55, and on the basis of the current total share capital of the Company of 8,359,816,164 shares (of which 5,041,934,164 shares are A shares and 3,317,882,000 shares are H shares) as the base, and a cash dividend of RMB0.2278 per share (before tax) is proposed for 2024. In the event that the total number of issued shares of the Company as at the record date for dividend distribution changes due to additional shares, share repurchases or other reasons, the amount of cash dividend per share will be adjusted accordingly within the total distribution amount of RMB1,904,366,122.16 (before tax). The actual cash dividend per share will be calculated based on the total share capital as at the record date for dividend distribution. The above-mentioned arrangement for dividend will be subject to shareholders' approval at the annual general meeting (the "**AGM**") of the Company, and is expected to be paid on or before Friday, 15 August 2025. Details of the dividend payment will be announced after holding of the AGM.

Pursuant to the Enterprise Income Tax Law of the People's Republic of China and its implementation rules, which came into force on 1 January 2008 and other relevant rules, where the Company distributes the proposed 2023 final dividend to non-resident enterprise Shareholders whose names appear on the register of members for H shares of the Company, it is required to withhold and pay enterprise income tax at the rate of 10%. Any H shares registered in the name of non-individual registered Shareholders, including HKSCC Nominees Limited (香港中央結算(代理人)有限公司), other nominees or trustees, or other organisations or groups, will be treated as shares being held by non-resident enterprise Shareholders, and consequently will be subject to the withholding of the enterprise income tax. According to regulations by the State Administration of Taxation (Guo Shui Han [2011] No. 348) and relevant laws and regulations, if the individual H-share Shareholders are residents of Hong Kong or Macau or those countries which have entered into a tax treaty with the PRC stipulating a dividend tax rate of 10%, the Company will withhold and pay individual income tax at the rate of 10% on behalf of these Shareholders. If the individual H-share Shareholders are residents of those countries which have entered into a tax treaty with the PRC stipulating a dividend tax rate of less than 10%, the individual H-share Shareholders should take the initiative to submit statements to the Company to enjoy the agreed treatment, and keep relevant data for future reference. If the information provided is complete, the Company will withhold it in accordance with regulations of the PRC tax laws and agreements. If the individual H-share Shareholders are residents of those countries which have entered into a tax treaty with the PRC stipulating a dividend tax rate of more than 10% but less than 20%, the Company will withhold and pay individual income tax at the actual tax rate stipulated in the relevant tax treaty. If the individual H-share Shareholders are residents of those countries which have entered into a tax treaty with the PRC stipulating a dividend tax rate of 20%, or those countries which have not entered into any tax treaties with the PRC, or under any other circumstances, the Company will withhold and pay individual income tax at the rate of 20% on behalf of these Shareholders.

For the Southbound Trading Shareholders, in accordance with the relevant requirements of China Securities Depository and Clearing Corporation Limited, Shanghai Branch and Shenzhen Branch of China Securities Depository and Clearing Corporation Limited, as the nominee of the Southbound Trading Shareholders for Shanghai market and Shenzhen market, respectively, will receive cash dividends distributed by the Company and distribute the cash dividends to the relevant Southbound Trading Shareholders through its depository and clearing system.

The cash dividends for the investors of H shares of Southbound Trading will be distributed in Renminbi whilst that paid to holders of A shares and holders of H shares will be in Renminbi and in Hong Kong dollar respectively. Pursuant to the relevant provisions of the Notice on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Connect (Caishui [2014] No. 81) (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2014]81號)) and Notice on the Tax Policies Related to the Pilot Program of the Shenzhen-Hong Kong Stock Connect (Caishui [2016] No. 127) (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127號)), for dividends received by domestic individual investors from investing in H shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect, the company of such H shares shall withhold and pay individual income tax at the rate of 20% on behalf of the investors. For dividends received by domestic securities investment funds from investing in H shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect, the tax payable shall be the same as that for individual investors. The company of such H shares will not withhold and pay the income tax of dividends for domestic enterprise investors and those domestic enterprise investors shall report and pay the relevant tax themselves.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in properties, plants and equipment of the Company and its subsidiaries during the year are set out in Note 16 to the Financial Statements.

RESERVES

Details of the movements in reserves of the Company during the year are set out in Note 36(a) to the Financial Statements, among which, details of reserves distributable to the Shareholders are set out in Note 36(f) to the Financial Statements.

BANK LOANS AND OTHER BORROWINGS

Details of bank loans and other borrowings of the Company and its subsidiaries as at 31 December 2024 are set out in Note 29 to the Financial Statements.

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

The following table sets forth some information concerning the Directors, supervisors and senior management of the Company as at the Latest Practicable Date.

Name	Position in the Company	Date of appointment/ re-election/resignation
Directors		
Gong Yufei	Chairman of the Board	Appointed on 24 May 2024
Gong Yufei	Executive Director	Appointed on 15 June 2023
Wang Liqiang	Executive Director	Appointed on 27 June 2024
Wang Xuelian	Non-executive Director	Appointed on 6 June 2024
Chen Jie	Non-executive Director	Appointed on 6 June 2024
Zhang Tong	Non-executive Director	Appointed on 28 August 2024
Wang Yong	Non-executive Director	Appointed on 20 December 2024
Michael Ngai Ming Tak	Independent Non-executive Director	Appointed on 12 November 2021
Gao Debu	Independent Non-executive Director	Appointed on 12 November 2021
Zhao Feng	Independent Non-executive Director	Appointed on 12 November 2021

Name	Position in the Company	Date of appointment/ re-election/resignation
Resigned Director		
Tang Jian	Chairman of the Board, Executive Director	Resigned on 24 May 2024
Wang Yiguo	Non-executive Director	Resigned on 27 February 2024
Ma Bingyan	Non-executive Director	Resigned on 24 July 2024
Tang Chaoxiong	Non-executive Director	Resigned on 13 November 2024
Supervisors		
Liu Jinji	Chairman of the Supervisory Board	Appointed on 29 August 2023
Hao Jingru	Supervisor	Re-elected on 12 November 2021
Liu Jintao	Employee Supervisor	Appointed on 23 January 2025
Wu Jinmei	Employee Supervisor	Resigned on 23 January 2025
Senior Management		
Gong Yufei	President	Resigned on 24 May 2024
Wang Liqiang	President	Appointed on 24 May 2024
Yang Wenjing	Chief Accountant	Re-appointed on 12 November 2021
Ding Jing	Vice President	Appointed on 20 June 2022
Ding Jing	Secretary to the Board	Appointed on 27 March 2024
Xia Hui	Vice President	Appointed on 20 June 2022
Wang Qi	Vice President	Appointed on 30 December 2022
Li Xingyun	Vice President	Appointed on 25 April 2023
Shi Wenyi	Vice President	Appointed on 3 April 2024

The Company has received, from each of the independent non-executive Directors, an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules and considered that all of the independent non-executive Directors are independent of the Company.

DIRECTORS' REPORT

BIOGRAPHIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Biographical details of Directors, supervisors and senior management are set out on pages 164 to 183 of this annual report.

SERVICE CONTRACTS OF DIRECTORS AND SUPERVISORS

The Company has entered into service contracts with each of the Directors. The principal particulars of such service contracts include: (1) the term from the date of appointment to the date of expiry of the term of the current session of the Board; and (2) termination in accordance to the terms of respective contracts.

Each of the supervisors has entered into a contract in respect of compliance of relevant laws and regulations, Articles of Association and provisions on arbitration with the Company.

Save as disclosed above, none of the Directors or supervisors has entered into a service contract with the Company which could not be terminated without payment of compensation (other than statutory compensation) paid by the Company within one year.

REMUNERATION OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Details of the remuneration of the Company's Directors, supervisors and senior management during the Reporting Period are as follows:

Unit: RMB0'000

Name	Position	Status of office	Basic remuneration and performance-based remuneration in 2024 (before tax)	Social insurance, housing fund and enterprise annuity payable by the Company	Total pre-tax remuneration for 2024	Whether receiving remuneration from the Company's related parties
Tang Jian	Executive Director, Chairman of the Board	Resigned	43.20	17.64	60.84	No
Gong Yufei	Executive Director, Chairman of the Board	Incumbent	103.68	36.02	139.71	No
Wang Liqiang	Executive Director, President	Incumbent	77.17	15.05	92.22	No
Tang Chaoxiong	Non-executive Director	Resigned	0.00	0.00	0.00	Yes
Wang Yiguo	Non-executive Director	Resigned	0.00	0.00	0.00	Yes
Ma Bingyan	Non-executive Director	Resigned	0.00	0.00	0.00	Yes
Wang Xuelian	Non-executive Director	Incumbent	0.00	0.00	0.00	Yes
Chen Jie	Non-executive Director	Incumbent	0.00	0.00	0.00	Yes
Zhang Tong	Non-executive Director	Incumbent	0.00	0.00	0.00	Yes
Wang Yong	Non-executive Director	Incumbent	0.00	0.00	0.00	Yes
Michael Ngai Ming Tak	Independent Non-executive Director	Incumbent	14.29	0.00	14.29	No
Gao Debu	Independent Non-executive Director	Incumbent	14.29	0.00	14.29	No
Zhao Feng	Independent Non-executive Director	Incumbent	14.29	0.00	14.29	No
Liu Jinji	Chairman of the Supervisory Board	Incumbent	0.00	0.00	0.00	Yes
Hao Jingru	Supervisor	Incumbent	0.00	0.00	0.00	Yes
Wu Jinmei	Employee Supervisor	Incumbent	24.49	10.34	34.82	No

Name	Position	Status of office	Basic remuneration and performance-based remuneration in 2024 (before tax)	Social insurance, housing fund and enterprise annuity payable by the Company	Total pre-tax remuneration for 2024	Whether receiving remuneration from the Company's related parties
Yang Wenjing	Chief Accountant	Incumbent	86.38	32.46	118.84	No
Ding Jing	Vice President, Secretary to the Board	Incumbent	86.38	30.54	116.92	No
Xia Hui	Vice President	Incumbent	88.48	31.80	120.28	No
Wang Qi	Vice President	Incumbent	86.38	29.26	115.64	No
Li Xingyun	Vice President	Incumbent	86.38	29.30	115.68	No
Shi Wenyi	Vice President	Incumbent	64.79	20.29	85.07	No
Total			790.20	252.70	1,042.89	

Notes: 1. The remuneration received by the aforesaid persons from the Company covers the period from the commencement of term of office of the Company during 2024. In addition to the remuneration set out in the above table, the Company also paid certain Directors, supervisors and senior management an aggregate amount of RMB4,955,400 (before tax) in accordance with the relevant regulations as retroactive payment of performance-based remuneration, tenure incentives and special awards and penalties for the period from 2021 to 2023 during the Reporting Period, of which RMB840,400 was paid to Tang Jian, RMB808,400 was paid to Gong Yufei, RMB574,800 was paid to Yang Wenjing, RMB547,700 was paid to Ding Jing, RMB570,800 was paid to Xia Hui, RMB717,600 was paid to Wang Qi, RMB526,100 was paid to Li Xingyun, and RMB369,600 was paid to Wu Jinmei.

2. The figures provided in the remuneration have been subject to decimal adjustments. Any discrepancies between the total shown and the sum of the amounts listed are due to adjustments.

DIRECTOR INSURANCES

The Company has bought effective insurances for the Directors.

INTERESTS OF DIRECTORS AND SUPERVISORS IN CONTRACTS

At the end of the year or at any time during the year, there was no transaction, arrangement or contract of significance relating to the Company's business and still valid during the year or at the end of the year, in which the Company or its subsidiaries were a party, directly or indirectly involved in its formulation process, and in which a Director, supervisor or an entity connected with a Director or supervisor had a material interest subsisted.

INTERESTS OF DIRECTORS IN COMPETING BUSINESS

As at the Latest Practicable Date, save as disclosed below, none of the Directors and their associates had any competing interests in any business which competed or was likely to compete, either directly or indirectly, with the business of the Company:

Name	Position in the Company	Other interests
Wang Xuelian	Non-executive Director	Business Director (1st Grade) of the Research Institute of Technology and Economy of CHN Energy
Chen Jie	Non-executive Director	Full-time Director of CHN Energy
Zhang Tong	Non-executive Director	Deputy General Counsel, Deputy Director of Corporate Management and Legal Affairs Department (Reform Office) of CHN Energy
Wang Yong	Non-executive Director	Member of the Party Committee, Deputy General Manager (proposed) and General Manager of Equity Investment Centre of China Everwin Asset Management Co., Ltd.
Hao Jingru	Supervisor	Vice Team Leader of the Party Committee Inspection Team of CHN Energy

INTERESTS AND SHORT POSITIONS OF THE DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVES IN THE SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2024, none of the Directors, supervisors and chief executives of the Company had any interest or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which would have to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be registered in the register indicated in the section, or which were 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.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES

Notes:

1. The percentage is based on the issued number of relevant class of shares/total issued shares of the Company as at 31 December 2024.

2. Among these 4,908,598,141 A shares, 4,602,432,800 A shares were directly held by CHN Energy while the remaining 212,238,141 A shares were held by Inner Mongolia Pingzhuang Coal (Group) Co., Ltd. (內蒙古平莊煤業(集團)有限責任公司), an indirect non-wholly-owned subsidiary of CHN Energy and 93,927,200 A shares were held by CHN Energy Liaoning Electric Power Co., Ltd. (國家能源集團遼寧電力有限公司), a wholly-owned subsidiary of CHN Energy. Accordingly, CHN Energy was deemed as the owner of the equity interests held by its aforesaid subsidiaries.

3. Among these 169,715,236 H shares, 10,210,000 H shares were held by BlackRock Financial Management, Inc., an indirect wholly-owned subsidiary of BlackRock, Inc., 35,087,693 H shares were held by BlackRock Institutional Trust Company, National Association, an indirect wholly-owned subsidiary of BlackRock, Inc., 75,582,000 H shares were held by BlackRock Fund Advisors, an indirect non-wholly-owned subsidiary of BlackRock, Inc., 12,136,447 H shares were held by BlackRock Japan Co., Ltd., an indirect non-wholly-owned subsidiary of BlackRock, Inc., 912,000 H shares were held by BlackRock Asset Management Canada Limited, an indirect non-wholly-owned subsidiary of BlackRock, Inc., 1,054,000 H shares were held by BlackRock Investment Management (Australia) Limited, an indirect non-wholly-owned subsidiary of BlackRock, Inc., 5,067,607 H shares were held by BlackRock Asset Management North Asia Limited, an indirect non-wholly-owned subsidiary of BlackRock, Inc., 1,643,000 H shares were held by BlackRock (Netherlands) B. V., an indirect non-wholly-owned subsidiary of BlackRock, Inc., 21,631,000 H shares were held by BlackRock Asset Management Ireland Limited, an indirect non-wholly-owned subsidiary of BlackRock, Inc., 94,000 H shares were held by BLACKROCK (Luxembourg) S. A., an indirect non-wholly-owned subsidiary of BlackRock, Inc., 2,203,620 H shares were held by BlackRock Investment Management (UK) Limited, an indirect non-wholly-owned subsidiary of BlackRock, Inc., 2,723,221 H shares were held by BlackRock Fund Managers Limited, an indirect non-wholly-owned subsidiary of BlackRock, Inc., 1,267,128 H shares were held by BlackRock (Singapore) Limited, an indirect non-wholly-owned subsidiary of BlackRock, Inc., 45,000 H shares were held by BlackRock Asset Management Schweiz AG, an indirect non-wholly-owned subsidiary of BlackRock, Inc., 58,520 H shares were held by Aperio Group, LLC, an indirect non-wholly-owned subsidiary of BlackRock, Inc.. Accordingly, BlackRock, Inc. was deemed as the owner of the H share equity interests held by its aforesaid subsidiaries.

4. Among these 25,843,000 H shares, 3,998,000 H shares were held by BlackRock Financial Management, Inc., an indirect non-wholly-owned subsidiary of BlackRock, Inc. 4,890,000 H shares were held by BlackRock Institutional Trust Company, National Association, an indirect non-wholly-owned subsidiary of BlackRock, Inc., 3,257,000 H shares were held by BLACKROCK (Luxembourg) S. A., an indirect non-wholly-owned subsidiary of BlackRock, Inc., and 13,698,000 H shares were held by BlackRock Fund Managers Limited, an indirect non-wholly-owned subsidiary of BlackRock, Inc. Accordingly, BlackRock, Inc. was deemed as the owner of the H share short positions held by its aforesaid subsidiaries.

5. Among these 375,158,512 H shares, 364,197,413 H shares were held by Citibank, N. A., an indirect wholly-owned subsidiary of Citigroup Inc., 1,899,001 H shares were held by Citigroup Global Markets Hong Kong Limited, an indirect wholly-owned subsidiary of Citigroup Inc., 27,260 H shares were held by Citigroup Global Markets Inc., an indirect wholly-owned subsidiary of Citigroup Inc., 9,034,838 H shares were held by Citigroup Global Markets Limited, an indirect wholly-owned subsidiary of Citigroup Inc.. Accordingly, Citigroup Inc. was deemed as the owner of the H share equity interests held by its aforesaid subsidiaries.

6. Among these 10,275,745 H shares, 3,701,827 H shares were held by Citigroup Global Markets Hong Kong Limited, an indirect wholly-owned subsidiary of Citigroup Inc., 6,573,918 H shares were held by Citigroup Global Markets Limited, an indirect wholly-owned subsidiary of Citigroup Inc.. Accordingly, Citigroup Inc. was deemed as the owner of the H share short positions held by its aforesaid subsidiaries.

ISSUE OF DEBENTURES

The debentures issued by the Company in 2024 are set out as below:

Issue date	Type of debentures	Financing amount *(RMB million)*	Reasons for the issue
10 January 2024	Ultra short-term debentures	2,000.00	For repayment of the interest-bearing liabilities
16 January 2024	Ultra short-term debentures	2,000.00	For repayment of the interest-bearing liabilities
29 January 2024	Ultra short-term debentures	3,000.00	For repayment of the interest-bearing liabilities
13 March 2024	Ultra short-term debentures	2,000.00	For repayment of the interest-bearing liabilities
25 March 2024	Ultra short-term debentures	2,000.00	For repayment of the interest-bearing liabilities
26 March 2024	Ultra short-term debentures	2,000.00	For repayment of the interest-bearing liabilities
16 April 2024	Ultra short-term debentures	2,000.00	For repayment of the interest-bearing liabilities
19 April 2024	Ultra short-term debentures	2,500.00	For repayment of the interest-bearing liabilities
15 May 2024	Ultra short-term debentures	2,000.00	For repayment of the interest-bearing liabilities
22 May 2024	Ultra short-term debentures	2,000.00	For repayment of the interest-bearing liabilities
14 June 2024	Ultra short-term debentures	1,500.00	For repayment of the interest-bearing liabilities
24 June 2024	Ultra short-term debentures	2,000.00	For repayment of the interest-bearing liabilities
11 July 2024	Ultra short-term debentures	1,000.00	For repayment of the interest-bearing liabilities
11 July 2024	Ultra short-term debentures	1,000.00	For repayment of the interest-bearing liabilities
16 July 2024	Mid-term notes	2,000.00	For repayment of the interest-bearing liabilities

Issue date	Type of debentures	Financing amount *(RMB million)*	Reasons for the issue
23 July 2024	Ultra short-term debentures	2,600.00	For repayment of the interest-bearing liabilities
16 August 2024	Mid-term notes	4,000.00	For repayment of the interest-bearing liabilities
26 August 2024	Mid-term notes	2,000.00	For repayment of the interest-bearing liabilities
12 September 2024	Ultra short-term debentures	2,000.00	For repayment of the interest-bearing liabilities
20 September 2024	Mid-term notes	2,000.00	For repayment of the interest-bearing liabilities
20 September 2024	Mid-term notes	1,000.00	For repayment of the interest-bearing liabilities
22 November 2024	Ultra short-term debentures	1,800.00	For repayment of the interest-bearing liabilities
27 November 2024	Green mid-term notes	2,500.00	For repayment of the interest-bearing liabilities
13 December 2024	Ultra short-term debentures	2,000.00	For repayment of the interest-bearing liabilities
18 December 2024	Mid-term notes	2,000.00	For repayment of the interest-bearing liabilities
27 December 2024	Ultra short-term debentures	1,000.00	For repayment of the interest-bearing liabilities

DIRECTORS' REPORT

MANAGEMENT CONTRACTS

The Company did not enter into any contract in respect of the management or administration of the entire or any significant part of the business of the Company nor did any such contract subsist at any time in 2024.

SUBSEQUENT EVENTS

As at the Latest Practicable Date, save as disclosed in this report, there are no other material subsequent events.

CONNECTED TRANSACTIONS

Details of substantial connected transactions occurred during the Reporting Period of the Company are set out in the Connected Transactions section of this report.

DONATIONS

In 2024, the Company donated RMB86,875,000 in total, of which, RMB18,000,000 was donated by the Company to the poverty alleviation work in Youyu County.

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2024, the purchase from the Company's five largest suppliers in aggregate contributed 29.72% of the Company's total purchase for the year, among which, the total purchase from the largest supplier contributed 18.17% of the Company's total purchase for the year.

For the year ended 31 December 2024, the sales to the Company's five largest customers in aggregate contributed 35.2% of the Company's total sales for the year, among which, the sales to the largest customer contributed 17.37% of the Company's total sales for the year.

During the year, so far as the Directors are aware, none of the Directors or their associates or the Shareholders of the Company (who, to the knowledge of the Directors, own more than 5% of the Company's share capital (excluding treasury shares)) had any interest in the Company's five largest customers during the year.

DISTRIBUTABLE RESERVES

Details of the movements in the reserves of the Company in 2024 are respectively set out in Note 36(a) and Consolidated Statement of Changes in Equity to the Financial Statements.

MATERIAL CONTRACTS

Save as disclosed in the section headed "Material Acquisitions and Disposals" in this annual report, none of the Company or any of its subsidiaries entered into any material contracts with the controlling Shareholder or any of its subsidiaries other than the Company, nor was there any material contracts between the Company and the controlling Shareholder or any of its subsidiaries other than the Company in relation to provision of services in 2024.

DIRECTORS' AND SUPERVISORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

As at the end of 2024, none of the Directors or supervisors or any of their respective associates was granted by the Company or its subsidiaries any right to acquire shares or debentures of the Company or any other body corporation, or had exercised any such right.

ARRANGEMENTS FOR SHARE PRE-EMPTIVE RIGHT AND SHARE OPTION

In 2024, no arrangement for share pre-emptive right and share option was made by the Company.

ACCOUNTING POLICIES

AUDITORS

KPMG and Zhongshen Zhonghuan Certified Public Accountants LLP (中審眾環會計師事務所(特殊普通合夥)) were appointed as auditors for the financial statements prepared in accordance with the International Financial Reporting Standards and PRC GAAP for Business Enterprises for the year ended 31 December 2024, respectively. The accompanying financial statements prepared in accordance with the International Financial Reporting Standards have been audited by KPMG.

The term of service of Ernst & Young, the international auditor appointed by the Company since 20 June 2017, has expired at the conclusion of the 2023 annual general meeting of the Company, and the Company has appointed KPMG as its international auditor for the year 2024 since 6 June 2024. The term of office of Dahua Certified Public Accountants LLP, which was appointed as the PRC auditor since 14 January 2022, expired at the conclusion of the 2022 annual general meeting of the Company and the Company has appointed Zhongshen Zhonghuan Certified Public Accountants LLP as its PRC auditor for the year 2023 and 2024 since 29 December 2023.

By order of the Board
China Longyuan Power Group Corporation Limited*
Chairman of the Board
Gong Yufei

Beijing, 28 March 2025

CONNECTED TRANSACTIONS

Particulars of the major related party transactions of the Group for the year ended 31 December 2024 are set out in Note 40 to the Financial Statements.

Some of the aforementioned related party transactions also constitute connected transactions as prescribed under Chapter 14A of the Listing Rules and are subject to announcement, annual review and seeking independent shareholders' approval (if applicable) requirements under Chapter 14A of the Listing Rules. The aforementioned connected transactions have complied with the requirements under Chapter 14A of the Listing Rules.

The connected transactions disclosed below constitute connected transactions or continuing connected transactions as defined under Chapter 14A of the Listing Rules, and are not exempt from the relevant disclosure requirements. In relation to the connected transactions or continuing connected transactions mentioned below, the Directors confirm that the Company has complied with the disclosure requirements under Chapter 14A of the Listing Rules. For details, please refer to the announcements disclosed on the website of the Hong Kong Stock Exchange and the website of the Company.

NON-EXEMPT ONE-OFF CONNECTED TRANSACTIONS

1. Disposal of 27% Equity Interest in Jiangyin Sulong by way of Public Tender

The Company disposed of the 27% equity interest held in aggregate in Jiangyin Sulong Heat and Power Generating Co., Ltd. (江陰蘇龍熱電有限公司) ("**Jiangyin Sulong**") by the Company and Hero Asia (BVI) Company Limited (雄亞(維爾京)有限公司) ("**Hero Asia Company**"), a subsidiary of the Company, by way of public tender on the China Beijing Equity Exchange (the "**BEE**"). On 23 August 2024, the BEE notified the Company that the successful bidder for the disposal was Jiangyin Power Investment Co., Ltd. (江陰電力投資有限公司) ("**Jiangyin Power**") at a final bidding price of RMB1,319,150,070. Accordingly, the Company and Hero Asia Company entered into an equity transaction contract with Jiangyin Power on 23 August 2024. The Company and Hero Asia Company agreed to sell, and Jiangyin Power agreed to purchase the 27% equity interest in Jiangyin Sulong at a consideration of RMB1,319,150,070 (which is the same as the minimum consideration). Upon completion of the disposal, the Company and its subsidiaries will no longer hold any equity interest in Jiangyin Sulong, and the financial results of Jiangyin Sulong will no longer be consolidated into the financial statements of the Company, nor will it remain a subsidiary of the Company.

The minimum consideration of the disposal was determined with reference to the appraised value of the entire shareholders' equity of Jiangyin Sulong as at 30 June 2023 (the valuation benchmark date) as valued by China United Assets Appraisal Group (a third-party independent valuer) adopting the asset-based approach, being RMB4,885,741,000, and taking into account the proportion of equity interest in Jiangyin Sulong to be disposed of.

On the basis of comprehensive consideration of business and development, the Company intends to dispose of all equity of Jiangyin Sulong through public tender, with the aim of fulfilling the commitments made by the controlling shareholder of the Company, China Energy Group in the "Supplemental Undertaking Letter in relation to Non-competition with China Longyuan Power Group Corporation Limited by China Energy Investment Corporation Limited" issued on 18 June 2021, and resolving the overlap of thermal power business between the Company and China Energy Group. The potential disposal is in line with the Company's business situation and development strategic plan, which is conducive to optimizing the Company's asset structure, further focusing on the main business of new energy power generation, optimizing resource allocation, improving operational efficiency, and enhancing the quality of the listed company.

The transferee of the disposal is Jiangyin Power, an existing shareholder of Jiangyin Sulong. As at the date of such transaction, Jiangyin Power, which holds 30.3% equity interest in Jiangyin Sulong, constitutes a connected person of the Company at the subsidiary level under Chapter 14A of the Listing Rules. Therefore, the disposal constitutes a connected transaction conducted with a connected person of the Company at the subsidiary level under Chapter 14A of the Listing Rules.

Please refer to the announcements of the Company dated 27 June 2024 and 23 August 2024 for details of the disposal of the 27% equity interest in Jiangyin Sulong by way of public tender.

2. Acquisition of Equity Interests in Eight Target Companies

On 22 October 2024, the Company entered into the Equity Transfer Agreements with CHN Energy Asset Management Co., Ltd.* (國家能源集團資產管理有限公司) ("**CHN Energy Asset Management Company**") , CHN Energy Gansu Electric Power Co., Ltd. (國家能源集團甘肅電力有限公司) ("**CHN Energy Gansu Electric Power**") and CHN Energy Guangxi Electric Power Co., Ltd. (國家能源集團廣西電力有限公司) ("**CHN Energy Guangxi Electric Power**"), respectively, pursuant to which CHN Energy Asset Management Company, CHN Energy Gansu Electric Power and CHN Energy Guangxi Electric Power have conditionally agreed to transfer and the Company has conditionally agreed to acquire the equity interests in the eight Target Companies.

The consideration for the transactions is based on the filed appraised value of the target companies, and determined after arm's length negotiation between the Company and the transferors, taking into account the proportion of equity interests in the target companies to be transferred in the transactions, the matters of capital increase or dividend distribution actually occurring in the target companies during the period from the valuation benchmark date to the date of signing of the Equity Transfer Agreements, and the matters of capital increase or dividend distribution possibly occurring in the target companies during the period from the date of signing of the Equity Transfer Agreements to the completion date. The specific consideration is set out below:

No.	Transferors	Transferee	Target Companies	Proportion of Equity Interest Acquired	Transaction Consideration *(RMB'0,000)*
1	CHN Energy Asset Management Company	Company	CHN Energy Junan New Energy Co., Ltd.* (國家能源莒南新能源有限公司)	64%	7,099.05
2	CHN Energy Asset Management Company	Company	Guoneng Hukou Wind Power Generation Co., Ltd.* (國能湖口風力發電有限公司)	60%	6,991.37
3	CHN Energy Gansu Electric Power	Company	Gansu Guoneng Wind Power Generation Co., Ltd.* (甘肅國能風力發電有限公司)	51%	53,328.59

No.	Transferors	Transferee	Target Companies	Proportion of Equity Interest Acquired	Transaction Consideration *(RMB'0,000)*
4	CHN Energy Gansu Electric Power	Company	Xiahe Guoneng New Energy Development Co., Ltd.* (夏河國能新能源開發有限公司)	100%	3,259.89
5	CHN Energy Gansu Electric Power	Company	Minqin Guoneng Wind Power Generation Co., Ltd.* (民勤國能風力發電有限責任公司)	51%	7,126.21
6	CHN Energy Gansu Electric Power	Company	Guoneng (Wuwei) New Energy Co., Ltd.* (國能(武威)新能源有限公司)	100%	8,284.85
7	CHN Energy Gansu Electric Power	Company	Jinta Beishan Guoneng New Energy Co., Ltd.* (金塔北山國能新能源有限公司)	100%	690.00
8	CHN Energy Guangxi Electric Power	Company	Guoneng Tengxian Energy Development Co., Ltd.* (國能藤縣能源發展有限公司)	51%	83,126.99
	Total				169,906.95

Note: As stated in the announcement of the Company dated 22 October 2024, the transaction consideration will ultimately be subject to adjustment in light of the actual situation on the completion date and in accordance with the covenants set out in the section headed "Payment Method of Consideration" in the announcement. Except for the above equity interest of CHN Energy Junan New Energy Co., Ltd. and Guoneng Hukou Wind Power Generation Co., Ltd. which has not been completed, the equity interest of the remaining six target companies has been completed, and their transaction consideration has been adjusted accordingly in accordance with the agreed manner.

Upon completion of the transactions, the target companies will be subsidiaries of the Company, and their financial results will be consolidated into the financial statements of the Company.

The transactions will reduce horizontal competition between the Company and the controlling shareholder, expand the Company's business layout in the field of new energy, enlarge the market share, increase power generation revenues and improve profitability, and enhance the core competitiveness of the Company.

As at the date of the transactions, CHN Energy, being the controlling shareholder of the Company, directly and indirectly holds approximately 58.72% of the issued share capital of the Company and is a connected person of the Company under Rule 14A.07 of the Listing Rules. CHN Energy Asset Management Company, CHN Energy Gansu Electric Power and CHN Energy Guangxi Electric Power are all subsidiaries of CHN Energy and constitute connected persons of the Company under Chapter 14A of the Listing Rules. Therefore, the transactions constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

Please refer to the announcements of the Company dated 22 October 2024 and 25 November 2024 for details of the acquisition of equity interests in eight target companies.

3. Issuance of Supplemental Undertaking Letter (II) to Non-Competition Agreement and Supplemental Undertaking Letter by Controlling Shareholder

References are made to the prospectus dated 27 November 2009, the announcements dated 18 June 2021 and 23 July 2021 and the circular dated 8 July 2021 of the Company in relation to, among other things, (i) the Non-competition Agreement entered into between the Company and China Guodian Corporation ("**Guodian**", which was the controlling shareholder of the Company then and is currently known as CHN Energy) in July 2009, under which Guodian agreed not to, and to procure its subsidiaries (other than the Company and its subsidiaries and Guodian's A share listed companies) not to, compete with the Company in the Company's wind power business (other than Guodian's few wind power business retained on the date of the execution of the Non-competition Agreement) and granted to the Company options to acquire the retained businesses and any new business opportunities and pre-emptive rights to acquire Guodian's interest in its retained businesses and certain future new business; and (ii) the issuance of the Supplemental Undertaking Letter to the Non-competition Agreement by CHN Energy, the controlling shareholder of the Company, on 18 June 2021, pursuant to

which CHN Energy further undertook to inject the surviving wind power generation business into the Company through the combination of asset restructuring, business adjustment and formation of joint venture within three years (the "**Undertaking Term**") following the listing of the A shares of the Company (i.e. 24 January 2022), subject to the relevant laws and regulations and its relevant internal and external approval procedures then, to steadily promote the integration of relevant business so as to solve the potential problem of business overlapping.

As the above commitment matters are not expected to be fully performed within the Undertaking Term, in accordance with the relevant regulations and requirements of the Guideline No. 4 on Supervision and Administration of Listed Companies – Commitments by Listed Companies and Their Related Parties by the CSRC, CHN Energy issued the Supplemental Undertaking Letter (II) with conditions in effect (the "**Supplemental Undertaking**"). On the basis of the continuation of the Non-competition Agreement and the Supplemental Undertaking Letter, CHN Energy intends to extend the deadline for the integration of the assets of the surviving wind power generation business in the Supplemental Undertaking Letter for a period of three years to 24 January 2028. Except for the change in the Undertaking Term, the rest of the content shall remain the same.

The main content is as follows: "With respect to the wind power generation business held by CHN Energy or its subsidiaries (excluding the Company and its subsidiaries, the same below) as at the date of this undertaking letter, which has potential business overlap with the main business of the Company, either directly or indirectly, CHN Energy undertakes that, within three years after the expiry of the period agreed in the Supplemental Undertaking Letter (i.e. before 24 January 2028), such assets will be injected into the Company when the conditions for injection into a listed company are met at that time."

The Board resolved and approved the Supplemental Undertaking on 22 October 2024. The Supplemental Undertaking Letter (II) shall come into effect from 20 December 2024.

The Supplemental Undertaking is beneficial to the promotion of the future development of the Company. CHN Energy is actively promoting the gradual injection of some of its more profitable and compliant assets into the Company. In view of the scarcity of high-quality new energy assets such as wind power, the issuance of the Supplemental Undertaking Letter (II) will enable the Company to retain the right to subsequently acquire the high-quality wind power assets of CHN Energy and continue to promote the injection of high-quality assets by CHN Energy into the listed company, which will be conducive to the overall business development of the Company. The Supplemental Undertaking is conducive to the protection of the interests of minority shareholders. The prudent selection of high-quality assets to be injected into the listed company is conducive to the protection of the interests of minority shareholders. The issuance of Supplemental Undertaking Letter (II) reserves the Company's right to subsequently acquire high-quality wind power assets of CHN Energy, which is in line with the expectation of small and medium-sized investors that CHN Energy will strengthen and improve the listed company and enhance the core competitiveness and investment value of the listed company.

On 22 October 2024, CHN Energy, being the controlling shareholder of the Company, directly and indirectly holds approximately 58.72% of the issued share capital of the Company and is a connected person of the Company under Rule 14A.07 of the Listing Rules. CHN Energy Asset Management Company, CHN Energy Gansu Electric Power and CHN Energy Guangxi Electric Power are all subsidiaries of CHN Energy and constitute connected persons of the Company under Chapter 14A of the Listing Rules. Therefore, the transactions constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

Please refer to the announcements of the Company dated 22 October 2024 and 20 December 2024 and the circular of the Company dated 25 November 2024 for details of the issuance of Supplemental Undertaking Letter (II) to Non-Competition Agreement and Supplemental Undertaking Letter by controlling shareholder.

CONNECTED TRANSACTIONS

NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

The Group has entered into certain non-exempt continuing connected transactions during the year:

- In respect of the type 1 non-exempt continuing connected transaction as set out below, it shall be subject to the annual reporting, announcement and independent Shareholders' approval requirements of the Listing Rules, and the annual caps for each year from 2024 to 2026 have been considered and approved at the fifth extraordinary general meeting in 2023 held on 29 December 2023.

- In respect of the type 2 non-exempt continuing connected transaction as set out below, it shall be subject to the annual reporting and announcement requirements of the Listing Rules, but exempt from independent Shareholders' approval requirements of the Listing Rules, and the annual caps of Financial Services Agreement from 27 April 2022 to 31 December 2024 have been considered and approved by the Board of the Company on 27 April 2022.

- In respect of the type 3 non-exempt continuing connected transaction as set out below, it shall be subject to the annual reporting and announcement requirements of the Listing Rules, but exempt from independent Shareholders' approval requirements of the Listing Rules, and the annual caps of Financing Lease Related Services Framework Agreement with Guoneng Financial Leasing Co., Ltd ("**Guoneng Financial**") from 29 March 2023 to 28 March 2025 were considered and approved by the Board of the Company on 29 March 2023.

- In respect of the type 4 non-exempt continuing connected transaction as set out below, it shall be subject to the annual reporting and announcement requirements of the Listing Rules, but exempt from independent Shareholders' approval requirements of the Listing Rules, and the annual caps of Factoring Services Agreement with Guoneng (Beijing) Commercial Factoring Co., Ltd.* (國能(北京)商業保理有限公司) ("**Guoneng Factoring**") from 17 November 2023 to 31 December 2025 were considered and approved by the Board of the Company on 17 November 2023.

- In respect of the type 5 non-exempt continuing connected transaction as set out below, it shall be subject to the annual reporting and announcement requirements but exempt from independent shareholders' approval requirements under the Listing Rules. The annual caps of the New Financial Services Agreement from 1 January 2025 to 31 December 2025 were reviewed and approved by the Board of the Company on 22 November 2024.

The diagram below sets out the annual caps and actual transaction amounts of such nonexempt continuing connected transactions for 2024:

No.	Connected Person	Connected Transactions		Annual Cap for 2024 *(RMB'000)*	Actual Transaction Amount for 2024 *(RMB'000)*
1	CHN Energy	Framework Agreement for the Purchase and Sale of Comprehensive Products and Services	Provision of products and services by the Group	4,030,460	446,853
			Provision of products and services to the Group	7,484,210	6,290,097
2	China Energy Finance	Financial Services Agreement	Deposit Services	No more than RMB3 billion of the maximum daily deposit balance (inclusive of accrued interests occurred)	2,370,936

CONNECTED TRANSACTIONS

No.	Connected Person	Connected Transactions		Annual Cap for 2024 *(RMB'000)*	Actual Transaction Amount for 2024 *(RMB'000)*
3	Guoneng Financial	Financing Lease related Services Framework Agreement	Direct Lease	500,000	468,314
			Sales and Leaseback	390,000	191,000
4	Guoneng Factoring	Factoring Services Agreement	Provision of factoring and factoring-related services to the Group	No more than RMB1.2 billion of the maximum daily balance (including interest, factoring service fee and other related financing charges)	248,500

1. ENTERING INTO FRAMEWORK AGREEMENT FOR THE PURCHASE AND SALE OF COMPREHENSIVE PRODUCTS AND SERVICES

The Company has entered into the Framework Agreement for Purchase and Sale of Comprehensive Products and Services with CHN Energy on 17 December 2023. Pursuant to the Framework Agreement for Purchase and Sale of Comprehensive Products and Services, the Group has agreed to provide products and services to CHN Energy and CHN Energy has agreed to provide products and services to the Group. The term of the Framework Agreement for Purchase and Sale of Comprehensive Products and Services shall commence from 1 January 2024 and expire on 31 December 2026.

The principal terms and conditions of the agreement are set out as follows:

- Pursuant to the Framework Agreement for Purchase and Sale of Comprehensive Products and Services, the Group will provide products and services to CHN Energy and its subsidiaries, including:

    - in terms of production: electricity trading, power generation rights trading, wind power technical services, resource evaluation of wind power projects, development and technical services of photovoltaic power generation and other related or similar services;

    - in terms of supply: sales or leasing of spare parts, technical and design consulting services such as wind power design and consulting services, and other related or similar products and services;

    - in terms of auxiliary production: engineering general contracting services, software and hardware sales and related technical services, information technology services, logistics services, wind power vocational training, and other related or similar products and services.

CONNECTED TRANSACTIONS

- Pursuant to the Framework Agreement for Purchase and Sale of Comprehensive Products and Services, CHN Energy and its subsidiaries will provide products and services to the Group, including:

  - O in terms of production: electricity trading, power generation rights trading and other related or similar services;

  - O in terms of supply: sales of coal, sales or leasing of production equipment and spare parts (such as wind power generating units, unit spare parts and relevant technical services), office supplies, and other related or similar products and services;

  - O in terms of auxiliary production: EPC services for projects, engineering construction, logistics services, training, bidding agency services, information technology services, technical consulting, and other related or similar services;

  - O in terms of administrative management: social security and pension management services and staff data recording management services and other related or similar services.

- The Group and CHN Energy and its subsidiaries will enter into specific transaction agreements setting out the content of the products and/or services to be supplied and the terms and conditions on which such products and/or services will be provided, in accordance with the principles laid down by the Framework Agreement for Purchase and Sale of Comprehensive Products and Services.

- The settlement terms shall be determined separately and in line with market practice applicable to each specific transaction. The detailed settlement terms will be set out in specific transaction agreements.

- There is no exclusivity arrangement between the Group and CHN Energy under the Framework Agreement for Purchase and Sale of Comprehensive Products and Services. In the event that one party under the Framework Agreement for Purchase and Sale of Comprehensive Products and Services is unable to satisfy the other party's demand for products or services, or if more favourable conditions are offered by an independent third party, the other party will be entitled to enter into a transaction with such independent third party.

- If either party violates any term of the Framework Agreement for Purchase and Sale of Comprehensive Products and Services (the "**Defaulting Party**"), the other party (the "**Observant Party**") can notify it in written form about the breach, and require the Defaulting Party to remedy the breach within a reasonable term. If the Defaulting Party fails to make any remedy for the breach within the above term, the Observant Party shall be entitled to terminate the Framework Agreement for Purchase and Sale of Comprehensive Products and Services immediately and reserve the right to claim compensation and any other legally permitted claims against the Defaulting Party.

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CONNECTED TRANSACTIONS

To maintain a stable and high-quality supply of products and services to the Group is crucial to the Group's current and future production and operations. Based on the past experience in the mutual supply of products and services between the Group and CHN Energy and its subsidiaries, CHN Energy and its subsidiaries have a relatively good ability to perform their contracts. The Group has maintained normal business dealings with CHN Energy and its subsidiaries, and all specific connected

2. ENTERING INTO FINANCIAL SERVICES AGREEMENT

The Company entered into the Financial Services Agreement with China Energy Finance on 27 April 2022, pursuant to which, China Energy Finance agreed to provide the Group with loan services, deposit services and other financial services in accordance with the terms and conditions provided therein. The term of the Financial Services Agreement shall commence from 27 April 2022 and expire on 31 December 2024.

The principal terms and conditions of the agreement are set out as follows:

- Pursuant to the Financial Services Agreement, the services to be provided by China Energy Finance to the Group include the provision of comprehensive credit facilities, intra-group transfer and settlement services, assistance in the receipt and payment of transaction proceeds, entrusted loans and entrusted investment services, bill acceptance and eservices, bilcounceservic and apayment of

- China Energy Finance shall ensure the stable operation of fund management system to safeguard the fund, and to monitor the asset-liabilities risk so as to satisfy the payment needs of the Group.

- In respect of the provision of the loan services under the Financial Services Agreement, the maximum daily balance of loans provided by China Energy Finance to the Group (including loans, credit, bill acceptance and discounting, guarantee, letter of guarantee, overdraft, opening of letter of credit, etc., including accrued interest incurred) shall not exceed RMB22 billion.

- In respect of the provision of the deposit services under the Financial Services Agreement, the maximum daily deposit balance of the Group with China Energy Finance (including accrued interest incurred) shall not exceed RMB3 billion for the period from 27 April 2022 to 31 December 2024.

- In addition to the loan services and deposit services, during the term of the Financial Services Agreement, the total agency fees, handling fees, consulting fees or other service fees charged by China Energy Finance for the provision of other financial services (including but not limited to the provision of consultation, agency, settlement, transfer, investment, letter of credit, online banking, entrusted loans, guarantees, bill acceptance and other services) to the Group shall not exceed RMB10 million for each year.

For deposit services, China Energy Finance has been maintaining satisfactory operating performance and financial position, with prescribed risk monitoring and good performance in supervision and management, and security level of its settlement system has reached the level of domestic commercial banks. Compared with typical commercial banks, the account supervision of China Energy Finance such as substantial payment is more stringent, and its deposit services provides higher fund security. The deposit placed with China Energy Finance facilitates the settlement within the subsidiaries of the Group and between the subsidiaries of CHN Energy, and shortens the time required for transfer and turnover of funds. China Energy Finance will enable the Company to lower the cost of funds by improving the efficiency of the internal settlement and help realise optimisation of cost and operational efficiency. In addition, deposits placed with China Energy Finance would be conducive to realising centralized fund management of subsidiaries of the Group and can satisfy the flexible needs of funds of the Group. China Energy Finance offers the Group relatively good commercial terms as compared with the domestic commercial banks.

In the area of credit services, compared with typical commercial banks in the PRC, China Energy Finance could provide the Group with stronger support and more flexible loan conditions. The collaboration between the Group and China Energy Finance may reduce finance costs, ensure the security of the capital chain and help monitor risks for the Group. China Energy Finance is familiar with the capital structure, business operation, capital needs and cash flow pattern of each subsidiary of the Group, enabling it to better forecast the capital needs of the Group. Therefore, China Energy Finance can provide flexible, convenient and low-cost services to the Group at any time. By entering into the Financial Services Agreement with China Energy Finance, the Group opens another channel for service providers. The Group is allowed to cooperate with China Energy Finance without being prohibited from selecting other financial and insurance institutions, including commercial banks in the PRC. The Group may freely cooperate with any institutions selected and obtain any best terms offered. Moreover, the credit services provided by China Energy Finance for the Group may increase credit for the credit provided by domestic commercial banks for the Group.

CONNECTED TRANSACTIONS

As at the date of signing the Financial Services Agreement, as CHN Energy directly and indirectly holds approximately 58.56% of the issued share capital of the Company, it is a controlling Shareholder as defined under the Listing Rules and thus a connected person of the Company. China Energy Finance is a subsidiary and, by virtue of this, an associate of CHN Energy, and is therefore the connected person of the Company. Accordingly, the Financial Services Agreement and the transactions contemplated thereunder constitute the continuing connected transactions of the Company under the Listing Rules. As each of the applicable percentage ratios of the deposit services contemplated under the Financial Services Agreement is more than 0.1%, but less than 5%, they shall be subject to the reporting and announcement requirements but exempt from independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. The loan services contemplated under the Financial Services Agreement are on normal commercial terms which, as far as the Group is concerned, are similar to or more favourable than those offered from independent third parties for comparable services in the PRC, and that no security over the assets of the Group will be granted in respect of the loan services, therefore the loan services are exempt from the annual reporting, announcement and independent Shareholders' approval requirements under Rule 14A.90 of the Listing Rules. As each of the applicable percentage ratios of other financial services contemplated under the Financial Services Agreement is less than the de minimis threshold set out in Rule 14A.76 of the Listing Rule, they are exempt from the annual reporting, announcement and independent Shareholders' approval requirements of the Listing Rules.

In view of the business development needs of the Company, the Company entered into a Supplemental Agreement with China Energy Finance on 26 October 2023 to amend the maximum daily balance of the loan under the Financial Services

The principal terms and conditions of the Supplemental Agreement are set out as follows:

- During the validity period of the Financial Services Agreement, the maximum daily balance of the loan (including direct loans, credits, bill acceptance and discount, guarantees, letters of guarantee, overdrafts, issuance of letters of credit, etc., inclusive of accrued interest thereon) provided by China Energy Finance to the Group shall not be higher than RMB22 billion was amended to not be higher than RMB50 billion.

The members of the Company have established long-term and stable cooperation with China Energy Finance, and have formed stable business relationships in areas such as deposits, loans, bills, settlement, and agency services. China Energy Finance serves as the financial service platform of CHN Energy. With the premise of ensuring fund safety, the Company entered into the Supplemental Agreement with China Energy Finance, under which China Energy Finance will continue to provide financial services to the members of the Company, which is beneficial in maintaining the continuity of financial services received by the members of the Company, optimizing corporate financial management, improving fund utilization efficiency, and reducing financing costs. As a professional centralized fund management platform, China Energy Finance generally provides more favorable terms and rates to the members of the Company compared to other financial institutions. Pursuant to the Supplemental Agreement, China Energy Finance provides the members of the Company with loan rates not higher than similar loan rates of major commercial banks on the same term.

As at the date of signing the Supplemental Agreement, as CHN Energy directly and indirectly holds approximately 58.56% of the issued share capital of the

During the Reporting Period, the cap of the maximum daily deposit balance (including accrued interest incurred) for deposit services under the Financial Services Agreement for 2024 was RMB3,000,000,000 and the actual maximum daily deposit balance (including any interest accrued thereon) was RMB2,370,936,171.

Please refer to the announcements of the Company dated 27 April 2022 and 26 October 2023 for details in respect of the Financial Services Agreement.

3. ENTERING INTO FINANCING LEASE RELATED SERVICES FRAMEWORK AGREEMENT

The Company entered into the Financing Lease Related Services Framework Agreement with Guoneng Financial on 29 March 2023, pursuant to which Guoneng Financial has agreed to provide the Company with financing lease related services, including direct lease, sales and leaseback and related consulting services. The Financing Lease Related Services Framework Agreement and its corresponding annual caps are valid for two years from 29 March 2023 to 28 March 2025.

The principal terms and conditions of the agreement are set out as follows:

- The financing lease related services provided by Guoneng Financial to the Company include:

  - Provision of direct lease related services ("**Direct Lease**") in financing lease to the Company. In relation to Direct Lease, the lessor (being Guoneng Financial), based on the choice of the lessee (being the Company or its subsidiaries), acquires the leased property for the direct purpose of leasing it out to the lessee. The lessor owns the title to the leased property. The lessee, pursuant to the relevant agreement(s), shall pay the rent (inclusive of interest) to the lessor during the lease term. At the expiry of the lease term, the lessee is given an option to purchase, or to renew or terminate the lease of, the leased property;

- Provision of sales and leaseback related services ("**Sales and Leaseback**") in financing lease to the Company. In relation to Sales and Leaseback, the lessor (being Guoneng Financial), based on the choice of the lessee (being the Company or its subsidiaries), acquires from the lessee the leased property and then leases it back to the lessee. The lessee, pursuant to the relevant agreement(s), shall pay the rent and interests to the lessor during the lease term. At the expiry of the lease term, the lessee is given an option to purchase, or to renew or terminate the lease of, the leased property;

- Provision of consulting services in respect of industry development, business management, asset and equipment management and related laws and taxation ("**Related Consulting Services**") for financing lease business of the Company.

• During the term of the Financing Lease Related Services Framework Agreement, (1) the total transaction amounts of Direct Lease between the Company and Guoneng Financial shall not exceed RMB500 million per year; (2) the total transaction amounts of Sales and Leaseback between the Company and Guoneng Financial shall not exceed RMB390 million per year; and (3) the total amounts of Related Consulting Services fees provided by Guoneng Financial to the Company in relation to the financing lease business shall not exceed RMB10 million per year.

As a financial service platform of China Energy Capital Holdings Co., Ltd., Guoneng Financial provides the Company with high-quality financing lease and related business management consulting services under the premise of ensuring the safety of funds. The Company has conducted connected transactions with Guoneng Financial based on the following advantages: firstly, broadening financing channels and enriching sources of funds; secondly, improving cash management and optimizing capital planning; and thirdly, reducing financing costs and improving capital efficiency.

CONNECTED TRANSACTIONS

As at the date of signing the agreement, CHN Energy, being the controlling shareholder of the Company, directly and indirectly holds approximately 58.56% of the issued share capital of the Company and is a connected person of the Company under Rule 14A.07 of the Listing Rules. Guoneng Financial, being the subsidiary of CHN Energy, also constitutes a connected person of the Company under Chapter 14A of the Listing Rules. Therefore, the Financing Lease Related Services Framework Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company. As one or more of the applicable percentage ratios (as defined in the Listing Rules) of the Direct Lease services and Sales and Leaseback services contemplated under the Financing Lease Related Services Framework Agreement is more than 0.1%, but less than 5%, it shall be subject to the reporting and announcement requirements but exempt from independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. As each of the applicable percentage ratios of the Related Consulting Services contemplated under the Financing Lease Related Services Framework Agreement is less than 0.1%, it is exempt from the annual reporting, announcement and independent Shareholders' approval requirements of the Listing Rules.

During the Reporting Period, the cap of the Direct Lease under the Financing Lease Related Services Framework Agreement for 2024 was RMB500,000,000 and the cap for Sales and Leaseback was RMB390,000,000, while the actual transaction amounts were RMB468,314,000 and RMB191,000,000, respectively.

Please refer to the announcement of the Company dated 29 March 2023 for details in respect of the Financing Lease Related Services Framework Agreement.

4. ENTERING INTO FACTORING SERVICES AGREEMENT

The Company entered into the Factoring Services Agreement with Guoneng Factoring on 17 November 2023, pursuant to which, Guoneng Factoring agreed to provide the Group with factoring services (including recourse factoring, non-recourse factoring, reverse factoring, etc.) and factoring-related services such as related consulting, agency, asset management and supply chain finance platform services.

The principal terms and conditions of the agreement are set out as follows:

Guoneng Factoring will provide the Group with the following services:

- providing the Group with factoring services (including recourse factoring, nonrecourse factoring, reverse factoring, etc.).

- providing the Group with other factoring-related services such as consulting, agency, asset management and supply chain finance platform services.

- the Factoring Services Agreement shall become effective from the date when it is approved by the Board of the Company, signed by the legal representatives or authorized representatives of both parties and affixed with the company seals or special contract seals, with a valid period from 17 November 2023 to 31 December 2025.

- the parties to the Factoring Services Agreement may enter into separate execution contracts for each of the specific transactions contemplated under the Factoring Services Agreement. Any such execution contracts will not exceed the scope of the Factoring Services Agreement and annual caps thereunder.

- if the provision of factoring services to the Group by Guoneng Factoring does not comply with the relevant laws and regulations and the relevant provisions of regulatory agencies resulting in damage to the Company's interests, the Company shall be indemnified against all losses.

- during the term of the Factoring Services Agreement, the annual caps of the maximum daily balance of the factoring services provided by Guoneng Factoring to the Group (including interest, factoring service fees and other related financing fees) for each of the years ending 31 December 2023, 31 December 2024 and 31 December 2025 shall be set at RMB1.2 billion.

As a financial service platform of CHN Energy, Guoneng Factoring is familiar with the development needs of the Group and is able to provide the Group with highquality, efficient and convenient factoring services under the premise of ensuring the safety of funds. Entering into of the Factoring Services Agreement will help alleviate the pressure on the Group's collection of accounts receivable and accelerate the efficiency of capital turnover; broaden the financing channels and reduce the financing cost; and improve the efficiency of capital and promote the Company's high-quality development.

As at the date of signing the agreement, CHN Energy, being the controlling shareholder of the Company, directly and indirectly holds approximately 58.56% of the issued share capital of the Company and is a connected person of the Company under Rule 14A.07 of the Listing Rules. Guoneng Factoring is a subsidiary of CHN Energy and also constitutes a connected person of the Company under Chapter 14A of the Listing Rules and therefore the Factoring Services Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company. As one or more of the applicable percentage ratios of the transactions contemplated under the Factoring Services Agreement are more than 0.1%, but less than 5%, they shall be subject to the reporting and announcement requirements but exempt from independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

During the Reporting Period, the cap of maximum daily balance (including interest, factoring service fee and other related financing charges) under the Factoring Services Agreement for 2024 was RMB1,200,000,000, while the actual maximum daily balance (including interest, factoring service fee and other related financing charges) was RMB248,500,000.

Please refer to the announcement of the Company dated 17 November 2023 for details in respect of the Factoring Services Agreement.

5. ENTERING INTO THE NEW FINANCIAL SERVICES AGREEMENT

As the Financial Services Agreement and its annual caps will expire on 31 December 2024, and the Company would continue carrying out the foregoing transactions under the Financial Services Agreement after 31 December 2024 and therefore the Company entered into the New Financial Services Agreement with China Energy Finance on 22 November 2024. Pursuant to which, China Energy Finance agreed to provide the Group with loan services, deposit services and other financial services subject to the terms and conditions provided therein. The New Financial Services Agreement has a term of 1 year commencing from 1 January 2025 and ending on 31 December 2025.

The material terms and conditions of such agreement are set out below:

- Pursuant to the New Financial Services Agreement, the financial services to be provided by China Energy Finance to the Group include: provision of comprehensive credit facilities, intra-group transfer and settlement services, assistance in the receipt and payment of transaction proceeds, entrusted loans, bill acceptance and discount services; deposit services, financial and financing consultancy services for the Group, credit verification and related consultancy agency services, underwriting services, financial advisory services, funds pooling services and other services.

- Among them, the provision of funds pooling services by China Energy Finance to the Group means the management by China Energy Finance of the pooling and transfer of funds between the Company and the Company's subsidiaries (being the Company's wholly-owned subsidiaries, holding companies, equity participation companies and other related party companies of the Company with independent legal personality) in the form of entrusted loan disbursement and repayment under the cash management through the cash management module of China Energy Finance's new core system. The service fee charged by China Energy Finance for the provision of funds pooling services to the Group is included in the annual caps of the total service fees charged by China Energy Finance for the provision of other financial services to the Group.

- China Energy Finance shall ensure the stable operation of fund management system to safeguard the fund, and to monitor the asset-liabilities risk so as to satisfy the payment needs of the Group.

- In respect of the provision of the loan services under the New Financial Services Agreement, during the valid period of the New Financial Services Agreement, the aggregated daily balance of the direct loans, bill acceptance and discounting, letter of non-finance guarantee and bond investments provided to the Group by China Energy Finance shall not exceed RMB33 billion.

- In respect of the provision of the deposit services under the New Financial Services Agreement, during the valid period of the New Financial Services Agreement, the daily deposit balance (including any interest accrued thereon) for the Group's deposits with China Energy Finance shall not exceed RMB0.9 billion.

- In respect of the provision of other financial services under the New Financial Services Agreement, during the valid period of the New Financial Services Agreement, the total amount of agency fees, handling fees, consulting fees, or other service fees charged by China Energy Finance for the provision of financial services (including but not limited to consulting, agency, settlement, transfer, investment, letter of credit, online banking, entrusted loans, letter of non-finance guarantee, bill acceptance, etc.) to the Group annually shall not exceed RMB20 million.

In respect of deposit services, the operating performance and financial position of China Energy Finance have been satisfactory, with prescribed risk monitoring and good performance in supervision and management, and security level of its settlement system has reached the level of domestic commercial banks. Compared with typical commercial banks, the account supervision of China Energy Finance such as substantial payment is more stringent, and the use of its deposit services provides higher fund security; the deposit placed with China Energy Finance facilitates the settlement within the subsidiaries of the Group and between the subsidiaries of CHN

Energy, and shortens the time required for transfer and turnover of funds. China Energy Finance will enable the Company to lower the cost of funds by improving the efficiency of the internal settlement and help realise optimisation of cost and operational efficiency. In addition, deposits placed with China Energy Finance would be conducive to realising centralized fund management of subsidiaries of the Group and can satisfy the flexible needs of funds of the Group; and China Energy Finance offers the Group relatively good commercial terms as compared with the domestic commercial banks.

In respect of credit services, compared with typical commercial banks in the PRC, China Energy Finance could provide the Group with stronger support and more flexible loan conditions. The collaboration between the Group and China Energy Finance may reduce finance costs, ensure the security of the capital chain and help monitor risks for the Group; China Energy Finance is familiar with the capital structure, business operation, capital needs and cash flow pattern of each subsidiary of the Group, enabling it to better forecast the capital needs of the Group. Therefore, China Energy Finance can provide flexible, convenient and low-cost services to the Group at any time; and by entering into the Financial Services Agreement with China Energy Finance, the Group opens another channel for service providers. The Group is able to cooperate with China Energy Finance, whilst not prohibited from selecting other financial and insurance institutions, including commercial banks in the PRC. The Group may freely cooperate with any institutions selected and obtain any best terms offered. Moreover, the credit services provided by China Energy Finance for the Group may increase credit for the credit provided by domestic commercial banks for the Group.

CONNECTED TRANSACTIONS

As at the date of signing the agreement, CHN Energy, being a controlling shareholder as defined in the Listing Rules, is a connected person of the Company as it directly and indirectly holds approximately 58.72% of the issued share capital of the Company. China Energy Finance, a subsidiary of CHN Energy, constitutes an associate of the CHN Energy and is therefore also a connected person of the Company. Therefore, the New Financial Services Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under the Listing Rules. Each of the percentage ratio(s) applicable to deposit services under the New Financial Services Agreement is (are) more than 0.1% but less than 5%, and is (are) subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules and exempt from the independent shareholders' approval requirement; the credit services under the New Financial Services Agreement are on normal commercial terms which, as far as the Group is concerned, are similar to or more favourable than those offered by independent third parties for comparable services in the PRC, and that no security over the assets of the Group will be granted in respect of the loan services, the loan services are exempt from the annual reporting, announcement and independent shareholders' approval requirements under Rule 14A.90 of the Listing Rules; and each of the percentage ratio(s) for the other financial services under the New Financial Services Agreement is (are) below the de minimis threshold set out in Rule 14A.76 of the Listing Rules and exempted from the annual reporting, announcement and independent shareholders' approval requirements of the Listing Rules.

Please refer to the announcement of the Company dated 22 November 2024 for details of the New Financial Services Agreement.

CONFIRMATION OF INDEPENDENT NON–EXECUTIVE DIRECTORS

The independent non-executive Directors of the Company have reviewed each of the above-mentioned continuing connected transactions and confirmed that such transactions have been conducted:

1. in the usual course of business of the Group;

2. on normal commercial terms or, if there are no sufficient comparable transactions to determine whether the transaction terms are on normal commercial terms, on terms no less favourable to the Group than those available to or from independent third parties; and

3. in accordance with relevant terms of the transaction agreements, and the transaction terms are fair and reasonable and in the interests of the Shareholders of the Company as a whole.

CONFIRMATION OF AUDITOR

The Company has engaged its external auditor to report on the Group's continuing connected transactions in accordance with "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" in Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the the Hong Kong Institute of Certified Public Accountants. The auditor has issued an unqualified letter containing their conclusions in respect of the continuing connected transactions set out above in accordance with Rule 14A.56 of the Listing Rules.

BIOGRAPHIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

EXECUTIVE DIRECTORS



Mr. Gong Yufei, aged 53, is the secretary of the Party Committee, executive Director and Chairman of the Board of the Company. He graduated from Shandong Institute of Mining and Technology with a bachelor's degree in engineering and from Shandong University with a master's degree in business administration. He worked at Shandong International Trust and Investment Corporation (山東省國際信託投資公司) and Shandong Zhonghua Power Company, Ltd. (山東中華發電有限公司). Mr. Gong successively served as the general manager and the chairman of Shandong Guohua ERA Investment and Development Co., Ltd. (山東國華時代投資發展公司), the general manager and chairman of Shandong Branch of Guohua Energy Investment Co., Ltd. (國華能源投資有限公司山東分公司), the general manager of the Project Construction Department of Guohua Energy Investment Co., Ltd., a member of the Party Committee and the deputy general manager of CHN Energy Properties Co., Ltd., a member of the Party Committee, a vice president, deputy secretary of the Party Committee, executive director and the president of China Longyuan Power Group Corporation Limited.

BIOGRAPHIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT



Mr. Wang Liqiang, aged 53, is the deputy secretary to the Party Committee, executive Director and president of the Company. He graduated from North China Electric Power University majoring in management engineering with a master's degree in engineering and is a senior engineer. He has successively served as deputy chief engineer, director of the Planning Department and deputy director of Handan Thermal Power Plant of GD Power Development Co., Ltd. (國電電力發展股份有限公司); general manager and secretary to the party committee, general manager and deputy secretary to the party committee of GD Inner Mongolia Jingyang Energy Co., Ltd.* (國電內蒙古晶陽能源有限公司); deputy director (division level) of the Engineering Department of GD Power Development Co., Ltd.; director of the Procurement Division of the Procurement and Material Management Department of China Guodian Corporation (中國國電集團公司); director of the General Department of the Material Procurement and Bidding Supervision Centre and director of the Procurement Department of the Material and Procurement Supervision Department of China Energy Investment Corporation Limited* (國家能源投資集團有限責任公司); deputy general manager and member of the party committee of CHN Energy Group Hebei Electric Power Co., Ltd.* (國家能源集團河北電力有限公司); and the deputy director of the Organization and Personnel Department (Human Resources Department) of China Energy Investment Corporation Limited*.

BIOGRAPHIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

NON-EXECUTIVE DIRECTORS



Ms. Wang Xuelian, aged 56, is a non-executive Director of the Company. She graduated from the Department of Transportation Management Engineering of Beijing Jiaotong University, majoring in railway transportation, with a bachelor's degree in engineering and is a senior engineer and a researcher (professor grade). She successively served as deputy director of Transportation Division in the Road and Port Coordination Department, deputy director of Planning and Design Division in the Planning Department, and manager (director-level) of planning business in the Strategic Planning Department of Shenhua Group Corporation Limited; director of Planning Division in the Planning and Development Department and deputy general manager of the Strategic Planning Department of Shenhua Group Corporation Limited and China Shenhua Energy Company Limited (中國神華能源股份有限公司); the deputy head of the Strategic Planning Department of China Energy Investment Corporation Limited (國家能源投資集團有限責任公司), general manager and deputy secretary of the Party Committee of China Energy Group Research Institute of Technology and Economy (國家能源集團技術經濟研究院) (China Energy Economy and Technology Institute Co., Ltd. (國能經濟技術研究院有限責任公司)). She currently serves as the first-level business director of China Energy Group Research Institute of Technology and Economy (China Energy Economy and Technology Institute Co., Ltd.).

BIOGRAPHIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT



Ms. Chen Jie, aged 54, is a non-executive Director of the Company. She graduated from the University of International Business and Economics, majoring in business administration, with a master degree in business administration, and is a senior accountant. Ms. Chen worked for Jixi Mining Bureau and Heilongjiang Coal Management Bureau. Ms. Chen successively served as the deputy director of the Production and Finance Division of the Finance Department and the deputy director of the General Affairs Division of the Finance Department of Shenhua Group Corporation Limited; the director of the Assets Division of the Finance Department of China Shenhua Energy Company Limited; the director of the Assets Division of the Finance Department of Shenhua Group Corporation Limited and China Shenhua Energy Company Limited; the director of the Assets Management Division of the Finance and Property Rights Department and the director of the General Affairs Division of the Finance Department of China Energy Investment Corporation Limited; the chief accountant and a member of the Party Committee of CHN Energy Northeast Electric Power Co., Ltd. (國家能源集團東北電力有限公司); and the chief accountant and a member of the Party Committee of CHN Energy Liaoning Electric Power Co., Ltd. (國家能源集團遼寧電力有限公司). She is currently a full-time director of subsidiaries of China Energy Investment Corporation Limited.

BIOGRAPHIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT



Mr. Zhang Tong, aged 51, is a non-executive Director of the Company. He graduated from Zhongnan University of Economics and Law, master of laws, senior economist. Mr. Zhang successively served as deputy director and director of the Legal and Political Research Department (Economic Restructuring Office) and deputy director of the Corporate Management and Legal Affairs Department of China Guodian Corporation (中國國電集團公司); deputy director of the Legal Affairs Department of China Energy Investment Corporation Limited (國家能源投資集團有限責任公司). He currently serves as the general counsel and deputy director of the Corporate Management and Legal Affairs Department (Reform Office) of China Energy Investment Corporation Limited.

BIOGRAPHIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT



Mr. Wang Yong, aged 50, is a non-executive Director of the Company. He graduated from Northwestern University with a PhD in Finance. He successively served as a research assistant of the Centre for Financial and Securities Research at Peking University* (北京大學金融與證券研究中心); an assistant professor of the School of Accounting and Finance of The Hong Kong Polytechnic University; a specially-invited expert of China Securities Capital Market Operation Statistics Monitoring Centre* (中證資本市場運行統計監測中心); and an assistant to the general manager and the general manager of the financial engineering department, a member of the Party Committee, an assistant to the general manager and the general manager of the financial engineering department, a member of the Party Committee, the deputy general manager (to be appointed) and the general manager of the financial engineering department of China Everwin Asset Management Co., Ltd.* (華夏久盈資產管理有限責任公司). He currently serves as a member of the Party Committee, the deputy general manager (to be appointed) and the general manager of the Equity Investment Centre of China Everwin Asset Management Co., Ltd.*.

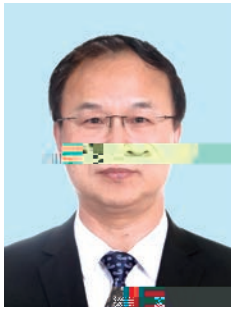
BIOGRAPHIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

INDEPENDENT NON-EXECUTIVE DIRECTORS



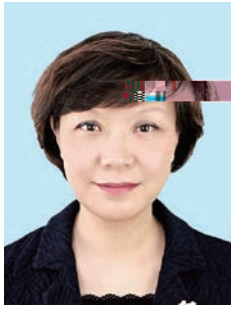
Mr. Michael Ngai Ming Tak

BIOGRAPHIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT



Mr. Gao Debu, aged 69, is an independent non-executive Director of the Company. He graduated from the Faculty of Economics of Renmin University of China with a doctorate degree in economics. He has served as an independent non-executive Director of the Company since November 2021. He successively served as the deputy director of the Faculty of Economics of Renmin University of China, the vice dean of the School of Economics and the head of the organization department under the Party Committee of Renmin University of China. He was a senior visiting scholar at University of California, Los Angeles (UCLA), the US in 2002. He currently serves as a supervisor of Inner Mongolia Yili Industrial Group Co., Ltd. (SHSE: 600887) and a professor and doctoral supervisor of the School of Economics of Renmin University of China, undertook and completed various national, provincial and ministerial level research projects.

BIOGRAPHIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT



Ms. Zhao Feng, aged 55, is an independent non-executive Director of the Company. She graduated from Nankai University with a bachelor degree in accounting and auditing. She is a PRC Certified Public Accountants, a fellow of the Association of Chartered Certified Accountants (FCCA) and a member of Hong Kong Institute of Certified Public Accountants (HKICPA). She has served as an independent non-executive Director of the Company since November 2021. She served as an auditor of Arthur Anderson Hua Qiang Certified Public Accountants (安達信華強會計師事務所), the chief financial officer of East Asiatic Company (PRC), the chief financial officer and the general manager of Denmark Wangtai Communications Technology (PRC) (丹麥網泰通訊科技(中國)), the chief financial officer of Apple Inc. (PRC), the chief financial officer and the general manager of Infront Sports & Media (PRC), and an independent director of Shenzhen Weiye Decoration Group Co., Ltd. (深圳市維業裝飾集團股份有限公司) (SZSE: 300621). She is currently an independent non-executive director of Shandong Gold Mining Co., Ltd. (SHSE: 600547, HKSE: 01787), an independent non-executive director of Xiamen International Bank (廈門國際銀行), and a non-executive director of China International Marine Containers (Group) Co., Ltd. (SZSE: 000039, HKSE: 02039).

SUPERVISORS



Mr. Liu Jinji, aged 60, is the chairman of the Supervisory Board of the Company. He received a bachelor's degree in engineering from Shanxi Mining Institute and is a senior engineer. He has worked in Huaneng Clean Coal Company Dongsheng Branch(華能精煤公司東勝分公司), Shenhua Group Shenfu Dongsheng Coal Co., Ltd. (神華集團神府東勝煤炭有限責任公司) and Shendong Coal Branch of China Shenhua Energy Company Limited (中國神華能源股份有限公司神東煤炭分公司). He successively served as the deputy general manager of Shenhua Ningxia Coal Industry Co., Ltd. (神華寧夏煤業集團有限責任公司); the general manager, deputy secretary of the party committee and general manager, secretary of the party committee and the chairman of China Shenhua Xinjiang Energy Co., Ltd. (神華新疆能源有限責任公司); the secretary of the party committee and the chairman of CHN Energy Xinjiang Energy Co., Ltd. (Guodian Xinjiang Power Co., Ltd.); the director of safety production of China Energy Investment Corporation Limited; and a senior business director of China Energy Investment Corporation Limited.

BIOGRAPHIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT



Ms. Hao Jingru, aged 58, is a supervisor of the Company. Ms. Hao graduated from Party School of the Central Committee of CPC with a master's degree in engineering. She is a senior accountant. She has served as a supervisor of the Company since February 2020. She successively served as the deputy financial manager of Shenhua Shendong Coal Group Co., Ltd. (神華神東煤炭集團有限責任公司); person in charge of budget and business performance of the Finance Department, director of the Budget and Business Performance Division of the Finance Department, and deputy general manager of the Finance Department of Shenhua Group Corporation Limited (神華集團有限責任公司); deputy general manager of the Finance Department of Shenhua Group Corporation Limited; deputy general manager of the Financial Department of China Shenhua Energy Company Limited (中國神華能源股份有限公司); financial controller and deputy general manager of China Shenhua Coal-to-liquid and Chemical Company Limited (中國神華煤製油化工公司); and associate director of the Finance and Property Department of China Energy Investment Corporation Limited (國家能源投資集團有限責任公司). She currently serves as the deputy team leader of the Party Committee Inspection Team of China Energy Investment Corporation Limited.

BIOGRAPHIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT



Mr. Liu Jintao, aged 53, is an employee representative supervisor of the Company. Mr. Liu has a college degree majoring and is a second-class legal advisor of state-owned enterprises. Mr. Liu has successively served as the general manager of Longyuan Power Group (Shanghai) Wind Power Co., Ltd.* (龍源電力集團(上海)風力發電有限公司); the secretary of the Party Branch and chairman of the board of directors of Longyuan Power Group (Shanghai) New Energy Co., Ltd.* (龍源電力集團(上海)新能源有限公司); the director of the Corporate Operation and Legal Affairs Department of China Longyuan Power Group Corporation Limited*; and currently the director of the Organizational Human Resources Department of China Longyuan Power Group Corporation Limited*.

BIOGRAPHIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

SENIOR MANAGEMENT



Mr. Wang Liqiang, aged 53, is the deputy secretary to the Party Committee, executive Director and president of the Company. He graduated from North China Electric Power University majoring in management engineering with a master's degree in engineering and is a senior engineer. He has successively served as deputy chief engineer, director of the Planning Department and deputy director of Handan Thermal Power Plant of GD Power Development Co., Ltd. (國電電力發展股份有限公司); general manager and secretary to the party committee, general manager and deputy secretary to the party committee of GD Inner Mongolia Jingyang Energy Co., Ltd.* (國電內蒙古晶陽能源有限公司); deputy director (division level) of the Engineering Department of GD Power Development Co., Ltd.; director of the Procurement Division of the Procurement and Material Management Department of China Guodian Corporation (中國國電集團公司); director

BIOGRAPHIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT



Ms. Yang Wenjing, aged 55, is a member of the Party Committee, the chief accountant of the Company. She graduated from Central University of Finance and Economics majoring in accounting, with as a doctoral degree in management. She is a senior accountant. She successively served as deputy head of the Fund Management Division of the Finance Department, senior head of assets and equity of the Finance and Equity Management Department and manager for fund management of the Finance and Equity Management Department of Guohua (Beijing) Electric Power; performance convenor of the Finance and Equity Operation Department, manager of the Finance and Assets Department, manager of the Finance and Equity Department of Guohua Electric Power Company of China Shenhua Energy Company, manager of the Finance Department of CSEC Guohua International Power Company Limited, deputy chief accountant, manager of the Finance and Equity Department of Guohua Electric Power Company and manager of the Finance Department, deputy chief accountant of CSEC Guohua International Power Company; deputy general manager of the Finance Department of China Shenhua Energy Company; deputy general manager, chief financial officer of Shenhua Trading Group Co., Ltd.; chief accountant, member of the Party Committee of the coal operation branch of CHN Energy (Shenhua Trading Group Co., Ltd.).

BIOGRAPHIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT



Ms. Ding Jing, aged 55, is a vice president and the Secretary to the Board of the Company. She graduated from Beijing Normal University with a master degree in environmental science. She is a senior engineer. She successively served as a deputy director of strategic projects in China of World Wide Fund For Nature (Switzerland), Beijing Representative Office (世界自然基金會(瑞士)北京代表處); deputy director of Technology Management Department (International Cooperation Department) of Guodian New Energy Technology Research Institute (國電新能源技術研究院); head of Integrated Management Division of International Cooperation and Overseas Business Department of China Guodian Corporation (中國國電集團公司); assistant and deputy director of Office of Cooperation with the United States of CHN Energy; deputy director of International Cooperation Department (Overseas Cooperation Department, Office of Cooperation with the United States) of CHN Energy.

BIOGRAPHIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT



Mr. Xia Hui, aged 51, is a member of the Party Committee and a vice president of the Company. He graduated from Shenyang Gold Institute with a college degree majoring in industrial and electric automation, and is a bachelor in engineering and senior engineer. He successively served as deputy director and director of Repair Department of Xinjiang Wind Power Plant (新疆風力發電廠); deputy chief engineering of Xinjiang Wind Power Plant; deputy general manager of Gansu Jieyuan Wind Power Generation Co., Ltd. (甘肅潔源風電有限責任公司); deputy general manager of Beijing Zhongneng Lianchuang Wind Power Technology Company Limited (北京中能聯創風電技術有限公司); a member of the Party committee of Zhongneng Power-Tech Development Co., Ltd. (中能電力科技開發有限公司); a member of the Party committee and deputy general manager of Longyuan (Beijing) Wind Power Projects Technology Co., Ltd. (龍源(北京)風電工程技術有限公司); deputy director of Safety Production Department of China Longyuan Power Group Corporation Limited; secretary of the Party committee, secretary of the discipline inspection committee and deputy general manager of Longyuan Ningxia Wind Power Generation Co., Ltd. (龍源寧夏風力發電有限公司); general manager and deputy secretary of the Party Committee of Longyuan (Beijing) Wind Power Projects Technology Co., Ltd.; secretary of the Party Committee and chairman of the board of directors of Longyuan (Beijing) Wind Power Projects Technology Co., Ltd.

BIOGRAPHIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT



Mr. Wang Qi, aged 49, is a member of the Party Committee and a vice president of the Company. He graduated from Wuhan University of Hydraulic and Electrical Engineering with a master degree and is a senior engineer. He successively served as a member of the Party Committee and manager of Wind Power Tender Department of Zhongneng Power-Tech Development Co., Ltd. (中能電力科技開發有限公司); deputy general manager and chairman of the Labour Union of Longyuan (Xing'anmeng) Wind Power Generation Co., Ltd. (龍源(興安盟)風力發電有限公司); general manager, deputy secretary of the general party branch and chairman of the Labour Union of Longyuan (Xing'anmeng) Wind Power Generation Co., Ltd.; general manager and deputy secretary of the Party Committee of Jilin Longyuan Wind Power Generation Co., Ltd. (吉林龍源風力發電有限公司); secretary of the Party Committee, secretary of the discipline inspection committee and deputy general manager of Longyuan (Beijing) Wind Power Engineering Technology Co., Ltd. (龍源(北京)風電工程技術有限公司); secretary of the Party Committee and deputy general manager of Longyuan (Beijing) Wind Power Projects Design & Consultation Co., Ltd. (龍源(北京)風電工程設計諮詢有限公司); director of procurement and materials management department, director of general management department (Party Committee office), secretary for the office of the Party Committee and director of construction engineering department of China Longyuan Power Group Corporation Limited.

BIOGRAPHIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT



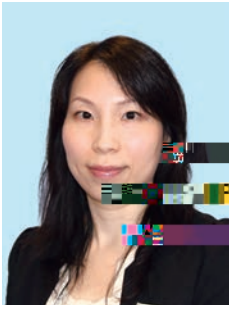
Mr. Li Xingyun, aged 52, is a member of the Party Committee, vice president of the Company and chairman of the Labour Union. He graduated from Wuhan University of Water Resources and Electric Power and is a senior engineer. He previously worked at China Energy Power Technology Development Co., Ltd., Longyuan Hubei Wind Power Project Preparation Office, and Longyuan Hunan Wind Power Project Preparation Office. He successively served as the general manager and deputy secretary of the Party Committee of Ningxia Longyuan New Energy Co., Ltd., general manager and deputy secretary of the Party Committee of Longyuan (Beijing) Carbon Asset Management Technology Co., Ltd., director of the Office, director of the Science and Technology and Information Department, and director of the Planning and Development Department (Base Project Office) of China Longyuan Power Group Corporation Limited.

BIOGRAPHIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT



Mr. Shi Wenyi, aged 41, is a member of the Party Committee and vice president of the Company. He graduated from Inner Mongolia Agricultural University with a bachelor's degree. He is a holder of master's degree in engineering, and is a senior engineer. He once worked in Guohua (Hebei) New Energy Co., Ltd. (國華(河北)新能源有限公司) and Bayan Nur Branch of Guohua Co. (國華巴彥淖爾分公司). He once successively served as the assistant general manager of Bayan Nur Branch of Guohua Energy Investment Co., Ltd. (國華能源投資有限公司巴彥淖爾分公司); the vice general manager and a member of the Party Committee of Hebei Branch of Guohua Energy Investment Co., Ltd. (國華能源投資有限公司河北分公司); the general manager (acting chairman of the board of directors), secretary of the Party Branch and chairman of the board of directors (legal representative) of Guoneng Yuanjing (Hainan) Integrated Intelligent Energy Co., Ltd.; the chairman of the board of directors of Integrated Intelligent Energy Branch of Guohua Energy Investment Co., Ltd. (國華能源投資有限公司綜合智慧能源分公司) and the vice general manager of the planning and development department of Guohua Energy Investment Co., Ltd.; the vice chairman of the board of directors and deputy secretary of the Party Committee of Hebei Branch of Guohua Energy Investment Co., Ltd. (國華能源投資有限公司河北分公司) and the secretary of the Party Committee and chairman of the board of directors of Hebei Branch of Guohua Energy Investment Co., Ltd.

COMPANY SECRETARY



Ms. Chan Sau Ling, was appointed as one of the joint Company secretaries from 26 October 2017 to 12 November 2021, and has served as the Company secretary since 12 November 2021. She is a director of the Corporate Services Division of Tricor Services Limited (卓佳專業商務有限公司) ("**Tricor**"). Ms. Chan is a chartered secretary, chartered governance professional and a fellow of both The Hong Kong Institute of Chartered Secretaries and The Chartered Governance Institute in the United Kingdom. Ms. Chan has extensive experience in the corporate service field and has been providing professional corporate services to Hong Kong listed companies as well as multinational, private and offshore companies. (Note: The Company has engaged Tricor as external service provider and appointed Ms. Chan Sau Ling as the Company's company secretary.)

ENVIRONMENTAL AND SOCIAL RESPONSIBILITIES

(I) MAJOR ENVIRONMENTAL PROTECTION ISSUES

I. Environmental protection related policies and industry standards

The Group has always adhered to the path of green and low- carbon development, strictly adhered to the red and bottom lines of ecological and environmental protection, coordinated and promoted various work to ensure the stability of the ecological and environmental protection situation. In daily production and operation, the Group strictly adheres to laws and regulations such as the Environmental Protection Law, Water Pollution Prevention and Control Law, Air Pollution Prevention and Control Law, and Solid Waste Pollution Prevention and Control Law of the People's Republic of China, and firmly implements the Opinions on Comprehensively Strengthening Ecological Environment Protection and Resolutely Fighting the Battle of Pollution Prevention and Control of the Central Committee of the Communist Party of China and the State Council.

During the Reporting Period, the environmental protection facilities such as dust removal, desulfurization, and denitrification of the coal power enterprises

ENVIRONMENTAL AND SOCIAL RESPONSIBILITIES

ENVIRONMENTAL AND SOCIAL RESPONSIBILITIES

4. Contingency plan for environmental emergencies

The Group conducts ecological environment risk assessment and emergency resource investigation to dynamically grasp ecological environment risks, improve emergency measures, and reserve sufficient emergency supplies. The two coal power enterprises under the Group have compiled Emergency Response Plans for Environmental Emergencies in accordance with environmental protection standards and have made regular revisions.

5. Environmental self-monitoring plan

Two coal power enterprises under the Group have prepared the "Self Monitoring Plan of Jiangyin Sulong Heat and Power Generating Co., Ltd." and "Self Monitoring Plan of Nantong Tianshenggang Power Generating Co., Ltd." based on documents such as the "Measures for Self Monitoring and Information Disclosure of National Key Monitoring Enterprises" and the "Technical Guidelines for Self Monitoring of Pollutant Discharge Units – Coal Power Generation and Boilers". In 2024, two coal power enterprises effectively monitored various monitoring projects according to the monitoring plan, and the monitoring frequency and results met the relevant national and industry standards.

6. Investment in environmental governance and protection and payment of environmental protection taxes

The Group starts from the source of project development, deepens the concept of "doing it all at once", and strictly implements the "Three Simultaneities" policy of water conservation and environmental protection. In January 2024, the Group issued the Outline of Ecological Environment Protection Inspection for New Energy Enterprises, and carried out comprehensive inspections on all subsidiaries and branches in combination with daily video inspections, on-site project supervision and inspection campaign during the spring. The Group strictly implements the national major strategic deployment of the Two Rivers Basin, invests funds to carry out remote sensing monitoring of soil and water conservation for enterprises in the Yangtze River Basin and the Beijing-Tianjin-Hebei region, and develops renewable energy according to local conditions to expand the new natural economy model of "new energy +".

ENVIRONMENTAL AND SOCIAL RESPONSIBILITIES

The Group implements the green development concept contained in environmental protection tax, practices the concept of "more emissions and more payments, less emissions and less payments, and no emissions and no payments" in the Environmental Protection Tax Law, and consciously takes the initiative to remove "pollution". In 2024, the Group paid a total of RMB5.9388 million of environmental protection tax, representing a decrease of RMB2.0867 million or 26.00% compared to the corresponding period of last year, which was mainly due to the significant decrease in pollutants such as nitrogen oxides, carbon dioxide, and sulfur dioxide emitted in this period compared to the corresponding period of last year, as well as the deconsolidation of two coal power enterprises Jiangyin Sulong Heat and Power Generating Co., Ltd. and Nantong Tianshenggang Power Generation Co., Ltd..

7. Measures taken to reduce carbon emissions during the Reporting Period and effects

The coal power enterprises under the Group attach great importance to ecological and environmental protection work, actively respond to national decisions and requirements, clarify environmental protection objectives and responsibilities, establish a comprehensive environmental management system, fulfill the management functions of environmental protection and energy-saving technology supervision, and timely revise the management system related to ecological and environmental protection based on the actual situation of the power plant. Among which, in terms of environmental protection renovation projects, Jiangyin Sulong Heat and Power Generating Co., Ltd has completed the further denitrification renovation of #4, 5 and 6 units to fulfill the requirement of stable and standardized emission of nitrogen oxides for the full loading and duration when units are running from on-grid to off-grid. Tianshenggang Company has completed the energy-saving electric machine renovation project of the coal mill of the #1 furnace, and replaced the original five medium-speed coal mills (traditional asynchronous motors) equipped in each furnace with high-voltage synchronous permanent magnet motors. By leveraging data collection and comparison, the comprehensive power saving rate was 14.85%, which resulted in an annual power saving of about 2.55 million kWh and a reduction of carbon emissions of about 2,100 tonnes.

ENVIRONMENTAL AND SOCIAL RESPONSIBILITIES

8. Any administrative penalties caused by environmental issues during the Reporting Period

During the Reporting Period, the Group was not under any administrative punishment for environmental issues.

9. Other disclosable environmental information

The environmental monitoring information of the two coal power enterprises under the Group is publicly available on the self monitoring information release platform of Jiangsu Province's pollutant discharge units and the enterprise environmental information disclosure system of Jiangsu province.

10. Other environmental related information

Two coal power enterprises attach great importance to ecological and environmental protection work, actively respond to national policy requirements, clarify environmental protection goals and responsibilities, establish a comprehensive environmental management system, strictly control the quality of carbon emission data, conscientiously fulfill environmental responsibilities, and timely revise ecological and environmental protection management systems based on the actual situation of the power plants. The CNAS laboratories of Nantong Tianshenggang Power Generating Co., Ltd. and Jiangyin Sulong Heat and Power Generating Co., Ltd have passed accreditation certificate.

ENVIRONMENTAL AND SOCIAL RESPONSIBILITIES

11. The Company is required to comply with the disclosure requirements of the "Electricity Supply Industry" as set out in the Self-regulatory Guidelines No.3 – Disclosure of Industry Information for Listed Companies on the Shenzhen Stock Exchange

In 2024, two coal power enterprises under the Group operated with ultra-low emissions. By strengthening the management of effective environmental protection facilities, optimizing operation, and continuously implementing energy-saving and consumption reduction measures, pollutants such as carbon dioxide, sulfur dioxide, and nitrogen oxides significantly decreased compared to the corresponding period of last year.

The emissions of two coal power enterprises under the Group are as follows:

Items		Data in 2024 (coal power enterprises) Total *(t)*	Density *(g/kWh)*
Emission of pollutants			
	Sulfur dioxide	368.59	0.044
	Nitrogen oxide	860.43	0.103
	Dust	37.34	0.004
Energy consumption	Water	2,202,852.01	264.679
	Fuel	115.38	0.014
	Standard coal	2,534,275.53	304.501

Note: The above data represent that before the deconsolidation of two coal power enterprises.

12. Occurrence of environmental incidents of listed companies

There were no environmental incidents within the Group during the Reporting Period.

ENVIRONMENTAL AND SOCIAL RESPONSIBILITIES

II. PERFORMANCE OF SOCIAL RESPONSIBILITIES

In 2024, the Group actively fulfilled its social responsibilities, the details of which are set out in the Company's 2024 Sustainability Report, which was disclosed concurrently with this report.

III. CONSOLIDATING AND EXPANDING THE ACHIEVEMENTS OF POVERTY ALLEVIATION AND RURAL REVITALIZATION

(I) General

In 2024, the Group invested RMB18.00

(II) Organization and Leadership

The Company established a rural revitalization leading group led by the secretary to the Party committee of the Company and the chairman of the Board of Directors, with the deputy secretary of the Party committee and the general manager as the deputy leader, and other leadership members as members. The leading group organizes timely study and implementation of the instructions of the Communist Party of China and national leaders, as well as the spirit of the important central meetings on rural revitalization and relevant policies and documents, examines and finalizes the annual rural revitalization work plan, assistance project plan, the selection of temporary cadres, and other major issues, and hear reports on the work progress of the rural revitalization. The leading group set up a rural revitalization office under the management of the Department of Planning and Development, with the director of the Department of Planning and Development being its director, and it is equipped with one full-time staff member. The rural revitalization office is mainly responsible for leading other departments to jointly fulfill the Company's targeted assistance tasks.

The Board of Directors of the Company is the decision-making body for the implementation of the annual project plan of targeted assistance, fund budget, annual plan and targeted assistance work plan within budget. Clear standards are set for the management of assistance cadres, project declaration, project implementation and management, assistance fund management, supervision and assessment.

(III) Completion of Various Assistance Performance Indicators

In 2024, the Company invested uncompensated assistance funds of RMB18.00 million in Youyu County, implemented 11 targeted supporting projects, invested compensated assistance funds of RMB11.73 million, introduced uncompensated assistance funds of RMB0.31 million and compensated assistance funds of RMB17.67 million, which helped 190 people out of poverty and find employment, trained 4,922 grass-roots cadres, and participated in the establishment of one Party branch through pairing and joint construction.

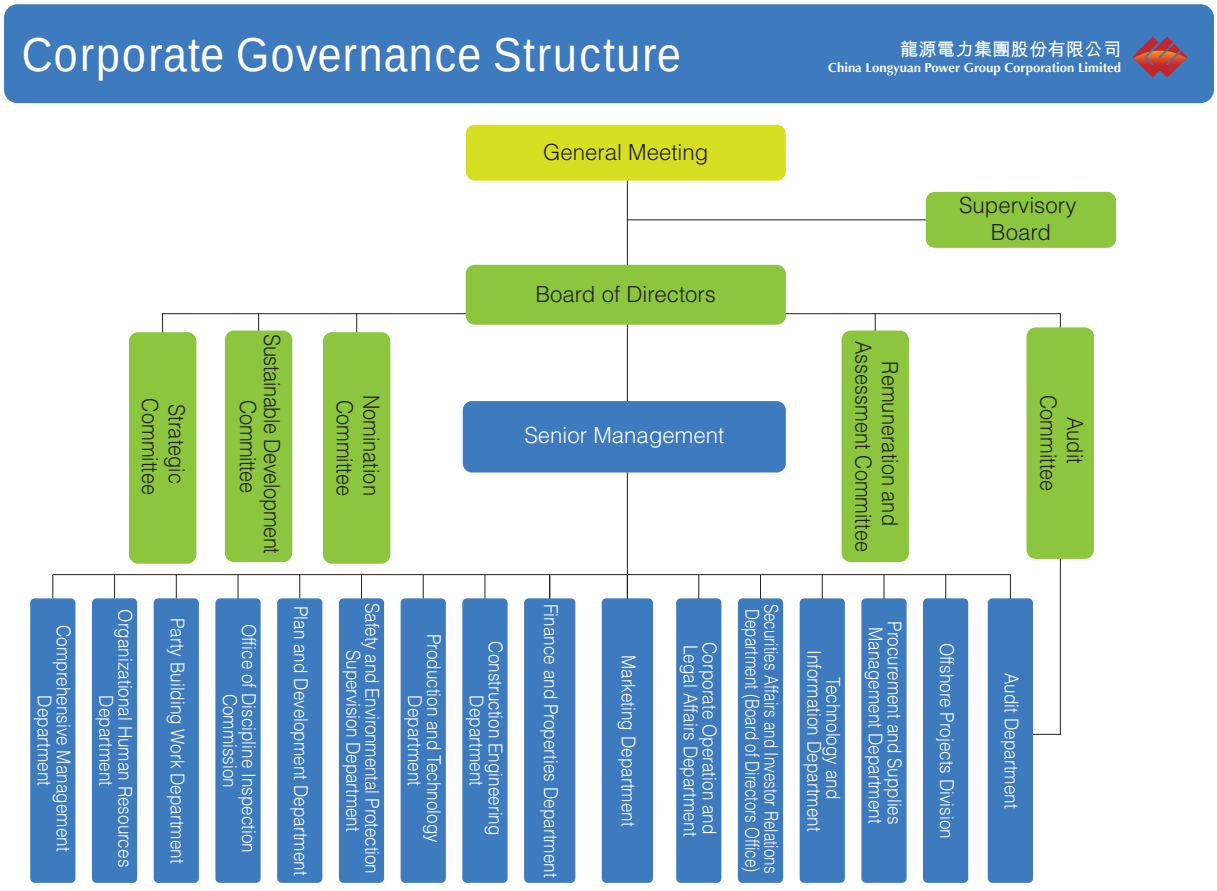
In terms of external donations, the Company actively plans to carry out 26 external donation projects themed with disaster relief, education, and rural revitalization, totaling RMB18.875 million.

CORPORATE GOVERNANCE REPORT

The Board of the Company hereby presents to the Shareholders the corporate governance report for the year ended 31 December 2024.

The Company has complied with the Code provisions as set out in the Corporate Governance Code in Appendix C1 to the Listing Rules, as well as most of the recommended best practices therein. For the recommended best practices, the Company strives to implement them to the largest extent based on the Company's actual management conditions. Meanwhile, the Board also monitors and reviews the existing corporate governance on a regular basis with the aim of constantly advocating and carrying out a sound standard of corporate governance. The Board of the Company is responsible for performing the corporate governance duties set out in the terms of reference in the Code Provision A.2.1 of the Corporate Governance Code.

The corporate governance structure of the Company is set out as follows:



CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE CULTURE

The Group adheres to the guidance of the new energy security strategy of "Four Revolutions and One Cooperation", thoroughly implements the overall development strategy of "One Goal, Three Roles and Six Duties", and has always taken "developing clean energy and building a Beautiful China" as our mission all the time. Centering closely on the "12556" work philosophy, we are committed to building a leading enterprise of world-class new energy technology in all aspects, and contributed to the realization of the national goal of "carbon peak and carbon neutrality".

The Company strictly abides by national laws and regulations, continuously improves the corporate governance structure, and strives to enhance the level of corporate governance. We operate our business with high standards of business ethics and reflect our firm belief that in order to achieve long-term business goals, we shall act with integrity, transparency, and accountability. We believe that this will ultimately bring the greatest returns for our shareholders, as well as benefit our employees, business partners, and the communities where we operate. We actively promote harmony and unity between the Company's development and employee growth, providing various training and enriching employee activities. At the same time, we value communication with employees and stakeholders and spread our corporate culture through dialogue. The Board believes that the corporate culture is consistent with the goals, values, and strategies of the group.

For details on the Company's practices corporate culture, values, and strategies, please refer to the "2024 Sustainability Report" which will be disclosed separately by the Company.

CORPORATE GOVERNANCE PRACTICES

The Board is responsible for performing the corporate governance duties of the Company, which are specifically as follows: (1) formulating and reviewing the Company's policies and practices on corporate governance; (2) reviewing and monitoring the training and continuous professional development of Directors and senior management; (3) reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements; (4) formulating, reviewing and monitoring the code of conduct of employees and Directors; and (5) reviewing the Company's compliance with the Corporate Governance Code and the disclosures in the Corporate Governance Report contained in annual report.

CORPORATE GOVERNANCE REPORT

The biographical details of the Directors as at the Latest Practicable Date are set out in the section of Biographies of Directors, Supervisors and Senior Management of this annual report. There are no relationships (including financial, business, family or other material or relevant relationship) among members of the Board. The structure of the Board is well balanced with each Director having sound knowledge, experience and expertise relevant to the business operation and development of the Group. All Directors are aware of their joint and several responsibilities to the Shareholders.

Since the listing of the Company, the Board has been in compliance with the requirement under Rule 3.10(1) of the Listing Rules requiring the appointment of at least three independent non-executive Directors. It has also complied with the subsequent new requirement of Rule 3.10A of the Listing Rules which requires that independent non-executive Directors shall represent at least one third of the Board. The Company is also in compliance with Rule 3.10(2) of the Listing Rules regarding the qualifications requirement of at least one of the independent non-executive Directors. In addition, the Company has received annual confirmations from independent non-executive Directors as to their respective independence in accordance with Rule 3.13 of the Listing Rules. The Company therefore believes that all independent non-executive Directors are independent as required under the Listing Rules.

Upholding its belief that the increasing diversity at the Board level is one of the essential elements in supporting the attainment of its strategic objectives and its sustainable development, the Company formulated the Board Diversity Policy in October 2013. While determining the composition of the Board, the Company shall consider the diversity of the Board from various perspectives, including but not limited to gender, age, cultural and educational background, professional experiences, skills, knowledge and service tenure, and finally make decisions based on the value of candidates and contributions they can brought to the Board. The ultimate decision will be based on the merit and contribution that the selected candidates will bring to the Board. All Board nominations will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board. The nomination committee will report the composition of the Board at a diversity level in the annual report each year, supervise the implementation of the Board Diversity Policy and review the policy when appropriate to ensure its

effectiveness. The nomination committee will discuss any amendments to the Board Diversity Policy when necessary and propose such amendments to the Board for approval.

As at the Latest Practicable Date, the current composition of the Board of the Company is set out as follows:

Name	Position in the Company	Date of appointment/ re-election
Gong Yufei	Chairman of the Board	24 May 2024
	Executive Director	15 June 2023
Wang Liqiang	President	24 May 2024
	Executive Director	27 June 2024
Wang Xuelian	Non-executive Director	6 June 2024
Chen Jie	Non-executive Director	6 June 2024
Zhang Tong	Non-executive Director	28 August 2024
Wang Yong	Non-executive Director	20 December 2024
Michael Ngai Ming Tak	Independent non–executive Director	12 November 2021
Gao Debu	Independent non–executive Director	12 November 2021
Zhao Feng	Independent non–executive Director	12 November 2021

The Board of Directors consists of nine Directors with different backgrounds in engineering, finance, economics, accounting, and management, and different ages, and female Directors account for 33.3% of the total number of Directors. The composition of the Board is in compliance with the gender diversity requirements of the Board under the Listing Rules and is in line with the Company's Board Diversity Policy. The Company appreciates the importance and benefits of gender diversity on the Board. The Company's nomination policy and the Board Diversity Policy ensure that the Board will have alternate

potential successors to continue the existing gender diversity on the Board. For the Company, the composition of the current Board presents diversity in terms of skills, gender, experience and knowledge as follows:

Gender Diversity	Number of Directors	Percentage of Board Members
Male	6	67.7%
Female	3	33.3%

Diversity in Educational Background	Number of Directors	Percentage of Board Members
Bachelor degree	3	33.3%
Master degree	4	44.4%
Doctor degree	2	22.2%

Diversity in Skills, Experience and Knowledge	Number of Directors	Percentage of Board Members
Accounting, finance or economics related	4	44.4%
Enterprise management	8	88.9%
Industry knowledge	5	55.6%

1.2 Board Meetings

Pursuant to the Articles of Association, the Board is required to hold at least four meetings each year, to be convened by the Chairman of the Board. A notice of at least 14 days shall be given for a regular Board meeting. The notice shall state relevant data such as the time, venue, agenda and the subject matters to be discussed, etc.

Except for the Board's consideration of matters in relation to connected transactions as stipulated by the Articles of Association, the quorum for a Board meeting is at least half of the total number of the Directors. A Director may attend the Board meeting in person, or appoint another Director in writing as his proxy to attend the Board meeting. The secretary to the Board is responsible for preparing and keeping the minutes of Board meetings and ensuring that such minutes are available for inspection by any Director.

The details regarding Board meetings convened in the Reporting Period and the attendance of Directors at such meetings are set out in the Directors' Report in this report.

The Board of Directors confirm that corporate governance shall be collective responsibility of the Directors, and the corporate governance functions include the following:

1 Formulating and reviewing the issuer's policies and practices on

1.3 Powers Exercised by the Board and the Management

The powers and duties of the Board and the management are expressly stipulated in the Articles of Association, which aims to provide adequate check and balance mechanism for good corporate governance and internal control.

The Board is responsible for deciding on the Company's business and investment plans, deciding on the establishment of the Company's internal management structure, formulating the Company's basic administration rules, determining other material business and administrative matters of the Company and monitoring the performance of the management.

Led by the President, the management of the Company is responsible for implementing the resolutions approved by the Board and administering the Company's day-to-day operation and management.

1.4 Chairman and President

The roles of the Chairman of the Board and President (i.e. the chief executive pursuant to the relevant Listing Rules) of the Company are separate and held by different persons to ensure their respective independence of responsibilities, accountability and the balance of power and authority between them. The Board considered and approved the Rules of Procedures of the Board Meeting and the Terms of Reference of the Senior Management of the Company, which clearly defined the division of duties between the Chairman and the President.

The Chairman of the Board leads the Board to determine the overall development plan of the Company, ensure the effective operation of the Board, performs the due obligation and discuss all important and appropriate matters timely; ensures the Company formulate sound corporate governance practices and procedures; and ensures the acts of the Board conform to the best interests of the Company and its Shareholders as a whole. The President is primarily responsible for the daily operation management of the Company, including organizing the implementation of the resolutions of the Board and making daily decisions, etc.

1.5 Appointment and Re-election of Directors

Pursuant to the Articles of Association, the Directors shall be elected at the general meetings with a term of office of three years, renewable upon re-election. The Company has implemented a set of effective procedures for appointment of new Directors. Nomination of new Directors shall be first considered by the nomination committee whose recommendations will then be put forward to the Board for consideration, and elected and approved at the general meetings.

The Company has entered into service contracts with each of the Directors (including non-executive Directors). Such service contracts are for a term commencing from the date of appointment to the expiry of the current session of the Board.

The Company has appointed Mr. Wang Liqiang as an executive Director on 27 June 2024, and appointed Ms. Wang Xuelian, Ms. Chen Jie, Mr. Zhang Tong, and Mr. Wang Yong as non-executive Directors on 6 June 2024, 6 June 2024, 28 August 2024, and 20 December 2024, respectively. Mr. Wang Liqiang, Ms. Wang Xuelian, Ms. Chen Jie, Mr. Zhang Tong, and Mr. Wang Yong have obtained legal opinions under Rule 3.09D of the Listing Rules on 17 June 2024, 6 June 2024, 6 June 2024, 28 August 2024, and 10 December 2024, respectively, and have confirmed their understanding of their responsibilities as Directors.

1.6 Directors' Remuneration

The remuneration and assessment committee makes recommendations in respect of Directors' remuneration according to criteria such as educational background and work experience. Directors' remuneration is determined by the Board, subject to approval at Shareholders' meeting, with reference to Directors' experience, work performance, positions and market conditions.

1.7 Independent View and Opinions

The Board has established mechanisms to ensure that the Board obtains independent views and opinions, and the Board has also reviewed the implementation and effectiveness of such mechanisms annually. According to the Articles of Association and other provisions, the number of independent non-executive Directors is not less than 3, accounting for at least one third of the number of the Board. The Board also evaluates the independence of independent non-executive Directors every year to ensure that such persons can continue to make independent judgments. In addition, the Chairman and independent non-executive Directors also hold separate meetings on the business, finance, corporate governance and other matters of the Company.

The Company has established the independent Director system to stipulate the qualifications and responsibilities of independent Directors. According to the Articles of Association and other provisions, in addition to those powers vested to independent Directors by the Company Law, other relevant laws and regulations and the listing rules of the stock exchanges on which the Company's shares are listed and the Articles of Association, independent Directors shall have the following special functions and powers with the consensus of more than one half of or all independent Directors: proposing to the Board with respect to the engagement or dismissal of accounting firms; proposing to the Board with respect to the holding of extraordinary general meetings; proposing the holding of Board meetings; independently appointing external audit firms or consultancies to carry out audits and provide consultancy on specific issues; major connected transactions shall be recognised by independent Directors before submitted to the Board for discussion; publicly collecting voting rights from Shareholders prior to the convening of the general meetings, etc.

During the Reporting Period, the Board has complied with the above relevant requirements and the above mechanism has been effective in providing independent views and opinions to the Board.

2. Board Committees

There are five Board committees, namely the audit committee (its work summary for the year shall include its performance in reviewing the risk management and internal audit systems and confirming the effectiveness of the Company's internal audit function unless such matters are handled by a separate risk committee or the Board itself), remuneration and assessment committee, nomination committee, strategic committee and sustainable development committee.

2.1 Audit Committee

As at the Latest Practicable Date, the audit committee consists of three Directors: Ms. Chen Jie (non-executive Director), Mr. Michael Ngai Ming Tak (independent non-executive Director) and Ms. Zhao Feng (independent non-executive Director). Ms. Zhao Feng serves as the chairlady of the audit committee.

The audit of risk management system of the Company is included in the Terms of Reference of the Audit Committee.

The primary responsibilities of the audit committee include to supervise the Group's financial reporting system, supervise and review the annual and interim reports and results announcements; supervise the Company's risk management and internal control systems (unless such matters are to be handled by separately established risk committee or the Board itself), and supervise and evaluate the effectiveness of the Company's internal inspection and audit function and audit process; review the annual internal audit plan, material risks and the ability of the Company to cope with risks; oversee the appointment, re-appointment and removal of external auditors, and make recommendations to the Board to approve the remuneration and terms of appointment of external auditors; review and oversee the independence and objectivity of external auditors and effectiveness of audit process; formulate and implement policies in relation to non-audit services provided by external auditors; oversee the quality of internal audit and disclosure of financial information of the Company; review interim and annual financial statements before submission to the Board; review and oversee the financial reporting system, risk management and internal control procedures of the Company and the effectiveness of the procedures in complying with relevant regulations under the Listing Rules; review material

faults or defects (if any) and the impact that has and may incur thereby; evaluate the effectiveness of the internal control and risk management system; ensure coordination between the internal and external auditors and ensure that the internal audit function is operating with adequate resources in the Company and the relevant staff have sufficient capabilities and experience and are provided with regular training programs or similar arrangement. In 2024, the audit committee and the Board of the Company had no disagreements with the selection, appointment, resignation or dismissal of the external auditors.

During the Reporting Period, the audit committee held five meetings, details of which are as follows:

On 22 March 2024, the 2024 first meeting of the audit committee of the fifth session of the Board was held, at which ten proposals were considered and approved.

On 25 April 2024, the 2024 second meeting of the audit committee of the fifth session of the Board was held, at which three proposals were considered and approved.

On 28 August 2024, the 2024 third meeting of the audit committee of the fifth session of the Board was held, at which seven proposals were considered and approved.

On 30 October 2024, the 2024 fourth meeting of the audit committee of the fifth session of the Board was held, at which two proposals were considered and approved.

On 30 December 2024, the 2024 fifth meeting of the audit committee of the fifth session of the Board was held, at which one proposal was considered and approved.

Details of the attendance of the meetings are as follows:

Name of Committee Members	Number of Meetings Attended/Held	Attendance Rate
Tang Chaoxiong	4/4	100%
Michael Ngai Ming Tak	5/5	100%
Zhao Feng	5/5	100%
Chen Jie	1/1	100%

Notes:

1. Mr. Tang Chaoxiong ceased to serve as a member of the audit committee on 13 November 2024.

2. Ms. Chen Jie has served as a member of the audit committee since 20 December 2024.

During the Reporting Period, the audit committee has reviewed the proposals and reports on internal control evaluation, internal control audit, risk assessment and the accountants' performance. For detailed information about the Company's review of risk management and internal control systems, please refer to "Risk Management and Internal Control" section of this report.

2.2 Remuneration and Assessment Committee

As at the Latest Practicable Date, the remuneration and assessment committee consists of three Directors: Ms. Zhang Tong (Non-executive Director), Mr. Michael Ngai Ming Tak (independent non-executive Director) and Mr. Gao Debu (independent non-executive Director). Mr. Michael Ngai Ming Tak is the chairman of the remuneration and assessment committee.

The Company has adopted the approach that the remuneration and assessment committee makes recommendations to the Board for determining the remuneration packages of executive Directors and senior management.

The primary responsibilities of the remuneration and assessment committee are (including but not limited to) to make recommendations to the Board with respect to the establishment of policies, schemes or proposals for Directors' and senior management's overall remuneration; review, approve and oversee e approaall

During the Reporting Period, the remuneration and assessment committee held one meeting, details of which are as follows:

On 22 March 2024, the 2024 first meeting of the remuneration and assessment committee of the fifth session of the Board was held, at which four proposals were considered and approved.

Details of the attendance of the meetings are as follows:

Name of Committee Members	Number of Meetings Attended/Held	Attendance Rate
Ma Bingyan		

In accordance with the Board Diversity Policy issued by the Company in October 2013, the Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. In designing the Board's composition, Board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service. All Board nominations will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board. Selection of candidates will be based on a range of diversity factors, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service. The ultimate decision will be based on the merit and contribution that the selected candidates will bring to the Board. The nomination committee shall supervise the implementation of the Board Diversity Policy and review the policy when appropriate to ensure its effectiveness. Meanwhile, the nomination committee will discuss any amendments to the Board Diversity Policy when necessary and propose such amendments to the Board for the approval of the Board. The Board consists of nine members, six male and three female, aged between 50 and 69. The Nomination Committee considers that the Board has a well-balanced background of experience, which includes, in addition to business, management and strategic development, finance and accounting experience. The nomination committee considered that during the Reporting Period, the composition of the members of the Board was in accordance with the requirements of the Board Diversity Policy.

In order to implement the Board's diversity policy, the following measurable objectives have been achieved:

1. the Board has independent non-executive Directors representing more than one-third of the Board;

2. at least one of the independent non-executive Directors has professional qualifications in line with the regulatory requirements. During the Reporting Period, the nomination committee held six meetings, details of which are as follows:

On 22 March 2024, the 2024 first meeting of the nomination committee of the fifth session of the Board was held, at which one proposal was considered and approved.

On 3 April 2024, the 2024 second meeting of the nomination committee of the fifth session of the Board was held, at which one proposal was considered and approved.

On 17 May 2024, the 2024 third meeting of the nomination committee of the fifth session of the Board was held, at which two proposals were considered and approved.

On 24 May 2024, the 2024 fourth meeting of the nomination committee of the fifth session of the Board was held, at which three proposals were considered and approved.

On 1 August 2024, the 2024 fifth meeting of the nomination committee of the fifth session of the Board was held, at which one proposal was considered and approved.

On 22 November 2024, the 2024 sixth meeting of the nomination committee of the fifth session of the Board was held, at which one proposal was considered and approved.

Details of the attendance of the meetings are as follows:

Name of Committee Members	Number of Meetings Attended/Held	Attendance Rate
Wang Yiguo	0/0	/
Gao Debu	6/6	100%
Zhao Feng	6/6	100%
Wang Yong	0/0	/
Chen Jie	2/2	100%

Notes:

1. Mr. Wang Yiguo cessed to serve as a member of the nomination committee on 27 February 2024,

2. Mr. Wang Yong has served as a member of the nomination committee since 20 December 2024.

3. Ms. Chen Jie served as a member of the nomination committee of the fifth session of the Board from 6 June to 20 December 2024.

During the Reporting Period, the nomination committee reviewed the appointment of the General Manager and Deputy General Manager and the election of Non-executive Directors.

During the Reporting Period, the nomination committee conducted the following nomination procedures for Director candidates pursuant to the Rules of Procedures of the Nomination Committee of the Board of China Longyuan Power Group Corporation Limited. The nomination committee carried researches on the list of Director candidates in accordance with laws, regulations, normative documents, regulatory requirements and the Articles of Association and submitted the recommendation opinion to the Board to determine whether to submit for election at the general meeting. The nomination committee and the Board fully took consideration of the Board diversity (including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and service tenure) and the benefits therefrom; they focused on the educational background of the candidates and their professional experience, in particular, the management research experience in financial and insurance industries and paid special attention to the independence of the candidates for independent non-executive Directors.

2.4 Strategic Committee

As at the Latest Practicable Date, the strategic committee consists of four Directors: Mr. Gong Yufei (executive Director), Mr. Wang Liqiang (executive Director), Ms. Wang Xuelian (non-executive Director) and Mr. Zhang Tong (non-executive Director). Mr. Gong Yufei is the chairman of the strategic committee.

The primary responsibilities of the strategic committee include to formulate the Company's overall development plans and investment decision-making procedures; review the Company's long-term development strategies; review the Company's strategic planning and implementation reports; and review significant capital expenditure, investment and financing projects that require

Details of the attendance of the meetings are as follows:

Name of Committee Members	Number of Meetings Attended/Held	Attendance Rate
Tang Jian	1/1	100%
Gong Yufei	2/2	100%
Ma Bingyan	1/1	100%
Wang Liqiang	1/1	100%
Wang Xuelian	1/1	100%
Zhang Tong	1/1	100%

Notes:

1. Mr. Ma Bingyan ceased to serve as a member of the strategic committee on 24 July 2024.

2. Mr. Tang Jian ceased to serve as chairman of the strategic committee on 24 May 2024.

3. Mr. Gong Yufei has served as chairman of the strategic committee since 24 May 2024.

4. Mr. Wang Ligiang has served as a member of the strategic committee since 27 June 2024.

5. Ms. Wang Xuelian has served as a member of the strategic committee since 6 June 2024.

6. Mr. Zhang Tong has served as a member of the strategic committee since 28 August 2024.

During the Reporting Period, the resolution on the comprehensive scheme, target and arrangement as well as their adjustment status of the Company was considered by the strategic committee.

2.5 Sustainable Development Committee

On 15 February 2023, the Board established the sustainable development committee. As at the Latest Practicable Date, the sustainable development committee comprises three Directors, namely Mr. Gong Yufei (executive Director), Mr. Michael Ngai Ming Tak (independent non-executive Director) and Mr. Gao Debu (independent non-executive Director). Mr. Gong Yufei is the chairman of the sustainable development committee.

The primary responsibilities of the sustainable development committee include to study and make recommendations on the Company's sustainable development policies and measures; study and provide decision-making consultation and recommendations on the Company's ESG governance; review the Company's performance and risks in the ESG area and propose coping strategies; and review the Company's ESG report.

During the Reporting Period, the sustainable development committee held two meetings, details of which are as follows:

On 22 March 2024, the 2024 first meeting of the sustainable development committee of the fifth session of the Board was held, at which one proposal was considered and approved.

On 28 August 2024, the 2024 second meeting of the sustainable development committee of the fifth session of the Board was held, at which the committee received the ESG work report from the Company.

Details of the attendance of the meetings are as follows:

Name of Committee Members	Number of Meetings Attended/Held	Attendance Rate
Tang Jian	1/1	100%
Gong Yufei	1/1	100%
Michael Ngai Ming Tak	2/2	100%
Gao Debu	2/2	100%

Notes:

1. Mr. Tang Jian ceased to serve as chairman of the sustainable development committee on 24 May 2024.

2. Mr. Gong Yufei has served as chairman of the sustainable development committee since 24 May 2024.

During the Reporting Period, the sustainable development committee considered the ESG report and received reports from the Company on its ESG construction efforts.

3. Directors' Responsibility for the Financial Statements

The Board acknowledges its responsibility for preparing the financial statements of the Group for the year ended 31 December 2024.

The Board is responsible for presenting a clear and specific assessment of annual and interim reports, inside information and other disclosures required under the Listing Rules and other regulatory requirements. The management has provided such explanation and information to the Board as necessary to enable the Board to make an informed assessment and approval, as appropriate, of the financial information and position of the Group.

There are no material uncertainties relating to events or conditions that may have a severe impact on the Company's ability to continue as a going concern.

In addition, the Company has arranged appropriate insurance cover in respect of possible legal actions and liabilities against the Directors.

The statement of the Company's auditor about its reporting responsibilities on the financial statements of the Company is set out in the Independent Auditor's Report of this annual report.

4. Compliance with the Code for Securities Transactions

The Company has adopted the Model Code set out in Appendix C3 of the Listing Rules as the code of conduct governing dealings by its Directors and supervisors in the securities of the Company. Having made specific enquiry of the Directors and supervisors of the Company, all Directors and supervisors have confirmed that they have strictly complied with the required standard set out in the Model Code during the Reporting Period. The Company has also set up guidelines in respect of the dealings by its relevant employees (as defined in the Listing Rules) in the Company's securities, which are no less exacting terms than the Model Code. The Company is not aware of any breach of the guidelines by its relevant employees.

The Board will examine the corporate governance practices and operation of the Company from time to time so as to ensure compliance with relevant requirements under the Listing Rules and to protect Shareholders' interests.

5. Compliance with the Corporate Governance Code

As a company listed on the Hong Kong Stock Exchange, the Company is committed to maintaining a high standard of corporate governance practices. For the year ended 31 December 2024, save as disclosed below, the Company has been complying with all the Code provisions and, where appropriate, adopted certain recommended best practices as set out in the Corporate Governance Code in Appendix C1 of the Listing Rules.

6. Training of Directors and Company Secretaries

All Directors participated in continuous professional development training in 2024 to develop and refresh their knowledge and skills in order to ensure that their contribution to the Board remains informed and relevant. Details of all current Directors' training during the Reporting Period are set out as below:

Name	Position held at the Company	Length of training received in 2024 *(hours)*	Areas covered in the training
Tang Jian	Chairman of the Board and Executive Director	172	Corporate governance, industry research, macro policy, strategic investment, etc.
Gong Yufei	Chairman of the Board and Executive Director	324	Corporate governance, investment finance, business administration, industrial policy, etc.
Wang Liqiang	Executive Director	176	Corporate governance, human resources, laws and regulations, monetary policy
Tang Chaoxiong	Non-executive Director	256	Corporate governance, internal control and audit, risk management
Wang Yiguo	Non-executive Director	17	Corporate governance and laws and regulations
Ma Bingyan	Non-executive Director	187	Corporate governance, industry development, industry policy, laws and regulations
Wang Xuelian	Non-executive Director	132	Corporate governance, industry development, industry policy, laws and regulations

Name	Position held at the Company	Length of training received in 2024 *(hours)*	Areas covered in the training
Chen Jie	Non-executive Director	136	Corporate governance, internal control and audit, financial management, law and regulation
Zhang Tong	Non-executive Director	101	Corporate governance, industry development, industry policy, laws and regulations
Wang Yong	Non-executive Director	8	Corporate governance, investment finance, laws and regulations, monetary policy
Michael Ngai Ming Tak	Independent non-executive Director	396	Corporate governance, management philosophy, investment finance, risk management.
Gao Debu	Independent non-executive Director	336	Corporate governance, financial economics, corporate finance, industrial economics
Zhao Feng	Independent non–executive Director	416	Corporate governance, cost accounting, risk control, financial management

In 2024, Ms. Chan Sau Ling, being the company secretary of the Company, received no less than 15 hours of relevant professional training, as required under Rule 3.29 of the Listing Rules.

7. Risk Management and Internal Control

In accordance with the requirements of the Listing Rules, the Company has established a standardized governance structure, improved its deliberation and decision-making system, and clarified the boundaries of powers and responsibilities between the Board of Directors, the Audit Committee and the Supervisory Board. The Board is responsible for approving risk management and internal control system, evaluating their effectiveness and truthfully disclosing the internal control related reports. The Audit Committee and other professional committees under the Board perform their duties in accordance with regulations and provide support to the Board in making scientific decisions. The Supervisory Board of the Company supervises the establishment and implementation of internal control by the Board. The audit department of the Group is the department in charge of risk management and internal control management, and the corporate management and legal affairs department is the department in charge of compliance management. In 2024, the personnel of all departments and responsible departments of the Company performed their respective duties and no material weaknesses were identified through self-assessment, and during the Reporting Period, the Group conducted a review and evaluation of the effectiveness of the operation of the internal control system for comprehensive risk management, which covered all significant control aspects, including financial control, operational control and compliance control, and the risk management and internal control were effective and adequate. The Board is responsible for the Company's systems of risk management and internal control and has a duty to review the effectiveness of the design and implementation of these systems. These systems are designed to manage, not eliminate, the risk of failure to achieve business objectives and the Board can only provide reasonable, but not absolute, assurance that these systems protect against material misrepresentation or loss.

The Company built a risk control management system, promoted the optimal allocation of management resources by matching the "business-goal-means" approach, established a series of index models to measure the internal control process and results and internal control risk management data assets such as "3 Diagrams and 9 Databases (3圖9庫)", continuously updated the Company's internal control risk matrix and evaluation criteria, and typical cases of internal control risks, integrated the organization's post performance to realize the linkage of responsibility decomposition and performance, and used performance deviation as a clue to drive the continuous optimization of the system to compile and form risk control system documents to promote the realization of the concept of "streamlined, formalized, informatized, digitalized, visualized and normalized" management.

The Company deepened the embedding system standardization of risk control system standards, integrated scenario applications, continuously deepened the construction of internal control risk system, guided and reviewed the construction of internal control system, configured core business flow charts, and refined key control lists. In 2024, a total of 265 industries and external laws and regulations were benchmarked, 171 internal control systems were reviewed from the dimensions of internal control process, risk pre-control, and compliance points, and risk prevention and control measures were embedded into the internal control system to refine risk prevention and control measures. The Company constructed supporting internal control system, improved and drew 113 business flow charts and 85 key control node lists, put forward 397 review opinions of business management system, strengthened the standardized review of internal control system, improved the standardization of internal control system process, benchmarked risk control compliance points against job responsibilities, and promoted the embedding of risk control points into business forms and information systems.

The Company promotes the adoption of risk control standard system to cover affiliated units, and strives to promote the extension of internal control system to grass-roots units to achieve dynamic circulation. We guide affiliated units in organizing the original documents such as strategic development goals, key management priorities, organizational structure functions, management standards. We establish a risk and internal control business framework for third-tier units and update the content of the "3 Diagrams and 9 Databases (3圖9庫)" internal control risk information base for each unit. Additionally, we compile internal control risk management manuals for key business areas. This has resulted in a distinctive risk control management system led by the headquarters, with the wind power sector at its core, and integrating engineering technology, carbon assets, training bases, and overseas operations into a unified strategy. This system balances high-quality rapid development with compliant operations, establishing a classified and tiered early warning mechanism alongside a dynamic evaluation and tracking system.

The Company enhances the quality of internal control supervision and evaluation by refining work plans and conducting annual internal control supervision and evaluation for 13 affiliated units, based on their internal control and risk management status. The focus is on key business areas such as investment and mergers, financial capital, procurement and sales, asset management, and engineering projects. We comprehensively review the design and implementation of management elements, including internal control systems, business processes, position management, authorization management, balances of responsibilities and rights, supervision mechanisms, and accountability standards. This ensures substantial improvement in the quality and effectiveness of internal control supervision and evaluation. By addressing both symptoms and root causes, we use evaluation to drive construction, establishing a long-term mechanism for continuous improvement and management enhancement, and continuously refining the internal control, risk, and compliance management mechanisms.

The Company implements both regular and dynamic risk assessments, fully recognizing the importance of risk prediction and evaluation. We have strengthened organizational leadership, strategically planned work deployments, and promptly organized various units and departments to scientifically utilize methods such as questionnaires, forum and interviews, and risk mapping. This has clarified the classification and categorization of risks. Based on an analysis of the company's strategic positioning, business areas, and management status, we have identified major risks in key business areas and critical operational activities. Through annual risk assessments, quarterly dynamic risk evaluations, quarterly monitoring of significant risks, and dynamic tracking of 62 risk warning indicators, we have achieved the implementation of major risk prevention plans and dynamic management of abnormal key warning indicators.

In 2024, amidst complex overseas political, commercial, environmental and cultural challenges, the Company strengthened cross-border corruption governance and took it as a breakthrough, and made every effort to focus on the key links and outstanding issues in overseas investment and operation of Longyuan Power; took the lead in initiating the construction of overseas compliance management system, and finished 4 overseas compliance management system construction, including compilation of key points of overseas compliance system, investment opening guidelines, compliance risk reports, and system implementation effectiveness evaluation, striving to create a benchmark for overseas risk prevention and control systems for national energy enterprises.

In accordance with the Company's 2024 internal control evaluation standards and defect recognition criteria, no material internal control deficiencies were identified throughout 2024.

The risks were generally controllable and under control throughout the year, and the control of the top five risks was generally stable, with no major risk events occurring. The Company believes that its risk management and internal control systems are effective and adequate.

8. Internal Audit Function

The audit department of the Company is responsible for group-wide audit. Each subordinate unit sets up an internal audit institution in accordance with relevant laws, regulations and regulations of the Company and ensures the personnel needed for the performance of duties of internal audit institutions. The internal audit institution conducts internal audit work under the direct leadership of the Party committee and the Board (or the principal), and is responsible for and reports to them. The legal representative or the principal is in charge of the internal audit work. Auditors are required to have professional knowledge and ability appropriate to the internal audit work which they engage in. Head of audit institutions is required to have a bachelor degree or above in finance and related majors, advanced professional technical qualifications or relevant practice qualifications such as certified public accountants, and more than eight years' work experience of related posts. The Company supports and guarantees that auditors improve the occupational competence through continuing education and other ways, establishes and improves the work shift and cultivation, selection and appointment mechanism of auditing personnel, tries to build the internal audit platform into the cradle of training of enterprise management talent.

In 2024, the Audit Department will further enhance the integrated coordination of auditing, implement comprehensive audit coverage, promote audit rectification and the utilization of audit results, and support the company's high-quality development. Adhering to the principle of cost-effectiveness, the department will strategically plan audit projects, formulate an annual plan, complete economic responsibility audits, establish issue lists and rectification ledgers, identify problems, and provide recommendations. It will promote the establishment of a shared audit mechanism to leverage the advantages of centralized auditing and recommend key personnel to participate in group projects to enhance their professional capabilities. To address the slow progress in project settlement and final accounts, the Audit Department will analyze the duration of delays and complexity, and conduct follow-up supervision. For issues regarding "specialization in seven pillars of governance", it will develop rectification plans, clarify responsibilities, improve control mechanisms, and simultaneously address irregularities in overseas investment and operations. The department will deepen economic responsibility audits, formulate annual plans according to the overall strategy, strengthen supervision in key areas, track ongoing audit projects, focus on project compliance, responsibility fulfillment, and settlement, and conduct special audits regularly. The Audit Department will collaborate with business department to carry out special inspections, establish economic responsibility audit teams, improve working mechanisms, set up joint meeting systems, share problem information, and cooperate with the disciplinary inspection departments and inspection authority to support the construction of the Company's comprehensive supervision system.

9. Inside Information Management

With respect to procedures and internal controls for the handling and dissemination of inside information, the Company:

is aware of its obligations under the Securities and Futures Ordinance and the Listing Rules and the overriding principle that inside information should be announced immediately after such information comes to our attention and/or it is the subject of a decision unless it falls within the Safe Harbours set out in the Securities and Futures Ordinance;

conducts its affairs with close regard to the "Guidelines on Disclosure of Inside Information" and "Recent Economic Developments and the Disclosure Obligations of Listed Issuers" issued by the Securities and Futures Commission in June 2012 and the Hong Kong Stock Exchange in 2008 respectively; and

has established and implemented procedures for responding to external enquiries about the Group's affairs. Senior management of the Company is identified and authorized to act as the Company's spokesperson and responds to enquiries in allocated areas of issues.

10. Auditors and its Remuneration

KPMG and Zhongshen Zhonghuan Certified Public Accountants LLP (中審眾環會計師事務所(特殊普通合夥)) were appointed as auditors for the Company's financial statements prepared in accordance with the IFRS Accounting Standards and PRC GAAP for Business Enterprises for the year ended 31 December 2024, respectively. The financial statements of the Company for 2024 prepared in accordance with the IFRS Accounting Standards have been audited by KPMG.

For the year ended 31 December 2024, the annual audit fee of KPMG was RMB8,396,300 (tax exclusive), the annual audit fee and internal control report review fee of Zhongshen Zhonghuan Certified Public Accountants LLP (中審眾環會計師事務所(特殊普通合夥)) was RMB13,464,300 (tax exclusive), and the interim review fee of KPMG was RMB5,566,000 (tax exclusive). The statements of the reporting responsibility of KPMG, the Company' external auditor, in respect of the financial statements are set out on pages 243 to 245 of this annual report.

11. Shareholders' Meetings

During the Reporting Period, the Company held four Shareholders' meetings and one class meeting in total.

On 6 June 2024, the 2023 annual general meeting, the first 2024 A shareholders class meeting and the first 2024 H shareholders class meeting of the Company were held. Mr. Gong Yufei, Mr. Tang Chaoxiong, Mr. Ma Bingyan, Mr. Gao Debu and Mr. Michael Ngai Ming Tak were present; and Ms. Zhao Feng was absent due to other business.

On 27 June 2024, the 2024 first extraordinary general meeting of the Company was held. Mr. Gong Yufei, Mr. Wang Liqiang and Mr. Michael Ngai Ming Tak and Ms. Zhao Feng were present; and Mr. Tang Chaoxiong, Mr. Ma Bingyan, Ms. Wang Xuelian and Mr. Gao Debu were absent due to other business.

On 28 August 2024, the 2024 second extraordinary general meeting of the Company was held. Mr. Wang Liqiang, Ms. Wang Xuelian, Ms. Chen Jie, Mr. Michael Ngai Ming Tak, Mr. Gao Debu and Ms. Zhao Feng were present; and Mr. Gong Yufei and Mr. Tang Chaoxiong were absent due to other business.

On 20 December 2024, the 2024 third extraordinary general meeting of the Company was held. Mr. Gong Yufei, Mr. Wang Liqiang, Ms. Wang Xuelian, Ms. Chen Jie, Mr. Michael Ngai Ming Tak, Mr. Gao Debu and Ms. Zhao Feng were present; and Mr. Zhang Tong was absent due to other business.

The Company will arrange the Board and relevant committee members to attend and answer questions from Shareholders at the forthcoming 2024 annual general meeting of the Company.

During the Reporting Period, details of the attendance of the Shareholders' meetings by the Directors are as follows:

Name	Position in the Company	Number of Meetings Attended/Held	Attendance Rate
Tang Jian	Chairman and Executive Director	0/0	/
Gong Yufei	Chairman and Executive Director	3/4	75%
Wang Liqiang	Executive Director and President	3/3	100%
Tang Chaoxiong	Non-executive Director	1/3	33%
Wang Yiguo	Non-executive Director	0/0	100%
Ma Bingyan	Non-executive Director	1/2	50%
Wang Xuelian	Non-executive Director	2/2	100%
Chen Jie	Non-executive Director	2/2	100%
Zhang Tong	Non-executive Director	0/1	0%
Wang Yong	Non-executive Director	0/0	/
Michael Ngai Ming Tak	Independent non-executive Director	4/4	100%
Gao Debu	Independent non-executive Director	3/4	75%
Zhao Feng	Independent non-executive Director	3/4	75%

Notes:

1. Mr. Tang Jian resigned as the Chairman of the Board and executive Director of the Company on 24 May 2024.

2. Mr. Gong Yufei was appointed as the Chairman of the Board of the Company on 24 May 2024.

3. Mr. Wang Liqiang was appointed as an Executive Director of the Company on 27 June 2024.

4. Mr. Wang Yiguo resigned as a Non-executive Director of the Company on 27 February 2024.

5. Mr. Tang Chaoxiong resigned as a Non-executive Director of the Company on 13 November 2024.

6. Mr. Ma Bingyan resigned as a Non-executive Director of the Company on 24 July 2024.

7. Ms. Wang Xuelian and Ms. Chen Jie were appointed as Non-executive Directors of the Company on 6 June 2024.

8. Mr. Zhang Tong was appointed as a Non-executive Director of the Company on 28 August 2024.

9. Mr. Wang Yong was appointed as a Non-executive Director of the Company on 20 December 2024.

12. Communication Policy with Shareholders

The Company establishes a Shareholder communication policy and conduct annual review to ensure its effectiveness. The Company highly values Shareholders' opinions and advice, and proactively organizes various investor relations activities to maintain connections with Shareholders and respond to the reasonable requests of Shareholders in a timely manner. Various material issues of the Company are communicated to Shareholders on a regular, timely and fair basis through quarterly, interim, annual reports, announcements and circulars, etc. All of those information is available the website of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company's website (www.clypg.com.cn). During the Reporting Period, after implementing the above measures and conducting a review, the Company considers the existing Shareholder communication policy to be adequate and effective.

12.1 Shareholders' Rights

The Board is committed to maintaining an on-going dialogue with Shareholders and makes timely disclosure to Shareholders and investors as to the significant development of the Company. The general meetings of the Company provide a forum for communication between Shareholders and the Board. A twenty (20) days' prior notice in writing for convening an annual general meeting, and a fifteen (15) days' prior notice in writing for convening an extraordinary general meeting shall be served to notify the Shareholders, whose names appear in the register of members of the Company, of the matters proposed to be considered and the date and venue of the meeting. Where the relevant rules otherwise stipulated by the regulatory authorities and the stock exchange of the place where the Company's Shares are listed, such provisions shall prevail.

Two or more Shareholders who severally or jointly hold more than 10% (including 10%) of the issued and voting shares of the Company shall request the Board in writing to convene an extraordinary general meeting or a Shareholders' class meeting, with the matters to be considered at the meeting stated in the request. The Board shall convene an extraordinary general meeting or a Shareholders' class meeting within two months as soon as practicable upon receipt of the foregoing written request. The calculation of the above-mentioned shareholdings shall be based on the information as at the date on which the written request is submitted.

If the Board fails to send a notice to convene the meeting within 30 days from the date of receipt of the above written request, Shareholders individually or jointly holding more than 10% (including 10%) of the shares carrying the right to vote are entitled to request the Supervisory Board to convene an extraordinary general meeting or a Shareholders' class meeting and such request should be made in written form. The Supervisory Board may convene a meeting at its own will within four months of the receipt of such a request by the Board. In the case of the failure of the Supervisory Board to convene and preside over such a meeting, Shareholders individually or jointly holding more than 10% (including 10%) of the Company's shares for more than 90 consecutive days shall be entitled to convene. The procedures of convening such a meeting should follow, as far as possible, those of a Shareholders' meeting convened by the Board.

In the event the Company convenes an annual general meeting, Shareholders who hold an aggregate of 3% (including 3%) or more of the Company's shares with voting rights are entitled to propose ad hoc motions in writing to the Company. The Company should include those motions which fall within the scope of duties and functions of general meetings into the agenda of the meeting. The ad hoc motions proposed by Shareholders shall be subject to the following requirements: (i) the contents shall not contravene any requirements of the laws and regulations and shall fall within the scope of the Company's operations and duties and functions of general meetings; (ii) they shall relate to definite topics and specific matters to resolve; and (iii) they shall be made in writing and submitted/delivered to the Board at least ten days prior to the holding of the general meeting.

12.2 Shareholders' Enquiries and Communication

The Company publishes its announcements, financial information and other relevant information on its website at www.clypg.com.cn, as a channel to enhance effective communication. Shareholders are welcomed to make enquiries to the Company by sending the enquiries to the principal place of business of the Company in Hong Kong, or via phone, fax or email. The Company will respond to all enquiries in a timely and appropriate manner.

Information about the principal place of business in Hong Kong of the Company and investors' means of enquiries and communication is set out in the section of Corporate Profile of this annual report.

The Board welcomes Shareholders' views and encourages them to attend general meetings to communicate and raise any concerns they might have with the Board or the management. The Chairman of the Board and the chairmen of the respective Board committees usually attend the annual general meeting and other general meetings to address Shareholders' queries.

13. Investor Relations

13.1 Results Roadshows

In 2024, the Company published its 2023 annual results, 2024 first quarter results, 2024 interim results and 2024 third quarter results in March, April, August and October, respectively, and organised results roadshows. More than 1,000 analysts and investors attended the four results exchange. During the period of results roadshow, the management of the Company communicated with over 500 new and existing Shareholders through on-site meetings, video conferences and teleconferences.

13.2 Investor Research Reception

In 2024, the Company had sufficient and effective communication and exchanges with over 1,000 institutional investors and analysts in the form of on-site reception visits, video conferences and teleconferences.

13.3 Information Disclosure

The Company formulated the Provisions on Information Disclosure Management (《信息披露事務管理規定》) to ensure a timely and fair disclosure of comprehensive and accurate information to investors. We extensively utilised the website of the Company to release information and ensured that all Shareholders can receive important information of the Company in a timely and fair manner. The financial reports, energy generation and other news and exchange announcements of the Company are available on the website of the Company. In 2024, the Company published 372 pieces of information on the Stock Exchange.

14. Company Secretary

Ms. Chan Sau Ling from Tricor Services Limited, being an external service provider, is acting as the company secretary of the Company. Ms. Gao Zhenli acts as the securities affairs representative of the Company who is the principal liaison of Ms. Chan Sau Ling.

15. Articles of Association

The Articles of Association of the Company was published on the website of the Company for public access. There were no amendments to the Articles of Incorporation of the Company during the year.

16. Roles and Responsibilities

Good governance emanates from an effective and accountable Board. The Board, directly and indirectly through its committees, leads and provides direction to management by laying down strategies and overseeing their implementation, monitors the Company's operational and financial performance, reviews the Company's compensation policies and succession planning, and ensures that effective governance and corporate social responsibility policies and sound internal control and risk management systems are in place.

The Chairman of the Board and the President of the Company are held by different persons. The Board and the management fulfill their duties in strict compliance with the requirements under the Articles of Association, the Terms of Reference for the Board of Directors of China Longyuan Power Group Corporation Limited (《龍源電力集團股份有限公司董事會議事規則》) and thporat.iW1t.iW1t.iW1t.iW1t.o20zdo20zdo20zdo20zc

The senior management is authorized to take charge of the Company's day-to-day management, administration and operation, and the Board will regularly review the performance of the senior management and the execution of relevant resolutions. The management shall obtain approval from the Board before entering into any major transactions.

18. Confirmation on the Independence of Independent Non-executive Directors

Each of the independent non- executive Directors has confirmed his/her independence pursuant to Rule 3.13 of the Listing Rules. The Company believes that each of the independent non-executive Directors is independent of the Company.

19. Employee of the Group

As at 31 December 2024, the Group had a total of 7,295 employees. The staff structure is as follows:

Education Background

Number of employees with a master's degree and above	889
Number of employees with a bachelor's degree	5,172
Number of employees with an associate degree and below	1,234

Age

Number of employees aged below 30	2,114
Number of employees aged 30–50	4,485
Number of employees aged over 50	696

The Group fully respects the individual differences of talents and values gender diversity among employees. As at the Latest Practicable Date, the gender ratio of employees (including senior management) of the Group is 6,179:1,116. The Group expects to maintain a reasonable level of gender diversity at the employee level. Differences in employees' educational levels, cultural backgrounds, professional backgrounds, and job requirements are the main influencing factors for gender diversity among employees. The Company primarily engaged in the design, development, construction, management and operation of wind farms, and the industry has traditionally had a high concentration of male employees. In order to promote gender diversity as much as possible, and on the premise of providing equal employment opportunities, career development and promotion opportunities, the Company continuously introduced professionals of different genders and ethnicities based on its own development needs, and cultivated and nurtured a moderately-sized, high-end leading, structurally balanced, and highly qualified talent team, aiming to establish and maintain the Company's talent advantage in the industry, and laying a solid foundation of talent to achieve its development strategy.

For details of the composition of the Group's employees, please refer to the 2024 Sustainability Report.

Remuneration Policies

We conduct performance appraisal for all employees, highlight performance contribution, and gradually establish a positive and incentive system with distinctive orientation and hierarchical classification. More attention is paid to high-level and high-skilled professionals on the front line who occupy key positions and are urgently needed. We also boost and maintain the salary competitiveness of key positions, make timely contributions to the "five mandatory insurance plans and housing provident fund" for employees with supplementary medical insurance and personal accident insurance, and strictly implement the leave regulations for female employees during pregnancy and childbirth.

Employee Training

We fully respect the talent value, place considerable value on talent growth, focus on the talent cultivation, constantly promote the Company's "14th Five-Year Plan" for talent cultivation and "Longteng" talent project, and continue to optimize the talent cultivation system and project curriculums, to ensure the sustainable development of enterprise talents.

Career advancement

We smoothed out the three talent paths of "technology, skill and management". We intensify efforts to cultivate outstanding young talents, and optimised the ratio of MST employees to 3:6:1. In 2024, we selected and promoted 30 young managers, accounting for 73% of the promoted employees.

On-the-job training

We accelerate the training of professionals and establish a professional talent pool of 590 people covering five professional directions, including internationalization, law, science and technology innovation, directors and supervisors, and certified professionals. We continue to promote the construction of lead instructors, title evaluation and skills identification, with more than 257 lead instructors employed during the year. We also provide high-quality training projects such as "Craftsmanship Training Camp", "Grassroots Comprehensive Management Ability Promotion Class", "Employees with Certificates", "Lead Instructor Training", and "Famous Teachers' Lecture" tailored for employees.

For details of the Group's employees, please refer to the 2024 Sustainability Report.

SUPERVISORY BOARD'S REPORT

On 12 November 2021, the current session of Supervisory Board was established upon the approval of the 2021 fourth extraordinary general meeting of the Company. The current session of the Supervisory Board consists of three supervisors. In 2024, the Supervisory Board of the Company acted in strict compliance with relevant laws and regulations, the provisions of the rules and regulation such as the Company Law of the PRC, the Stock Listing Rules of the Shenzhen Stock Exchange, the Articles of Association of China Longyuan Power Group Corporation Limited, and the Rules of Procedures of the Supervisory Board of the Company. In the spirit of being responsible to all Shareholders, it earnestly performed the duties of the Supervisory Board, supervised and verified the Company's operation and decision-making procedures, legal compliance of the operation, financial position and internal management, and conducted comprehensive supervision over the performance of duties by the Directors and senior management of the Company, providing strong protection for the Company's standardized operation and healthy development. Major work of the Supervisory Board in 2024 is reported as follows:

I. MEETINGS CONVENED BY THE SUPERVISORY BOARD

During the Reporting Period, the Supervisory Board of the Company held a total of 5 meetings and considered and approved 15 resolutions. The convening, holding and voting procedures of previous meetings were in compliance with the provisions of the Company Law, the Articles of Association and other laws, regulations and regulatory documents. The details of such meetings are as follows:

1. On 27 March 2024, the 2024 first meeting of the fifth session of the Supervisory Board of the Company was held on-site to consider and approve the following resolutions:

   (1) The Resolution on the 2023 Annual Report, Annual Report Summary and Results Announcement of China Longyuan Power Group Corporation Limited;

   (2) The Resolution on the 2023 Work Report of the Supervisory Board of China Longyuan Power Group Corporation Limited;

   (3) The Resolution on the Audited Financial Statements and Final Report of China Longyuan Power Group Corporation Limited for 2023;

(4) The Resolution on the Provision for Asset Impairment for 2023 of China Longyuan Power Group Corporation Limited;

(5) The Resolution on the Profit Distribution Plan for 2023 of China Longyuan Power Group Corporation Limited;

(6) The Resolution on the Remuneration Plan for Supervisors for 2024 of China Longyuan Power Group Corporation Limited;

(7) The Resolution on the Evaluation Report on Internal Control and the Audit Report on Internal Control for 2023 of China Longyuan Power Group Corporation Limited;

(8) The Resolution on the Special Explanation on External Guarantees for 2023 of China Longyuan Power Group Corporation Limited;

(9) The Resolution on the Connected Transactions for 2023 of China Longyuan Power Group Corporation Limited;

(10) The Resolution on the Risk Assessment Report and Special Audit Report on the Financial Businesses of Deposits and Loans and Other Financial Businesses between China Longyuan Power Group Corporation Limited and China Energy Finance Company.

2. On 25 April 2024, the 2024 second meeting of the fifth session of the Supervisory Board of the Company was held on-site to consider and approve the Resolution on the First Quarterly Report and Results Announcement for 2024 of China Longyuan Power Group Corporation Limited.

3. On 28 August 2024, the 2024 third meeting of the fifth session of the Supervisory Board of the Company was held on-site to consider and approve the following resolutions:

(1) The Resolution on the Interim Report, Report Summary and Results Announcement for 2024 of China Longyuan Power Group Corporation Limited;

(2) The Resolution on the Change of Accounting Policies of China Longyuan Power Group Corporation Limited.

4. The 2024 fourth meeting of the fifth session of the Supervisory Board was held both on site and by teleconference on 22 October 2024 to consider and approve the Resolution on the Supplemental Undertaking Letter (II) in relation to Non-competition with Effective Conditions Issued by the Controlling Shareholder of the Company.

5. The 2024 fifth meeting of the fifth session of the Supervisory Board was held both on site and by teleconference on 30 October 2024 to consider and approve the Resolution on the Third Quarterly Report and Results Announcement for 2024 of China Longyuan Power Group Corporation Limited.

II. VERIFICATION OPINIONS OF THE SUPERVISORY BOARD ON RELATED MATTERS OF THE COMPANY IN 2024

In accordance with relevant laws and regulations such as the Company Law, the Stock Listing Rules of the Shenzhen Stock Exchange, as well as the provisions of the Articles of Association, the Supervisory Board of the Company earnestly performed the functions, and conducted comprehensive supervision and verification on the Company's standard operation, financial conditions and the performance of duties by Directors and senior management personnel, and formed the following opinions:

(I) Legal Compliance of the Company's Operation

In 2024, members of the Supervisory Board attended the Company's Board meetings and the general meetings in accordance with the law, exercised the necessary supervision over the decision-making procedures of the Company and the performance of duties by the Directors and senior management, and supervised important matters throughout.

The Supervisory Board is of the opinion that the decision-making procedures of the Company for the year of 2024 were in strict compliance with the Company Law, the Securities Law and other laws and regulations and various provisions stipulated by China Securities Regulatory Commission and the Shenzhen Stock Exchange, and the Company has established a sound corporate governance structure and a strict internal control system, forming a standardized management system. In order to maintain the sustainable and healthy development of the Company and maximize the interests of Shareholders, the Directors and senior management of the Company diligently performed their duties with devotion. During the performance of duties, there was no violation of laws, regulations, the Articles of Association or any act that damaged the interests of the Company and Shareholders.

(II) Financial Condition of the Company

For the year of 2024, the Supervisory Board conducted a serious examination and supervision of the financial position of the Company. The Supervisory Board is of the opinion that the Company's financial system and internal control mechanism are sound, the financial operation is standardized, the financial position is in good condition, and the recognition and measurement of revenue, expenses and profit are true and accurate. The 2024 standard unqualified audit report issued by Zhongshen Zhonghuan Certified Public Accountants LLP (中審眾環會計師事務所(特殊普通合夥)) and KPMG on the Company is objective and fair and truly reflects the financial position, operation results and cash flow of the Company.

(III) Information Disclosure

For the year of 2024, the Supervisory Board effectively supervised the Board and the management of the Company to initiate information disclosure in accordance with the relevant regulations and urged regular and interim reports of the Company to be disclosed in a timely and fair manner within the stipulated period to ensure the truthfulness, accuracy and completeness of the disclosed information, and no information disclosure irregularities occurred. The Company has strictly carried out the management of insider information and controls the scope of persons with knowledge of such information. The Company strictly regulated the procedures for spreading information for insider information and controlled the scope of insiders; during sensitive periods such as the disclosure of regular reports and significant matters, the Company avoided receiving investors' research, actively performed information confidentiality work, and the Company's Directors, senior management and other insiders were not engaged in inside trading, short-swing trading, etc., which protected the legitimate rights and interests of investors.

(IV) Related Transactions

For the year of 2024, the Supervisory Board supervised the related transactions conducted and was of the opinion that the decision-making procedures of the related transactions conducted by the Company were legal, the transaction prices were reasonable, without any prejudice to the interests of the Company and all Shareholders, especially small and medium-sized Shareholders.

(V) Fund Occupancy and Guarantee

For the year of 2024, the Supervisory Board supervised the external guarantees of the Company, and considered that all necessary decision-making procedures were implemented to the Company's external guarantees, without guarantees provided in violation of relevant regulations or prejudice to the interests of the Shareholders, especially small and medium-sized Shareholders, and the Company's external guarantee was in compliance with the requirements of laws and regulations as well as the Company's rules and regulations. Except for the cash flow with related parties in normal operation, there was no illegal occupation of the Company's funds by related parties.

III. 2025 WORKING PLAN OF SUPERVISORY BOARD

In 2025, the Supervisory Board of the Company will continue to perform its supervisory duties assigned by the laws, regulations and the Articles of Association, supervising the legal operation of the Company, performing its supervisory duties on the Company's financial management, internal control, external guarantees etc., and protecting the standardized operation and healthy development of the Company. In 2025, the Supervisory Board will focus on the following areas of work:

1. Actively participate in the Board of Directors and general meeting of the Company, pay close attention to the operation of the Company, supervise the decision-making process of major matters, urge the Company's Directors and senior management to perform their duties in a diligent and faithful manner, and earnestly safeguard the rights and interests of the Company and Shareholders;

2. Undertake both regular and ad hoc reviews of the Company's financial situation and financial work, listen to reports on various tasks such as production and operation, engineering construction and corporate management, etc., timely put forward rectification opinions and reasonable suggestions, and promote the orderly and efficient operation of the Company's business;

3. Enhance the supervision of the major issues of the Company, such as related transactions and external guarantees, to ensure the effective implementation of the internal control system of the Company, to ensure the efficient and compliant use of funds, and to actively prevent contingent risks;

4. Actively participate in relevant training arranged by the regulatory bodies, strengthen the learning of relevant laws and regulations, and continue to enhance his professionalism and ability to perform his duties.

China Longyuan Power Group Corporation Limited
Supervisory Board

Beijing, 28 March 2025

INDEPENDENT AUDITOR'S REPORT



Independent auditor's report to the shareholders of
China Longyuan Power Group Corporation Limited
(Incorporated in the People's Republic of China with limited liability)

OPINION

We have audited the consolidated financial statements of China Longyuan Power Group Corporation Limited (the "Company") and its subsidiaries (the "Group") set out on pages 246 to 441, which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes, comprising material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board ("IASB") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code") and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTER

Key audit matter is the matter that, in our professional judgement, was of most significance in our audit of the consolidated financial statements of the current period. This matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Impairment assessment of certain property, plant and equipment and intangible assets	
Refer to Notes 4(a), 16 and 18 to the consolidated financial statements and the accounting policies in Note 2(m).	
The Key Audit Matter	**How the matter was addressed in our audit**
As at 31 December 2024, the Group had property, plant and equipment ("PPE") of RMB181,223 million and intangible assets of RMB4,348 million. Management has assessed whether there were indicators of impairment for the PPE and intangible assets as at 31 December 2024. Where indicators were identified, management has performed impairment assessment. Management compared the recoverable amounts of the cash-generating units ("CGUs") to which the PPE and intangible assets belong with the respective carrying values of the CGUs to determine if any impairment loss should be recognised. As a result of the impairment assessment, impairment losses of RMB695 million for PPE and RMB325 million for intangible assets were recognised during the year ended 31 December 2024.	Our audit procedures to evaluate impairment assessment of certain PPE and intangible assets included the following: • evaluating the design and implementation of management's key internal controls over identification of CGUs, allocation of assets to CGUs and the impairment assessment process; • assessing management's identification of CGUs and the allocation of assets to each CGU with reference to our understanding of the Group's business and the requirements of the prevailing accounting standards; • comparing the actual results of selected CGUs for the current year with management's forecast in the previous year to assess the historical accuracy of management's forecasting process and if there is any indication of management bias;

KEY AUDIT MATTER (CONTINUED)

Impairment assessment of certain property, plant and equipment and intangible assets	
Refer to Notes 4(a), 16 and 18 to the consolidated financial statements and the accounting policies in Note 2(m).	
The Key Audit Matter	**How the matter was addressed in our audit**
In performing the impairment assessment, management estimated or engaged external valuers to estimate the recoverable amounts of the relevant CGUs using the value in use method by preparing discounted cash flow forecasts. Preparing these forecasts requires management to exercise significant judgement, particularly in relation to estimating future sales volumes, future on-grid tariffs, future operating costs and the discount rates applied in estimating the recoverable amount of each CGU. We identified impairment assessment of certain PPE and intangible assets as a key audit matter because the carrying amount of the PPE and intangible assets is material to the consolidated financial statements and because of the significant management judgement and estimation required, which could be subject to error or potential management bias.	• on a sample basis, involving our internal valuation specialists to assist us in evaluating the appropriateness of the valuation methodology adopted with reference to the requirements of the prevailing accounting standards and the reasonableness of the discount rates applied by assessing whether they are within the range adopted by other companies in the same industry; • challenging management's basis on the estimation of future sales volumes, future on-grid tariffs and future operating costs by comparing them with the recent historical results of the related CGUs and market information; • evaluating management's sensitivity analysis of the future sales volumes, future on-grid tariffs, future operating costs and the discount rates adopted and considering if there is any indicator of management bias; and • assessing the reasonableness of the disclosures in the consolidated financial statements with reference to the requirements of the prevailing accounting standards.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The directors are responsible for the other information. The other information comprises all the information included in the annual report, other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards issued by the IASB and the disclosure requirements of Hong Kong Companies Ordinance and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group's financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Cheung Tsz Chung.

KPMG
Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

28 March 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2024
(Expressed in thousands of Renminbi unless otherwise stated)

	Note	2024 RMB'000	2023 (Restated*) RMB'000
CONTINUING OPERATIONS			
Revenue	6	**31,369,819**	29,630,799
Other net income	7	**1,198,771**	1,270,266
Operating expenses			
Depreciation and amortisation		**(11,559,137)**	(10,620,493)
Personnel costs		**(3,746,868)**	(3,321,287)
Repair and maintenance		**(1,194,010)**	(1,058,231)
Administration expenses		**(810,179)**	(712,018)
Impairment losses on non-current assets	9(b)	**(1,020,335)**	(2,158,168)
Impairment losses on financial assets, net	9(b)	**(84,295)**	(71,076)
Other operating expenses	9(c)	**(1,539,007)**	(1,388,447)
		(19,953,831)	(19,329,720)
Operating profit		**12,614,759**	11,571,345
Finance income		**146,379**	240,717
Finance expenses		**(3,567,833)**	(3,698,559)
Net finance expenses	8	**(3,421,454)**	(3,457,842)
Share of profits less losses of associates and joint ventures		**165,144**	4,501
Profit before taxation	9	**9,358,449**	8,118,004
Income tax	10	**(1,672,938)**	(1,407,521)
Profit for the year from continuing operations		**7,685,511**	6,710,483

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2024
(Expressed in thousands of Renminbi unless otherwise stated)

	Note	2024 RMB'000	2023 (Restated*) RMB'000
DISCONTINUED OPERATIONS			
Profit for the year from discontinued operations, net of tax	5	**682,422**	253,687
Profit for the year		**8,367,933**	6,964,170
Other comprehensive income/(losses):			
CONTINUING OPERATIONS			
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:			
Changes in fair value of equity investments at fair value through other comprehensive income, net of tax		**3,611**	504
Other comprehensive income/(losses) that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		**51,989**	22,475
Exchange differences on net investments in foreign operations		**(1,413)**	(947)
Other comprehensive income for the year from continuing operations, net of tax	13	**54,187**	22,032
DISCONTINUED OPERATIONS			
Other comprehensive income for the year from discontinued operations, net of tax		**–**	572
Total comprehensive income for the year		**8,422,120**	6,986,774

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2024
(Expressed in thousands of Renminbi unless otherwise stated)

	Note	2024 RMB'000	2023 (Restated*) RMB'000
Profit attributable to:			
Shareholders		**6,378,692**	6,255,754
Holders of other equity instruments	45	**45,823**	154,901
Non-controlling interests		**1,943,418**	553,515
Profit for the year		**8,367,933**	6,964,170
Total comprehensive income attributable to:			
Shareholders		**6,432,879**	6,268,227
Holders of other equity instruments	45	**45,823**	154,901
Non-controlling interests		**1,943,418**	563,646
Total comprehensive income for the year		**8,422,120**	6,986,774
Basic and diluted earnings per share (RMB cents)	14	**76.30**	74.64
Basic and diluted earnings per share (RMB cents) – continuing operations	14	**70.27**	73.85

* *Comparative information has been re-presented due to discontinued operations (see Note 5 for details) and business combinations under common control (see Note 42(a) for details).*

The notes on pages 259 to 441 form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2024
(Expressed in thousands of Renminbi unless otherwise stated)

	Note	31 December 2024 RMB'000	31 December 2023 (Restated*) RMB'000
Non-current assets			
Property, plant and equipment	16	**181,222,980**	169,369,631
Right-of-use assets	17(a)	**7,043,893**	5,822,986
Intangible assets	18	**4,348,475**	5,142,522
Goodwill	19	**145,668**	195,617
Investments in associates and joint ventures	21	**5,860,406**	5,994,794
Other assets	22	**7,616,469**	5,460,496
Deferred tax assets	32(b)	**840,007**	863,939
Total non-current assets		**207,077,898**	192,849,985
Current assets			
Inventories	23	**428,123**	728,926
Trade and bills receivables	24	**43,526,051**	35,768,162
Prepayments and other current assets	25	**2,772,724**	3,196,804
Tax recoverable	32(a)	**86,760**	102,234
Other financial assets	26	**192,797**	459,073
Restricted deposits	27	**158,789**	346,789
Cash at banks and on hand	28	**3,124,520**	4,810,556
Total current assets		**50,289,764**	45,412,544

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2024
(Expressed in thousands of Renminbi unless otherwise stated)

	Note	31 December 2024 RMB'000	31 December 2023 (Restated*) RMB'000
Current liabilities			
Borrowings	29(b)	**55,637,043**	49,781,172
Trade and bills payables	30	**5,997,055**	7,417,142
Other current liabilities	31	**16,511,328**	14,929,072
Lease liabilities	17(b)	**167,431**	176,891
Tax payable	32(a)	**659,531**	458,953
Total current liabilities		**78,972,388**	72,763,230
Net current liabilities		**(28,682,624)**	(27,350,686)
Total assets less current liabilities		**178,395,274**	165,499,299
Non-current liabilities			
Borrowings	29(a)	**87,791,485**	77,145,035
Lease liabilities	17(b)	**2,506,939**	1,519,933
Deferred income	34	**595,425**	845,360
Deferred tax liabilities	32(b)	**345,713**	261,813
Other non-current liabilities	35	**1,354,317**	1,283,013
Total non-current liabilities		**92,593,879**	81,055,154
NET ASSETS		**85,801,395**	84,444,145

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2024
(Expressed in thousands of Renminbi unless otherwise stated)

	Note	31 December 2024 RMB'000	31 December 2023 (Restated*) RMB'000
CAPITAL AND RESERVES			
Share capital	36(c)	**8,359,816**	8,381,963
Treasury shares	36(d)	**–**	(56,648)
Other equity instruments	45	**–**	2,022,877
Reserves	36(e)	**64,541,043**	61,598,757
Total equity attributable to equity holders of the Company		**72,900,859**	71,946,949
Non-controlling interests		**12,900,536**	12,497,196
TOTAL EQUITY		**85,801,395**	84,444,145

* *Comparative information has been re-presented due to business combinations under common control (see Note 42(a) for details).*

Approved and authorised for issue by the board of directors on 28 March 2025.

Gong Yu Fei
Chairman

Wang Li Qiang
Executive Director

The notes on pages 259 to 441 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2024
(Expressed in thousands of Renminbi unless otherwise stated)

	Attributable to equity shareholders of the Company											
	Share capital RMB'000 (Note36(c))	Treasury shares RMB'000 (Note36(d))	Other equity instruments RMB'000 (Note45)	Capital reserve RMB'000 (Note 36 (e) (i))	Statutory surplus reserve RMB'000 (Note 36 (e) (ii))	Special reserve RMB'000 (Note 36 (e) (v))	Exchange reserve RMB'000 (Note 36 (e) (iii))	Fair value reserve RMB'000 (Note36 (e) (iv))	Retained earnings RMB'000	Subtotal RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
At 31 December 2023	8,381,963	(56,648)	2,022,877	14,953,218	3,377,859	114,913	(402,854)	(59,500)	42,248,567	70,580,395	11,445,681	82,026,076
Effect on business combination under common control *(Note 42(a))*	-	-	-	1,265,923	-	1,299	-	-	99,332	1,366,554	1,051,515	2,418,069
At 1 January 2024 (Restated*)	8,381,963	(56,648)	2,022,877	16,219,141	3,377,859	116,212	(402,854)	(59,500)	42,347,899	71,946,949	12,497,196	84,444,145
Changes in equity:												
Profit for the year	-	-	45,823	-	-	-	-	-	6,378,692	6,424,515	1,943,418	8,367,933
Other comprehensive income/ (losses) *(Note 13)*	-	-	-	-	-	-	50,576	3,611	-	54,187	-	54,187
Total comprehensive income/(losses)	-	-	45,823	-	-	-	50,576	3,611	6,378,692	6,478,702	1,943,418	8,422,120
Effect on business combination under common control *(Note 42(a))*	-	-	-	(1,631,260)	-	-	-	-	-	(1,631,260)	-	(1,631,260)
Business combination not under common control *(Note 42(b))*	-	-	-	-	-	-	-	-	-	-	43,439	43,439
Capital contributions by non-controlling interests	-	-	-	-	-	-	-	-	-	-	364,846	364,846
Redemption of other equity instruments	-	-	(1,999,300)	(700)	-	-	-	-	-	(2,000,000)	-	(2,000,000)
Appropriation	-	-	-	-	584,656	-	-	-	(584,656)	-	-	-
Dividends by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(1,097,248)	(1,097,248)
Dividends to shareholders of the Company *(Note 36(b))*	-	-	-	-	-	-	-	-	(1,860,113)	(1,860,113)	-	(1,860,113)
Distributions to holders of other equity instruments *(Note 45)*	-	-	(69,400)	-	-	-	-	-	-	(69,400)	-	(69,400)
Acquisition of non-controlling interests	-	-	-	2,391	-	-	-	-	-	2,391	(3,293)	(902)
Disposal of subsidiaries *(Note 43)*	-	-	-	-	-	-	-	-	-	-	(847,822)	(847,822)
Repurchase of own shares *(Note 36(d))*	-	(55,246)	-	(126)	-	-	-	-	-	(55,372)	-	(55,372)
Cancellation of treasury shares *(Note 36(d))*	(22,147)	111,894	-	(89,890)	-	-	-	-	-	(143)	-	(143)
Profit compensation	-	-	-	89,105	-	-	-	-	-	89,105	-	89,105
Effect of safety production expenditures	-	-	-	-	-	55,986	-	-	(55,986)	-	-	-
At 31 December 2024	8,359,816	-	-	14,588,661**	3,962,515**	172,198**	(352,278)**	(55,889)**	46,225,836**	72,900,859	12,900,536	85,801,395

** These reserve accounts comprise the consolidated reserves of RMB64,541,043,000 (2023 (restated): RMB61,598,757,000) in the consolidated statement of financial position.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2023
(Expressed in thousands of Renminbi unless otherwise stated)

	Attributable to equity shareholders of the Company											
	Share capital *RMB'000* *(Note36(c))*	Treasury shares *RMB'000* *(Note36(d))*	Other equity instruments *RMB'000* *(Note45)*	Capital reserve *RMB'000* *(Note 36 (e) (i))*	Statutory surplus reserve *RMB'000* *(Note 36 (e) (ii))*	Special reserve *RMB'000* *(Note 36 (e) (v))*	Exchange reserve *RMB'000* *(Note 36 (e) (iii))*	Fair value reserve *RMB'000* *(Note36 (e) (iv))*	Retained earnings *RMB'000*	Subtotal *RMB'000*	Non-controlling interests *RMB'000*	Total equity *RMB'000*
At 1 January 2023	8,381,963	–	5,056,400	14,958,211	2,822,761	19,667	(416,992)	(51,692)	37,676,275	68,446,593	11,348,517	79,795,110
Effect on business combination under common control	–	–	–	852,969	–	28	–	–	45,227	898,224	681,344	1,579,568
At 1 January 2023 (Restated*)	8,381,963	–	5,056,400	15,811,180	2,822,761	19,695	(416,992)	(51,692)	37,721,502	69,344,817	12,029,861	81,374,678
Changes in equity:												
Profit for the year	–	–	154,901	–	–	–	–	–	6,255,754	6,410,655	553,515	6,964,170
Other comprehensive income/ (losses) *(Note 13)*	–	–	–	–	–	–	14,138	(1,665)	–	12,473	10,131	22,604
Total comprehensive income/(losses)	–	–	154,901	–	–	–	14,138	(1,665)	6,255,754	6,423,128	563,646	6,986,774
Effect on business combination under common control *(Note 42(a))*	–	–	–	412,954	–	–	–	–	–	412,954	–	412,954
Capital contributions by non-controlling interests	–	–	–	–	–	–	–	–	–	–	587,791	587,791
Redemption of other equity instruments	–	–	(2,992,024)	(7,976)	–	–	–	–	–	(3,000,000)	–	(3,000,000)
Appropriation	–	–	–	–	555,098	–	–	–	(555,098)	–	–	–
Dividends by subsidiaries to non-controlling interests	–	–	–	–	–	–	–	–	–	–	(691,408)	(691,408)
Dividends to shareholders of the Company *(Note 36(b))*	–	–	–	–	–	–	–	–	(981,528)	(981,528)	–	(981,528)
Distributions to holders of other equity instruments *(Note 45)*	–	–	(196,400)	–	–	–	–	–	–	(196,400)	–	(196,400)
Transfer of fair value reserve upon the disposal of equity investment of at fair value through other comprehensive income	–	–	–	–	–	–	–	(6,143)	6,143	–	–	–
Acquisition of non-controlling interests	–	–	–	760	–	–	–	–	–	760	(13,310)	(12,550)
Disposal of subsidiaries	–	–	–	–	–	–	–	–	–	–	20,616	20,616
Repurchase of own shares *(Note 36(d))*	–	(56,648)	–	(134)	–	–	–	–	–	(56,782)	–	(56,782)
Effect of safety production expenditures	–	–	–	–	–	96,517	–	–	(96,517)	–	–	–
Share of other changes of reserves of associates and joint ventures	–	–	–	2,357	–	–	–	–	(2,357)	–	–	–
At 31 December 2023	8,381,963	(56,648)	2,022,877	16,219,141**	3,377,859**	116,212**	(402,854)**	(59,500)**	42,347,899**	71,946,949	12,497,196	84,444,145

* *Comparative information has been re-presented due to business combinations under common control (see Note 42(a) for details).*

The notes on pages 259 to 441 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024
(Expressed in thousands of Renminbi unless otherwise stated)

	Note	2024 RMB'000	2023 (Restated*) RMB'000
Cash flows from operating activities			
Profit before taxation		**10,320,255**	8,488,143
– Continuing operations	9(b)	**9,358,449**	8,118,004
– Discontinued operations		**961,806**	370,139
Adjustments for:			
Depreciation		**11,223,471**	10,320,564
Amortisation		**523,473**	598,902
Impairment losses on non-current assets		**1,020,335**	2,158,168
Losses/(gain) on disposal of property, plant and equipment, right-of-use assets and intangible assets		**10,154**	(22,443)
(Gain)/loss on disposal of subsidiaries and associates		**(640,849)**	28,596
Remeasurement to fair value of pre-existing interests in acquirees	42(b)	**15,019**	–
Gain on a bargain purchase arising from acquisitions of subsidiaries	42(b)	**(22,571)**	–
Interest expenses on financial liabilities		**3,360,915**	3,401,881
Interest expenses on lease liabilities		**109,295**	73,377
Recognition of provision for loss allowance of receivables		**85,495**	75,582
Write down of inventories		**3,219**	1,105
Net foreign exchange losses		**65,220**	173,197
Net unrealised (gain)/losses on derivative financial instruments		**(25,425)**	2,701
Interest income on financial assets		**(8,389)**	(39,293)
Dividend income		**(15,829)**	(11,913)
Share of profits less losses of associates and joint ventures		**(271,042)**	(27,504)
Decrease in deferred income		**(170,808)**	(120,143)
Changes in fair value of listed equity securities designated at fair value through profit or loss		**10,248**	48,567

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024
(Expressed in thousands of Renminbi unless otherwise stated)

	Note	2024 RMB'000	2023 (Restated*) RMB'000
Changes in working capital:			
(Increase)/decrease in inventories		**(272,593)**	18,741
Increase in trade and bills receivables		**(8,326,617)**	(8,016,883)
Decrease in prepayments, restricted deposits and other current assets		**1,582,586**	1,988,536
Increase/(decrease) in trade and bills payables and other current liabilities		**137,686**	(3,026,574)
Cash generated from operations		**18,713,248**	16,113,307
Income tax paid	32(a)	**(1,651,359)**	(1,780,263)
Net cash generated from operating activities		**17,061,889**	14,333,044

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024
(Expressed in thousands of Renminbi unless otherwise stated)

	Note	2024 RMB'000	2023 (Restated*) RMB'000
Cash flows from investing activities			
Payments for acquisition of property, plant and equipment, right-of-use assets and intangible assets		**(26,863,942)**	(23,829,793)
Payments for acquisition of investments in associates and joint ventures, and equity investments		**(215,460)**	(2,357,136)
Payments for acquisition of businesses, net of cash acquired		**(374,818)**	–
Proceeds from disposal of a joint venture and an associate		**21,167**	–
Proceeds from capital reduction of a joint venture		**83,942**	–
Proceeds from receivable deposits for aborted planned acquisitions		**44,000**	42,000
Decrease in deposits with banks		**–**	1,810,631
Proceeds from disposal of property, plant and equipment, right-of-use assets and intangible assets		**14,080**	1,005
Disposal of subsidiaries, net of cash disposed		**1,116,378**	(7,051)
Proceeds from disposal of equity investments designated at fair value through other comprehensive income		**–**	23,559
Repayments of loans and advances		**2,702**	2,008
Dividends received		**108,589**	177,939
Interest received		**10,376**	38,905
Purchase of other financial asset, net		**(15,200)**	(53,800)
Net cash used in investing activities		**(26,068,186)**	(24,151,733)

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024
(Expressed in thousands of Renminbi unless otherwise stated)

	Note	2024 RMB'000	2023 (Restated*) RMB'000
Cash flows from financing activities			
Capital injections from non-controlling interests		**596,627**	1,064,078
Proceeds from borrowings	44(a)	**247,759,841**	152,787,390
Repayment of borrowings	44(a)	**(230,308,406)**	(148,524,360)
Dividends paid by subsidiaries to non-controlling equity owners		**(746,865)**	(790,889)
Dividends paid to shareholders of the Company		**(1,860,113)**	(981,528)
Redemption of other equity instruments		**(2,000,000)**	(3,000,000)
Interest paid for borrowings	44(a)	**(3,646,295)**	(3,619,239)
Distributions to holders of other equity instruments		**(69,400)**	(196,400)
Lease payments	44(a)	**(329,796)**	(630,469)
Payment for current year's business combination under common control		**(1,765,325)**	–
Payment for prior year's business combination under common control		**(166,264)**	–
Prepayment for business combination under common control		**(42,271)**	–
Acquisition of non-controlling interests		**(13,452)**	(12,550)
Cancellation of treasury shares		**(143)**	–
Repurchase of own shares		**(55,372)**	(56,782)
Proceeds from performance compensation		**–**	108,711
Net cash generated from/(used in) financing activities		**7,352,766**	(3,852,038)

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024
(Expressed in thousands of Renminbi unless otherwise stated)

	Note	2024 RMB'000	2023 (Restated*) RMB'000
Net decrease in cash and cash equivalents		**(1,653,531)**	(13,670,727)
Cash and cash equivalents at the beginning of year		**4,810,556**	18,476,113
Effect of foreign exchange rate changes		**(32,505)**	5,170
Cash and cash equivalents at the end of year	28	**3,124,520**	4,810,556

* *Comparative information has been re-presented due to business combinations under common control (see Note 42(a) for details).*

The notes on pages 259 to 441 form part of these financial statements.

1 PRINCIPAL ACTIVITIES

China Longyuan Power Group Corporation Limited (the "Company") and its subsidiaries (the "Group") are principally engaged in wind power and photovoltaic ("PV") power generation and sale in the People's Republic of China (the "PRC"). The registered office address of the Company is Room 2006, 20th Floor, Block C, 6 Fuchengmen North Street, Xicheng District, Beijing, PRC.

The Company's parent and ultimate holding company is China Energy Investment Group Co., Ltd. ("CHN Energy"), a company with registered address and main business places in the PRC, controlled by the State-owned Assets Supervision and Administration Commission.

2 MATERIAL ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with IFRS Accounting Standards, which include all applicable International Financial Reporting Standards, International Accounting Standards ("IASs") and interpretations issued by the International Accounting Standards Board (the "IASB") and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Hong Kong Stock Exchange").

The IASB has issued certain new and revised IFRS Accounting Standards that are first effective or available for early adoption for the current accounting year of the Group. Note 3 provides information on any changes in accounting policies resulting from the initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting years reflected in these financial statements.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2024 comprise the Group and the Group's interest in associates and joint ventures.

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the following assets and liabilities are stated at their fair value as explained in the accounting policies set out below:

– investments in debt and equity securities (see Note 2(n)); and

– derivative financial instruments (see Note 2(q)).

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

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

Judgements made by Management in the application of with IFRS Accounting Standards that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in Note 4.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(b) Basis of preparation of the financial statements (Continued)

The consolidated financial statements have been prepared assuming that the Group will continue as a going concern notwithstanding the net current liabilities of the Group at 31 December 2024 amounting to RMB28,682,624,000. The directors of the Company (the "Directors") are of the opinion that, based on a review of the forecasted cash flows, the Group will have sufficient liquid funds to finance its operation and capital expenditure (see Note 37(c)).

The consolidated financial statements are presented in Renminbi ("RMB"), rounded to the nearest thousand, which is the Group's presentation currency and the functional currency of the Company and its major subsidiaries.

(c) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(i) the contractual arrangement with the other vote holders of the investee;

(ii) rights arising from other contractual arrangements; and

(iii) the Group's voting rights and potential voting rights.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(c) Subsidiaries and non-controlling interests (Continued)

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

For each business combination, the Group can elect to measure any non-controlling interests ("NCI") either at fair value or at the NCI's proportionate share of the subsidiary's net identifiable assets. NCI are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. NCI in the results of the Group are presented on the face of the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between NCI and the equity shareholders of the Company. Loans from holders of NCI and other contractual obligations towards these holders are presented as financial liabilities in the consolidated statement of financial position in accordance with Notes 2(w), or (x) depending on the nature of the liability.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

When the Group loses control of a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in that former subsidiary is measured at fair value when control is lost.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see Note 2(m)), unless it is classified as held for sale (or included in a disposal group classified as held for sale).

2 MATERIAL ACCOUNTING POLICIES (Continued)

(d) Investments in associates and joint ventures

An associate is an entity in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group's investments in an associate and a joint venture are stated in the consolidated statements of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

The Group's share of the post-acquisition results and other comprehensive income of associates and joint ventures is included in the consolidated statement of profit or loss and other comprehensive income, respectively. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associates or joint ventures are eliminated to the extent of the Group's investments in the associates or joint ventures, except where unrealised losses provide evidence of an impairment of the assets transferred. Goodwill arising from the acquisition of associates or joint ventures is included as part of the Group's investments in associates or joint ventures.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(d) Investments in associates and joint ventures (Continued)

If an investment in an associate becomes an investment in a joint venture or vice versa, retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method. In all other cases, upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

When an investment in an associate or a joint venture is classified as held for sale, it is accounted for in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* (see Note 2(ae)).

(e) Business combinations and goodwill

Business combinations for entities not under common control are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the NCI in the acquiree that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of NCI are measured at fair value. Acquisition-related costs are expensed as incurred.

The Group determines that it has acquired a business when the acquired set of activities and assets includes an input and a substantive process that together significantly contribute to the ability to create outputs.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(e) Business combinations and goodwill (Continued)

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts of the acquiree.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is measured at fair value with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for NCI and any fair value of the Group's previously held equity interests in the acquiree over the identifiable assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 December. (see Note 1(m)).

2 MATERIAL ACCOUNTING POLICIES (Continued)

(f) Business combination for entities under common control

Business combinations arising from transfers of interests in entities that are under the control of the shareholders that control the Group are accounted for as if the acquisition had occurred at the beginning of the year or, if later, at the date that common control was established. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the Group's shareholders' consolidated financial statements.

Upon transfer of interest in an entity to another entity that is under the control of the shareholders that control the Group, any difference between the Group's interest in the carrying value of the assets and liabilities and the cost of transfer of interest in the entity is recognised directly in equity.

(g) Investment properties

Investment properties are interests in land and buildings (including right-of-use assets) held to earn rental income and/or for capital appreciation. After initial recognition, the Group chooses the cost model to measure all of its investment properties.

Depreciation is calculated to write off the cost less residual value if applicable, using the straight-line method over the estimated useful lives of 40 years. Rental income from investment properties is accounted for as described in Note 2(ab).

Any gains or losses on the retirement or disposal of an investment property are recognised in the statement of profit or loss and in the year of the retirement or disposal.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(h) Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost or valuation less accumulated depreciation and any impairment losses (see Note 2(m)). When an item of property, plant and equipment is classified as held for sale or when it is part of a disposal group classified as held for sale, it is not depreciated and is accounted for in accordance with IFRS 5, as further explained in the accounting policy for "Non-current assets and disposal groups held for sale". The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the statement of profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(h) Property, plant and equipment and depreciation (Continued)

Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the statement of profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

(i) Intangible assets (other than goodwill)

The Group recognises an intangible asset arising from a service concession arrangement when it has a right to charge for usage of the concession infrastructure. Intangible assets received as consideration for providing construction services in a service concession arrangement are measured at fair value upon initial recognition. Subsequent to initial recognition, intangible assets are measured at cost less accumulated amortisation and accumulated impairment losses (see Note 2(m)).

Other intangible assets that are acquired by the Group are stated in the statement of financial position at cost less accumulated amortisation (where the estimated useful life is finite) and impairment losses (see Note 2(m)). Expenditure on internally generated goodwill and brands is recognised as an expense in the period in which it is incurred.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(i) Intangible assets (other than goodwill) (Continued)

Amortisation of intangible assets with finite useful lives is charged to profit or loss on a straight-line basis over the assets' estimated useful lives. The following intangible assets with finite useful lives are amortised from the date they are available for use and their estimated useful lives are as follows:

– Concession assets	20 – 25 years
– Power sales rights	20 years
– Software and others	5 – 10 years

Both the period and method of amortisation are reviewed annually.

(j) Non-current assets and disposal groups held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sales transaction rather than through continuing use. For this to be the case, the asset or disposal group must be available for immediate sale in its present condition subject only to terms that are usual and customary for the sale of such assets or disposal groups and its sale must be highly probable. All assets and liabilities of a subsidiary classified as a disposal group are reclassified as held for sale regardless of whether the Group retains a NCI in its former subsidiary after the sale.

Non-current assets and disposal groups (other than investment properties and financial assets) classified as held for sale are measured at the lower of their carrying amounts and fair values less costs to sell. Property, plant and equipment and intangible assets classified as held for sale are not depreciated or amortised.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(k) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(i) Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

– Leasehold land	20 – 50 years
– Buildings and structures	2 – 8 years
– Generators and related equipment	5 – 20 years
– Motor vehicles	2 – 3 years
– Sea-use rights	24 – 29 years

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(k) Leases (Continued)

(i) Group as a lessee (Continued)

Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(k) Leases (Continued)

(i) Group as a lessee (Continued)

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of office equipment and laptop computers that is considered to be of low value. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

(ii) Group as a lessor

When the Group acts as a lessor, it classifies at lease inception (or when there is a lease modification) each of its leases as either an operating lease or a finance lease.

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. When a contract contains lease and non-lease components, the

2 MATERIAL ACCOUNTING POLICIES (Continued)

(l) Fair value measurement

The Group measures its certain trade and bills receivables, unquoted equity investment in non-listed companies, equity investment in listed companies, other financial assets, and derivative financial instruments at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(l) Fair value measurement (Continued)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly

Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(m) Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, contract assets, deferred tax assets, financial assets, investment properties and non-current assets/a disposal group classified as held for sale), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(m) Impairment of non-financial assets (Continued)

In testing a cash-generating unit for impairment, a portion of the carrying amount of a corporate asset (e.g., a headquarters building) is allocated to an individual cash-generating unit if it can be allocated on a reasonable and

2 MATERIAL ACCOUNTING POLICIES (Continued)

(n) Other investments in securities

The Group's policies for investments in securities, other than investments in subsidiaries, associates and joint ventures, are set out below.

Investments in securities are recognised/derecognised on the date the Group commits to purchase/sell the investment. The investments are initially stated at fair value plus directly attributable transaction costs, except for those investments measured at financial assets measured at fair value through profit or loss ("FVPL") for which transaction costs are recognised directly in profit or loss. For an explanation of how the Group determines fair value of financial instruments, see Note 37(g). These investments are subsequently accounted for as follows, depending on their classification.

(i) Non-equity investments

Non-equity investments are classified into one of the following measurement categories:

- amortised cost, if the investment is held for the collection of contractual cash flows which represent solely payments of principal and interest. Expected credit losses, interest income calculated using the effective interest method (see Note 2(ab)), foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(n) Other investments in securities (Continued)

(i) Non-equity investments (Continued)

– equity securities designated at fair value through other comprehensive income ("FVOCI") – recycling, if the contractual cash flows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale. Expected credit losses, interest income (calculated using the effective interest method) and foreign exchange gains and losses are recognised in profit or loss and computed in the same manner as if the financial asset was measured at amortised cost. The difference between the fair value and the amortised cost is recognised in other comprehensive income. When the investment is derecognised, the amount accumulated in other comprehensive income is recycled from equity to profit or loss.

– FVPL if the investment does not meet the criteria for being measured at amortised cost or FVOCI (recycling). Changes in the fair value of the investment (including interest) are recognised in profit or loss.

(ii) Equity investments

An investment in equity securities is classified as FVPL, unless the investment is not held for trading purposes and on initial recognition the Group makes an irrevocable election to designate the investment at FVOCI (non-recycling) such that subsequent changes in fair value are recognised in other comprehensive income. Such elections are made on an instrument-by-instrument basis, but may only be made if the investment meets the definition of equity from the issuer's perspective. If such election is made for a particular investment, at the time of disposal, the amount accumulated in the fair value reserve (non-recycling) is transferred to retained earnings and not recycled through profit or loss. Dividends from an investment in equity securities, irrespective of whether classified as at FVPL or FVOCI, are recognised in profit or loss as other income (see Note 2(ab)).

2 MATERIAL ACCOUNTING POLICIES (Continued)

(o) Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or

- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (i) the Group has transferred substantially all the risks and rewards of the asset, or (ii) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

- When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

- Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(p) Credit losses and impairment of assets

(i) Credit losses from financial instruments, and contract assets

The Group recognises a loss allowance for expected credit losses ("ECL"s) on:

- financial assets measured at amortised cost (including cash and cash equivalents, trade receivables and other receivables, including those loans to associates and joint ventures that are held for the collection of contractual cash flows which represent solely payments of principal and interest);
- contract assets (see Note 2(ac));
- non-equity securities measured at FVOCI (recycling) (see Note 2(n));

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Generally, credit losses are measured as the present value of all expected cash shortfalls between the contractual and expected amounts.

For undrawn loan commitments, expected cash shortfalls are measured as the difference between (i) the contractual cash flows that would be due to the Group if the holder of the loan commitment draws down on the loan and (ii) the cash flows that the Group expects to receive if the loan is drawn down.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(p) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments, and contract assets (Continued)

Measurement of ECLs (Continued)

The expected cash shortfalls are discounted using the following rates if the effect is material:

– fixed-rate financial assets, trade and other receivables and contract assets: effective interest rate determined at initial recognition or an approximation thereof;

– variable-rate financial assets: current effective interest rate;

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are measured on either of the following bases:

– 12-month ECLs: these are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months); and

– lifetime ECLs: these are the ECLs that result from all possible default events over the expected lives of the items to which the ECL model applies.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(p) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments, and contract assets (Continued)

Measurement of ECLs (Continued)

Debt investments at fair value through other comprehensive income and financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables and contract assets:

Stage 1 – Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs

Stage 2 – Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs

Stage 3 – Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(p) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments, and contract assets (Continued)

Significant increases in credit risk

When determining whether the credit risk of a financial instrument (including a loan commitment) has increased significantly since initial recognition and when measuring ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

For loan commitments, the date of initial recognition for the purpose of assessing ECLs is considered to be the date that the Group becomes a party to the irrevocable commitment. In assessing whether there has been a significant increase in credit risk since initial recognition of a loan commitment, the Group considers changes in the risk of default occurring on the loan to which the loan commitment relates.

The Group considers a financial asset to be in default when:

– the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or

– the financial asset is 90 days past due.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(p) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments, and contract assets (Continued)

Significant increases in credit risk (Continued)

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in non-equity securities that are measured at FVOCI (recycling), for which the loss allowance is recognised in OCI and accumulated in the fair value reserve (recycling) does not reduce the carrying amount of the financial asset in the statement of financial position.

Credit-impaired financial assets

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable events:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;

2 MATERIAL ACCOUNTING POLICIES (Continued)

(p) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments, and contract assets (Continued)

Credit-impaired financial assets (Continued)

– it is probable that the debtor will enter bankruptcy or other financial reorganisation; or

– the disappearance of an active market for a security because of financial difficulties of the issuer.

Write-off policy

2 MATERIAL ACCOUNTING POLICIES (Continued)

(p) Credit losses and impairment of assets (Continued)

(ii) Credit losses from financial guarantees issued

Financial guarantees are contracts that require the issuer (i.e. the guarantor) to make specified payments to reimburse the beneficiary of the guarantee (the "holder") for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantees issued are initially recognised at fair value, which is determined by reference to fees charged in an arm's length transaction for similar services, when such information is obtainable, or to interest rate differentials, by comparing the actual rates charged by lenders when the guarantee is made available with the estimated rates that lenders would have charged, had the guarantees not been available, where reliable estimates of such information can be made. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognised in accordance with the Group's policies applicable to that category of asset. Where no such consideration is received or receivable, an immediate expense is recognised in profit or loss.

The amount initially recognised as deferred income is subsequently amortised in profit or loss over the term of the guarantee as income (see Note 2(ab)).

The group monitors the risk that the specified debtor will default on the contract and remeasures the above liability at a higher amount when ECLs on the financial guarantees are determined to be higher than the carrying amount in respect of the guarantees.

A 12-month ECL is measured unless the risk that the specified debtor will default has increased significantly since the guarantee is issued, in which case a lifetime ECL is measured. The same definition of default and the same assessment of significant increase in credit risk as described in Note 2(p) apply.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(p) Credit losses and impairment of assets (Continued)

2 MATERIAL ACCOUNTING POLICIES (Continued)

(q) Derivative financial instruments and hedge accounting (Continued)

Initial recognition and subsequent measurement (Continued)

For the purpose of hedge accounting, hedges are classified as:

- fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment; or

- cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction, or a foreign currency risk in an unrecognised firm commitment; or

- hedges of a net investment in a foreign operation.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting, the risk management objective and its strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is “an economic relationship” between the hedged item and the hedging instrument.

- The effect of credit risk does not “dominate the value changes” that result from that economic relationship.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(q) Derivative financial instruments and hedge accounting (Continued)

Initial recognition and subsequent measurement (Continued)

- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Hedges which meet all the qualifying criteria for hedge accounting are accounted for as follows:

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised directly in other comprehensive income in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit or loss. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The amounts accumulated in other comprehensive income are accounted for, depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognised in other comprehensive income for the period. This also applies where the hedged forecast transaction of a non-financial asset or non-financial liability subsequently becomes a firm commitment to which fair value hedge accounting is applied.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(q) Derivative financial instruments and hedge accounting (Continued)

Initial recognition and subsequent measurement (Continued)

Cash flow hedges (Continued)

For any other cash flow hedges, the amount accumulated in other comprehensive income is reclassified to the statement of profit or loss as a reclassification adjustment in the same period or periods during which the hedged cash flows affect the statement of profit or loss.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in other comprehensive income must remain in accumulated other comprehensive income if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to the statement of profit or loss as a reclassification adjustment. After the discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated other comprehensive income is accounted for depending on the nature of the underlying transaction as described above.

(r) Treasury shares

Own equity instruments which are reacquired and held by the Company or the Group (treasury shares) are recognised directly in equity at cost. No gain or loss is recognised in the statement of profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

(s) Inventories

Inventories excluding spare parts are carried at the lower of cost and net realisable value. Spare parts are stated in the statement of financial position at cost less provision for write-down.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(s) Inventories (Continued)

Cost is calculated using the weighted average cost formula and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

(t) Perpetual securities

Perpetual securities are classified as equity if it is non-redeemable, or redeemable only at the issuer's option, and any interest and distributions are discretionary. Interest and distributions on perpetual securities classified as equity are recognised as distributions within equity.

Perpetual securities are classified as a liability if it is redeemable on a specific date or at the option of the holder of the note, or if any interest payments are not discretionary. The liability is recognised in accordance with the Group's policy for interest-bearing borrowings set out in Note 2(x) and, accordingly, interests thereon are recognised on an accrual basis in profit or loss as part of finance expenses.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(u) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration and only the passage of time is required before payment of that consideration is due.

Trade receivables that do not contain a significant financing component are initially measured at their transaction price. Trade receivables that contain a significant financing component and other receivables are initially measured at fair value plus transaction costs.

Insurance reimbursement is recognised and measured in accordance with Note 2(aa).

(v) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash on hand and at banks, and short-term highly liquid deposits with a maturity of generally within three months that are readily convertible into known amounts of cash, subject to an insignificant risk of changes in value and held for the purpose of meeting short-term cash commitments.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and at banks, and short-term deposits as defined above, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

(w) Trade and other payables (other than refund liabilities)

Trade and other payables are initially recognised at fair value. Subsequent to initial recognition, trade and other payables are stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at invoice amounts.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(x) Interest-bearing borrowings

Interest-bearing borrowings are measured initially at fair value less transaction costs. Subsequently, these borrowings are stated at amortised cost using the effective interest method. Interest expense is recognised in accordance with Note 2(af).

(y) Employee benefits

(i) Short term employee benefits and defined contribution retirement plans

Salaries, annual bonuses, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

In connection with pension obligations, the Group operates various defined contribution plans in accordance with the local conditions and practices in the countries and provinces in which it operate. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate publicly administered pension insurance plan on mandatory and voluntary bases. The contributions are recognised as employee benefits when incurred.

(ii) Termination benefits

Termination benefits are recognised when, and only when, the Group demonstrably commits itself to terminate employment or to provide benefits as a result of voluntary redundancy by having a detailed formal plan which is without realistic possibility of withdrawal.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(z) Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and

- in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(z) Income tax (Continued)

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and

- in respect of deductible temporary differences associated with investments in subsidiaries, associates and joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(ab) Revenue and other income

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

When the contract contains a financing component which provides the customer with a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in IFRS 15.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(ab) Revenue and other income (Continued)

Revenue from contracts with customers (Continued)

Sale of electricity, steam and goods

Revenue from the sale of electricity and goods is recognised at the point in time when control of the asset is transferred to the customer, generally when electricity is supplied to the provincial grid companies or on delivery of the goods.

Revenue from other sources and other income

Rental income is recognised on a time proportion basis over the lease terms. Variable lease payments that do not depend on an index or a rate are recognised as income in the accounting period in which they are incurred.

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Dividend income is recognised when the shareholders' right to receive payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, for which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(ab) Revenue and other income (Continued)

Revenue from other sources and other income (Continued)

Where the Group receives grants of non-monetary assets, the grants are recorded at the fair value of the non-monetary assets and released to the statement of profit or loss over the expected useful lives of the relevant assets by equal annual instalments.

Where the Group receives government loans granted with no or at a below-market rate of interest for the construction of a qualifying asset, the initial carrying amount of the government loans is determined using the effective interest rate method, as further explained in the accounting policy for "Financial liabilities" above. The benefit of the government loans granted with no or at a below-market rate of interest, which is the difference between the initial carrying value of the loans and the proceeds received, is treated as a government grant and released to the statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments.

(ac) Contract assets and contract liabilities

If the Group performs by transferring goods or services to a customer before being unconditionally entitled to the consideration under the contract terms, a contract asset is recognised for the earned consideration that is conditional. Contract assets are subject to impairment assessment, details of which are included in the accounting policies for impairment of financial assets. They are reclassified to trade receivables when the right to the consideration becomes unconditional.

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

2 MATERIAL ACCOUNTING POLICIES (Continued)

(ad) Foreign currencies

These financial statements are presented in RMB, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss.

Differences arising on settlement or translation of monetary i.078 Tngof moent of

2 MATERIAL ACCOUNTING POLICIES (Continued)

(ad) Foreign currencies (Continued)

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

The functional currencies of certain overseas subsidiaries are currencies other than RMB. As at the end of the reporting period, the assets and liabilities of these entities are translated into RMB at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into RMB at the weighted average exchange rates for the year.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve, except to the extent that the differences are attributable to NCI. On disposal of a foreign operation, the cumulative amount in the reserve relating to that particular foreign operation is recognised in the statement of profit or loss.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into RMB at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into RMB at the weighted average exchange rates for the year.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(ae) Discontinued operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

- represents a separate major line of business or geographic area of operations;
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale.

When an operation is classified as a discontinued operation, the comparative consolidated statement of profit or loss and other comprehensive income is re-presented as if the operation had been discontinued from the start of the comparative year.

(af) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(ag) Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting. Proposed final dividends are disclosed in the notes to the financial statements.

(ah) Segment reporting

Operating segments, and the amounts of each segment item reported in the consolidated financial statements, are identified from the financial statements provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

(ai) Related parties

A party is considered to be related to the Group if:

(a) the party is a person or a close member of that person's family and that person:

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Group or the Group's parent.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(ai) Related parties (Continued)

(b) the party is an entity where any of the following conditions applies:

(i) The entity and the Group are members of the same group;

(ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity) ;

(iii) the entity and the Group are joint ventures of the same third party;

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third party;

(v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;

(vi) The entity is controlled or jointly controlled by a person identified in Note (a);

(vii) A person identified in Note (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and

(viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

3 CHANGES IN ACCOUNTING POLICIES

The Group has applied the following amendments to IFRS Accounting Standards issued by the IASB to these financial statements for the current accounting period:

Amendments to IAS 1	*Presentation of financial statements: Classification of liabilities as current or non-current (the "2020 Amendments")*
Amendments to IAS 1	*Presentation of financial statements: Non-current Liabilities with covenants (the "2022 Amendments")*
Amendments to IFRS 16	*Leases: Lease liability in a sale and leaseback*
Amendments to IAS 7	*Statement of cash flows*
Amendments IFRS 7	*Financial instruments: Disclosures – Supplier finance arrangements*

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period. Impacts of the adoption of the amended IFRS Accounting Standards are discussed below:

(i) Amendments to IAS 1, *Presentation of financial statements* (the 2020 and 2022 amendments, collectively the "IAS 1 amendments")

The IAS 1 amendments impact the classification of a liability as current or non-current, and are applied retrospectively as a package.

The 2020 amendments primarily clarify the classification of a liability that can be settled in its own equity instruments. If the terms of a liability could, at the option of the counterparty, result in its settlement by the transfer of the entity's own equity instruments and that conversion option is accounted for as an equity instrument, these terms do not affect the classification of the liability as current or non-current. Otherwise, the transfer of equity instruments would constitute settlement of the liability and impact classification.

3 CHANGES IN ACCOUNTING POLICIES (Continued)

(i) Amendments to IAS 1, *Presentation of financial statements* (the 2020 and 2022 amendments, collectively the "IAS 1 amendments") (Continued)

The 2022 amendments specify that conditions with which an entity must comply after the reporting date do not affect the classification of a liability as current or non-current. However, the entity is required to disclose information about non-current liabilities subject to such conditions.

Upon the adoption of the amendments, the Group has reassessed the classification of its liabilities as current or non-current and the amendments have no material effect on the Group's consolidated financial statements. The Group has provided additional disclosures about its non-current liabilities subject to covenants in Note 37(c).

(ii) Amendments to IFRS 16, *Lease: Lease liability in a sale and leaseback*

The amendments clarify how an entity accounts for a sale and leaseback after the date of the transaction. The amendments require the seller-lessee to apply the general requirements for subsequent accounting of the lease liability in such a way that it does not recognise any gain or loss relating to the right of use it retains. A seller-lessee is required to apply the amendments retrospectively to sale and leaseback transactions entered into after the date of initial application. The amendments do not have a material impact on these financial statements as the Group has not entered into any sale and leaseback transactions.

(iii) Amendments to IAS 7, *Statement of cash flows and* IFRS 7, *Financial instruments: disclosures – Supplier finance arrangements*

The amendments introduce new disclosure requirements to enhance transparency of supplier finance arrangements and their effects on an entity's liabilities, cash flows and exposure to liquidity risk. The amendments do not have a material impact on these financial statements as the Group does not have any supplier finance arrangements.

4 CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires Management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

(a) Impairment losses on non-current assets

In considering the impairment losses that may be required for certain of the Group's assets which include property, plant and equipment, right-of-use assets, intangible assets, goodwill and investments in associates and joint ventures, the recoverable amount of the asset needs to be determined. The recoverable amount is the greater of the fair value less costs to sell and the value in use. In determining the value in use for each smallest identifiable group of assets that generate independent cash flows ("**CGU**"), expected cash flows generated by each CGU are discounted to their present value, which requires significant judgement relating to items such as future sales volumes, future on-grid tariffs, future operating costs and the discount rates applied. The Group uses all readily available information in determining an amount that is the reasonable approximation of the recoverable amount, including estimates based on reasonable and supportable assumptions and projections of items such as future sales volumes, future on-grid tariffs, future operating costs and the discount rates applied.

5 DISCONTINUED OPERATIONS (Continued)

(a) Results of discontinued operations

	Note	For the period from 1 January 2024 to the dates of Disposals RMB'000	2023 RMB'000
Revenue	6	**5,699,828**	8,418,208
Other net income		**8,447**	56,424
Operating expenses			
Depreciation and amortisation		**(187,807)**	(298,973)
Coal consumption		**(2,382,313)**	(3,435,572)
Coal sales costs		**(1,874,140)**	(3,119,292)
Personnel costs		**(469,429)**	(652,717)
Repair and maintenance		**(127,728)**	(136,098)
Administration expenses		**(122,134)**	(127,257)
Impairment losses on financial assets, net		**(1,200)**	(4,506)
Other operating expenses		**(295,789)**	(305,348)
		(5,460,540)	(8,079,763)
Operating profit		**247,735**	394,869
Finance income		**5,968**	10,409
Finance expenses		**(43,798)**	(58,142)
Net finance expenses		**(37,830)**	(47,733)

5 DISCONTINUED OPERATIONS (Continued)

(a) Results of discontinued operations

	Note	For the period from 1 January 2024 to the dates of Disposals RMB'000	2023 RMB'000
Share of profits less losses of associates and joint ventures		**105,898**	23,003
Results from operating activities		**315,803**	370,139
Income tax expense		**(66,045)**	(116,452)
Results from operating activities, net of tax		**249,758**	253,687
Gain on sale of discontinued operations		**646,003**	–
Income tax on gain on sale of discontinued operations		**(213,339)**	–
Profit from discontinued operations, net of tax		**682,422**	253,687
Earnings per share			
Basic and diluted earnings per share *(RMB cents)*	14	**6.03**	0.79

5 DISCONTINUED OPERATIONS (Continued)

The profit from the discontinued operations of RMB504,155,000(2023: RMB66,636,000) is attributable to the shareholders of the Company.

(b) Cash flows from/(used in) discontinued operations

	For the period from 1 January 2024 to the dates of Disposals *RMB'000*	2023 *RMB'000*
Net cash from operating activities	**427,355**	633,896
Net cash from/(used in) investing activities	**741,858**	(512,042)
Net cash from/(used in) financing activities	**69,851**	(174,519)
Net cash inflows/(outflows) for the period/ year	**1,239,064**	(52,665)

5 DISCONTINUED OPERATIONS (Continued)

(c) Effect of the Disposals on the financial position of the Group

	As at the dates of Disposals *RMB'000*
Property, plant and equipment	3,310,523
Right-of-use assets	225,658
Goodwill	49,949
Investments in associates and joint ventures	1,349,490
Other assets	50,000
Deferred tax assets	16,072
Inventories	425,322
Trade and bills receivables	579,406
Prepayments and other current assets	745,594
Other financial assets	311,000
Cash at banks and on hand	202,629
Total assets	7,265,643
Borrowings – non-current portion	790,754
Borrowings – current portion	1,097,321
Trade and bills payables	1,373,488
Other current liabilities	1,003,303
Tax payable	33,703
Deferred income	79,127
Deferred tax liabilities	3,132
Other non-current liabilities	134,341
Total liabilities	4,515,169
Net assets	2,750,474
Less: Non-controlling interests	(847,822)
Net assets attributable to shareholders of the Company	1,902,652

5 DISCONTINUED OPERATIONS (Continued)

(c) Effect of the Disposals on the financial position of the Group (Continued)

	Up to the dates of Disposals *RMB'000*
Consideration received, satisfied in cash	1,319,150
Fair value of interests in Nantong Tiandian retained as an investment in an associate	1,229,505
Carrying amounts of net assets disposed of	(1,902,652)
Gain on sale of discontinued operations	646,003
Consideration received, satisfied in cash	1,319,150
Cash and cash equivalents	(202,629)
Net cash inflows	1,116,521

6 REVENUE

The amount of each significant category of revenue recognised during the year is as follows:

	2024	*2023* (Restated)
	RMB'000	*RMB'000*
Revenue from contracts with customers within the scope of IFRS 15		
CONTINUING OPERATIONS		
Sales of electricity	**30,968,914**	29,191,378
Others	**385,545**	428,844
	31,354,459	29,620,222
DISCONTINUED OPERATIONS		
Sales of electricity	**2,842,869**	3,970,756
Sales of steam	**520,964**	828,543
Sales of coal	**1,940,872**	3,241,927
Others	**394,573**	376,296
	5,699,278	8,417,522
	37,053,737	38,037,744
Revenue from other sources		
CONTINUING OPERATIONS		
Rental income	**15,360**	10,577
DISCONTINUED OPERATIONS		
Rental income	**550**	686
	15,910	11,263
	37,069,647	38,049,007

6 REVENUE (Continued)

(i) Disaggregated revenue information:

	For the year ended 31 December 2024					
	CONTINUING OPERATIONS				DISCONTINUED OPERATIONS	
	Wind power	PV power	All others	Subtotal	Coal power	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Types of goods and services						
Sales of electricity	28,564,282	2,390,600	14,032	30,968,914	2,842,86911 1 69(000l86978.722 0 Td[(RMB')-12	

6 REVENUE (Continued)

(i) Disaggregated revenue information: (Continued)

	For the year ended 31 December 2023					
	CONTINUING OPERATIONS				DISCONTINUED OPERATIONS	
	Wind power (Restated) *RMB'000*	PV power (Restated) *RMB'000*	All others *RMB'000*	Subtotal (Restated) *RMB'000*	Coal power *RMB'000*	Total (Restated) *RMB'000*
Types of goods and services						
Sales of electricity	27,589,122	1,587,926	14,330	29,191,378	3,970,756	33,162,134
Sales of steam	–	–	–	–	828,543	828,543
Sales of coal	–	–	–	–	3,241,927	3,241,927
Others	135,738	21,223	282,460	439,421	376,982	816,403
	27,724,860	1,609,149	296,790	29,630,799	8,418,208	38,049,007
Geographic markets						
Chinese Mainland	27,003,322	1,609,149	296,790	28,909,261	8,418,208	37,327,469
Canada	182,493	–	–	182,493	–	182,493
South Africa	405,810	–	–	405,810	–	405,810
Ukraine	133,235	–	–	133,235	–	133,235
	27,724,860	1,609,149	296,790	29,630,799	8,418,208	38,049,007
Timing of revenue recognition						
Goods transferred at a point of time	27,649,631	1,609,149	14,330	29,273,110	8,202,190	37,475,300
Services transferred over time	75,229	–	282,460	357,689	216,018	573,707
	27,724,860	1,609,149	296,790	29,630,799	8,418,208	38,049,007

6 REVENUE (Continued)

(ii) Performance obligations

6 REVENUE (Continued)

(ii) Performance obligations (Continued)

Rendering of services (Continued)

The amounts of transaction prices allocated to the remaining performance obligations which are expected to be recognised as revenue after one year relate to the rendering of services, of which the performance obligations are to be satisfied within two or twenty years. All the other amounts of transaction prices allocated to the remaining performance obligations are expected to be recognised as revenue within one year.

7 OTHER NET INCOME

	2024	*2023* (Restated)
	RMB'000	*RMB'000*
CONTINUING OPERATIONS		
Government grants	**1,025,198**	1,118,468
(Loss)/Gain on disposal of property, plant and equipment, right-of-use assets and intangible assets	**(10,154)**	22,265
Gain on disposal of associates	**21,257**	–
Loss on disposal of a subsidiary *(Note 43)*	**(26,411)**	(28,596)
Remeasurement to fair value of pre-existing interests in acquirees *(Note 42(b))*	**(15,019)**	–
Gain on a bargain purchase arising from acquisitions of subsidiaries *(Note 42(b))*	**22,571**	–
Others	**181,329**	158,129
	1,198,771	1,270,266

8 FINANCE INCOME AND EXPENSES

	2024	2023 (Restated)
	RMB'000	*RMB'000*
CONTINUING OPERATIONS		
Interest income on financial assets	**108,228**	234,257
Dividend income	**10,851**	4,547
Net unrealised profits on derivative financial instruments	**25,425**	–
Foreign exchange gain	**1,875**	1,913
Finance income	**146,379**	240,717
Less:		
Interest on bank and other borrowings wholly repayable within five years	**2,495,513**	2,502,131
Interest on bank and other borrowings repayable more than five years	**1,136,893**	1,201,272
Interest on lease liabilities	**109,295**	73,377
Less: Interest expenses capitalised into property, plant and equipment and intangible assets	**(313,076)**	(358,316)
	3,428,625	3,418,464
Foreign exchange losses	**67,095**	175,110
Net unrealised losses on trading securities and derivative financial instruments	**10,248**	51,268
Bank charges and others	**61,865**	53,717
Finance expenses	**3,567,833**	3,698,559
Net finance expenses	**3,421,454**	3,457,842

The borrowing costs have been capitalised at rates of 1.30% to 4.89% per annum for the year ended 31 December 2024 (2023 (restated): 1.05% to 4.99%).

9 PROFIT BEFORE TAXATION

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

(a) Personnel costs

	2024	2023 (Restated)
	RMB'000	*RMB'000*
CONTINUING OPERATIONS		
Salaries, wages and other benefits	**3,301,665**	2,909,963
Contributions to defined contribution retirement plans	**445,203**	411,324
	3,746,868	3,321,287

(b) Other items

	2024	2023 (Restated)
	RMB'000	*RMB'000*
CONTINUING OPERATIONS		
Amortisation		
– intangible assets	**517,831**	597,186
Depreciation		
– property, plant and equipment	**10,757,515**	9,802,000
– right-of-use assets	**283,791**	221,307
Provision/(reversal) of impairment losses on:		
– property, plant and equipment	**695,492**	1,519,557
– trade receivables	**114,335**	66,810
– other receivables	**(30,040)**	4,266
– intangible assets	**324,843**	636,125
– right-of-use assets	**–**	2,486

9 PROFIT BEFORE TAXATION (Continued)

(b) Other items (Continued)

	2024	2023 (Restated)
	RMB'000	*RMB'000*
Write down of inventories *	**3,219**	1,105
Net foreign exchange losses	**(65,220)**	(173,197)
Auditors' remuneration		
– annual audit services	**21,860**	23,169
– interim review services	**5,566**	6,300
– other services	**–**	470
Cost of inventories	**67,895**	78,841

* The write down of inventories is included in "Other operating expenses" in the "Consolidated Statement of Profit or Loss and Other Comprehensive Income".

(c) Other operating expenses

	2024	2023 (Restated)
	RMB'000	*RMB'000*
CONTINUING OPERATIONS		
Insurance expenses	**273,264**	261,977
Other tax expenses	**190,380**	204,598
Purchase of electricity charges	**179,362**	137,324
Technical service expenses	**437,093**	368,741
Write down of inventories	**3,219**	1,105
Others	**455,689**	414,702
	1,539,007	1,388,447

10 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(a) Taxation in the consolidated statement of profit or loss and other comprehensive income represents:

	2024	2023 (Restated)
	RMB'000	*RMB'000*
CONTINUING OPERATIONS		
Current tax		
Provision for the year	**1,600,695**	1,681,627
Under-provision in respect of prior years	**22,534**	22,346
	1,623,229	1,703,973
Deferred tax		
Origination and reversal of temporary differences *(Note 32(b))*	**49,709**	(296,452)
	1,672,938	1,407,521

Notes:

(i) The provision for income tax of the PRC subsidiaries of the Group is calculated based on the statutory rate of 25% of the assessable profits of the Group as determined in accordance with the relevant PRC income tax rules and regulations, except for certain subsidiaries of the Group, which are taxed at preferential rates of 0% to 15% according to the relevant tax authorities' approvals.

10 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (Continued)

(a) Taxation in the consolidated statement of profit or loss and other comprehensive income represents: (Continued)

Notes: (Continued)

(i) Pursuant to CaiShui [2008] No. 46 Notice on the Execution of the Catalogue of Public Infrastructure Projects Entitled for Preferential Tax Treatment, certain subsidiaries of the Group, which are engaged in public infrastructure projects, are each entitled to a tax holiday of a 3-year full exemption followed by a 3-year 50% exemption commencing from their respective first operating income generating year.

According to the Announcement on Continuation of Enterprise Income Tax in West Development published by the Ministry of Finance of the People's Republic of China (the "Ministry of Finance"), the State Taxation Administration and the National Development and Reform Commission (the "NDRC") on 23 April 2020, the subsidiaries established in the Western Region of the PRC are authorised to be taxed at a preferential income tax rate of 15% till 31 December 2030.

(ii) Hero Asia Investment Limited, a subsidiary of the Group incorporated in Hong Kong, is subject to Hong Kong profits tax at 16.5%. Pursuant to the rules and regulations of the British Virgin Islands ("BVI"), Hero Asia (BVI) Company Limited, a subsidiary of the Group, is not subject to any income tax in the BVI.

Hero Asia Investment Limited and Hero Asia (BVI) Company Limited, being overseas enterprises controlled by a PRC enterprise, are considered as the PRC tax residents in accordance with GuoShuiFa [2009] No. 82. Accordingly, they are subject to the PRC income tax at 25%, and dividends receivable by these two companies are exempted from the PRC dividend withholding tax.

Longyuan Canada Renewables Ltd., a subsidiary of the Group in Canada, is subject to income tax at a rate of 26.5%. Longyuan South Africa Renewables Proprietary Ltd., a subsidiary of the Group in South Africa, is subject to income tax at a rate of 27%. Ukraine Yuzhne Energy Co., Ltd. and Longyuan Ukraine Southern Wind Power Generation Co., Ltd., subsidiaries of the Group in Ukraine, are subject to income tax at a rate of 18%.

10 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (Continued)

(b) Reconciliation between tax expense and accounting profit at applicable tax rates:

	2024	2023 (Restated)
	RMB'000	*RMB'000*
CONTINUING OPERATIONS		
Profit before taxation	**9,358,449**	8,118,004
Notional tax on profit before taxation	**2,339,612**	2,029,501
Tax effect of non-deductible expenses	**15,247**	21,328
Tax effect of share of profits less losses of associates and joint ventures	**(41,286)**	(1,125)
Tax effect of non-taxable income	**(2,713)**	(1,551)
Effect of differential tax rates of certain subsidiaries of the Group	**(1,047,615)**	(1,172,644)
Use of unrecognised tax losses in prior years	**(37,112)**	(22,707)
Tax effect of unused tax losses and deductible temporary differences not recognised	**424,271**	532,373
Under-provision in respect of prior years	**22,534**	22,346
Income tax	**1,672,938**	1,407,521

11 DIRECTORS' AND SUPERVISORS' EMOLUMENTS

Directors' and supervisors' emoluments disclosed pursuant to the Listing Rules section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

For the year ended 31 December 2024:

	Directors' and supervisors' fees *RMB'000*	Salaries, allowances and benefits in kind *RMB'000*	Discretionary bonuses *RMB'000*	Retirement scheme contributions *RMB'000*
Directors				
Mr. Gong Yufei (Chairman)	–	500	1,495	210
Mr. Tang Jian (Chairman) (Resigned in May 2024)	–	232	1,127	90
Mr. Wang Liqiang (Appointed in June 2024)	–	268	568	87
Mr. Tang Chaoxiong (Resigned in November 2024)	–	–	–	–
Ms. Wang Xuelian (Appointed in June 2024)	–	–	–	–
Ms. Chen Jie (Appointed in June 2024)	–	–	–	–
Mr. Zhang Tong (Appointed in August 2024)	–	–	–	–
Mr. Wang Yiguo (Resigned in February 2024)	–	–	–	–
Mr. Ma Bingyan (Resigned in July 2024)	–	–	–	–
Mr. Wang Yong (Appointed in December 2024)	–	–	–	–
Independent non-executive Directors				
Mr. Michael Ngai Ming Tak	143	–	–	–
Mr. Gao Debu	143	–	–	–
Ms. Zhao Feng	143	–	–	–
Supervisors				
Mr. Liu Jinji	–	–	–	–
Ms. Hao Jingru	–	–	–	–
Ms. Wu Jinmei (Resigned in January 2025)	–	113	569	36
Mr. Liu Jintao (Appointed in January 2025)	–	–	–	–
	429	1,113	3,759	423

11 DIRECTORS' AND SUPERVISORS' EMOLUMENTS (Continued)

For the year ended 31 December 2023:

	Directors' and supervisors' fees	Salaries, allowances and benefits in kind

12 INDIVIDUALS WITH HIGHEST EMOLUMENTS

The numbers of directors and non-directors included in the five highest paid individuals for the years ended 31 December 2024 and 2023 are set forth below:

	2024	2023
	RMB'000	*RMB'000*
Directors	**1**	2
Non-directors	**4**	3
	5	5

The emoluments of the directors are disclosed in Note 11. The emoluments of the highest paid non-director individuals are as follows:

	2024	2023
	RMB'000	*RMB'000*
Salaries and other emoluments	**1,736**	845
Discretionary bonuses	**4,837**	3,364
Retirement scheme contributions	**623**	621
	7,196	4,830

The emoluments of the non-director individuals with the highest emoluments are within the following bands:

	2024	2023
	RMB'000	*RMB'000*
HKD1,500,001 to HKD2,000,000	**3**	3
HKD2,000,001 to HKD2,500,000	**1**	–

During the year, no emolument was paid to the five highest paid employees as an inducement to join or upon joining the Company or as compensation for loss of office (2023: nil).

No five highest paid employees had waived or agreed to waive any emoluments during the years 2024 and 2023.

13 OTHER COMPREHENSIVE INCOME

	2024	2023 (Restated)
	RMB'000	*RMB'000*
CONTINUING OPERATIONS		
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:		
Equity investments at fair value through other comprehensive income ("FVOCI"):		
– Changes in fair value recognised during the year	**4,095**	(5,974)
– Tax (expense)/credit	**(484)**	6,478
Net of tax amount	**3,611**	504
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations:		
– Before and net of tax amount	**51,989**	22,475
Exchange differences on net investment in foreign operations:		
– Before and net of tax amount	**(1,413)**	(947)
Other comprehensive income for the year, net of tax	**54,187**	22,032

14 EARNINGS PER SHARE

(a) Basic earnings per share

I. Profit attributable to ordinary shareholders

	2024			2023		
	Continuing operations	Discontinued operations	Total	Continuing operations (Restated)	Discontinued operations	Total (Restated)
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Profit attributable to ordinary shareholders	**5,874,537**	**504,155**	**6,378,692**	6,189,118	66,636	6,255,754

II. Weighted-average number of ordinary shares

	2024	2023
	RMB'000	*RMB'000*
Issued ordinary shares at 1 January	**8,381,963**	8,381,963
Effect of shares repurchased in 2023 *(Note 36(d))*	**(10,335)**	(827)
Effect of shares repurchased in 2024 *(Note 36(d))*	**(11,302)**	–
Weighted-average number of ordinary shares at 31 December	**8,360,326**	8,381,136

(b) Diluted earnings per share

There was no difference between the basic and diluted earnings per share as there were no dilutive potential shares outstanding for the years presented.

15 SEGMENT REPORTING

The Group manages its businesses by divisions, which are organised by types of business. Consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following reportable segments:

– Wind power: this segment constructs, manages and operates wind power plants and generates electric power for sale to external power grid companies.

– Coal power(disposed of in 2024 and presented as discontinued operations, see Note 5): this segment constructs, manages and operates coal power plants and generates electric power for sale to external power grid companies and coal trading business.

– PV power: this segment constructs, manages and operates photovoltaic power plants and generates electric power for sale to external power grid companies.

The Group combined other business activities that are not mentioned above in "All others". Revenue included in this category is mainly from the manufacturing and sale of power equipment, the provision of consulting services, maintenance and training services to wind power plants, and other renewable power generation.

15 SEGMENT REPORTING (Continued)

(a) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following basis:

Segment assets do not include investments in associates and joint ventures, equity investments at fair value through other comprehensive income, financial assets at fair value through profit or loss, other financial assets, tax recoverable, deferred tax assets and unallocated head office and corporate assets. Segment liabilities do not include deferred tax liabilities, tax payable and unallocated head office and corporate liabilities.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments. Segment revenue and expenses do not include share of profits less losses of associates and joint ventures, net finance expenses and cost and unallocated head office and corporate expenses.

15 SEGMENT REPORTING (Continued)

(a) Segment results, assets and liabilities (Continued)

The measure used for reporting segment profit is the operating profit. Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the years ended 31 December 2024 and 2023 is set out below:

For the year ended 31 December 2024:

	CONTINUING OPERATIONS				DISCONTINUED OPERATIONS	
	Wind power *RMB'000*	PV power *RMB'000*	All others *RMB'000*	Subtotal *RMB'000*	Coal power *RMB'000*	Total *RMB'000*
Revenue from external customers						
– Sales of electricity	28,564,282	2,390,600	14,032	30,968,914	2,842,869	33,811,783
– Others	101,932	50,842	248,131	400,905	2,856,959	3,257,864
Subtotal	28,666,214	2,441,442	262,163	31,369,819	5,699,828	37,069,647
Inter-segment revenue	–	–	1,121,777	1,121,777	–	1,121,777
Reportable segment revenue	28,666,214	2,441,442	1,383,940	32,491,596	5,699,828	38,191,424
operating R 1u28 7,66 (2,390,600)Tj81 0 24,312,968,91432,491,596						
Reportable segment profit						

15 SEGMENT REPORTING (Continued)

(a) Segment results, assets and liabilities (Continued)

For the year ended 31 December 2024: (Continued)

	CONTINUING OPERATIONS				DISCONTINUED OPERATIONS	
	Wind power *RMB'000*	PV power *RMB'000*	All others *RMB'000*	Subtotal *RMB'000*	Coal power *RMB'000*	Total *RMB'000*
Depreciation and amortisation before inter-segment elimination	(10,360,310)	(1,244,318)	(177,639)	(11,782,267)	(187,807)	(11,970,074)
Provision of impairment losses of trade and other receivables	(116,852)	(20)	23,397	(93,475)	(1,200)	(94,675)
Provision of impairment losses of non-current assets	(783,224)	(236,834)	(277)	(1,020,335)	–	(1,020,335)
Write down of inventories	(3,219)	–	–	(3,219)	–	(3,219)
Interest income	87,611	781	19,836	108,228	991	109,219
Interest expense	(2,693,512)	(438,228)	(296,885)	(3,428,625)	(41,585)	(3,470,210)
Reportable segment assets	206,974,935	52,308,540	9,621,850	268,905,325	–	268,905,325
Expenditures for reportable segment non-current assets during the year	11,097,767	16,556,326	1,519,442	29,173,535	28,030	29,201,565
Reportable segment liabilities	128,545,109	39,594,686	8,615,850	176,755,645	–	176,755,645

15 SEGMENT REPORTING (Continued)

(a) Segment results, assets and liabilities (Continued)

For the year ended 31 December 2023:

	CONTINUING OPERATIONS				DISCONTINUED OPERATIONS	
	Wind power (Restated)	PV power (Restated)	All others	Subtotal (Restated)	Coal power	Total (Restated)
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Revenue from external customers						
– Sales of electricity	27,589,122	1,587,926	14,330	29,191,378	3,970,756	33,162,134
– Others	135,738	21,223	282,460	439,421	4,447,452	4,886,873
Subtotal	27,724,860	1,609,149	296,790	29,630,799	8,418,208	38,049,007
Inter-segment revenue	–	–	767,008	767,008	–	767,008

15 SEGMENT REPORTING (Continued)

(a) Segment results, assets and liabilities (Continued)

For the year ended 31 December 2023: (Continued)

	CONTINUING OPERATIONS				DISCONTINUED OPERATIONS	
	Wind power (Restated)	PV power (Restated)	All others	Subtotal (Restated)	Coal power	Total (Restated)
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Depreciation and amortisation before inter-segment elimination	(10,075,611)	(568,098)	(53,965)	(10,697,674)	(298,973)	(10,996,647)
Provision of impairment losses of trade and other receivables	(17,892)	(2,596)	(50,588)	(71,076)	(4,506)	(75,582)
Provision of impairment losses of long-term assets	(2,095,665)	(49,383)	(13,120)	(2,158,168)	–	(2,158,168)
Write down of inventories	–	–	(1,105)	(1,105)	–	(1,105)
Interest income	72,774	1,754	159,729	234,257	3,043	237,300
Interest expense	(2,706,352)	(258,410)	(453,702)	(3,418,464)	(56,701)	(3,475,165)
Reportable segment assets	202,854,442	35,018,933	9,746,052	247,619,427	5,242,555	252,861,982
Expenditures for reportable segment non-current assets during the year	12,831,698	13,164,362	981,488	26,977,548	431,093	27,408,641
Reportable segment liabilities	119,285,113	24,999,516	13,963,426	158,248,055	3,873,609	162,121,664

15 SEGMENT REPORTING (Continued)

(b) Reconciliations of reportable segment revenue, profit or loss, assets and liabilities

	2024	2023 (Restated)
	RMB'000	*RMB'000*
Revenue		
Reportable segment revenue	**38,191,424**	38,816,015
Elimination of inter-segment revenue	**(1,121,777)**	(767,008)
Elimination of discontinued operations	**(5,699,828)**	(8,418,208)
Consolidated revenue	**31,369,819**	29,630,799
Profit		
Reportable segment profit	**13,274,184**	12,211,554
Elimination of inter-segment profit	**(86,293)**	(24,824)
Elimination of discontinued operations	**(247,735)**	(394,869)
	12,940,156	11,791,861
Share of profits less losses of associates and joint ventures	**165,144**	4,501
Net finance expenses	**(3,421,454)**	(3,457,842)
Unallocated head office and corporate expenses	**(325,397)**	(220,516)
Consolidated profit before taxation from continuing operations	**9,358,449**	8,118,004

15 SEGMENT REPORTING (Continued)

(b) Reconciliations of reportable segment revenue, profit or loss, assets and liabilities (Continued)

	2024	2023 (Restated)
	RMB'000	*RMB'000*
Assets		
Reportable segment assets	**268,905,325**	252,861,982
Inter-segment elimination	**(9,203,371)**	(7,565,864)
	259,701,954	245,296,118
Investments in associates and joint ventures	**5,860,406**	5,994,794
Equity investments at fair value through other comprehensive income	**186,958**	182,863
Financial assets at fair value through profit or loss		

15 SEGMENT REPORTING (Continued)

(b) Reconciliations of reportable segment revenue, profit or loss, assets and liabilities (Continued)

	2024	2023 (Restated)
	RMB'000	*RMB'000*
Liabilities		
Reportable segment liabilities	176,755,645	162,121,664
Inter-segment elimination	(27,112,404)	(28,020,181)
	149,643,241	134,101,483
Tax payable	659,531	458,953
Deferred tax liabilities	345,713	261,813
Unallocated head office and corporate liabilities	85,572,550	80,438,401
Elimination	(64,654,768)	(61,442,266)
Consolidated total liabilities	171,566,267	153,818,384

(c) Geographical information

(i) External revenue generated from the following countries:

	Continuing operations		Discontinuing operations	
	2024	2023 (Restated)	2024	2023 (Restated)
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
PRC	**30,643,675**	28,909,261	**5,699,828**	8,418,208
Overseas	**726,144**	721,538	**–**	–
Total	**31,369,819**	29,630,799	**5,699,828**	8,418,208

15 SEGMENT REPORTING (Continued)

(c) Geographical information (Continued)

(i) External revenue generated from the following countries: (Continued)

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

(ii) Non-current assets (excluding investments in associates and joint ventures, deferred tax assets and financial assets included in other assets) located in the following countries:

	2024	2023 (Restated)
	RMB'000	*RMB'000*
PRC	**204,026,482**	182,452,019
Overseas	**3,044,528**	3,306,370
Total	**207,071,010**	185,758,389

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

(d) Major customers

Revenue from the PRC government-controlled power grid companies amounted to RMB32,809,727,000 for the year ended 31 December 2024 (2023(restated): RMB32,287,313,000).

16 PROPERTY, PLANT AND EQUIPMENT

	Buildings and structures *RMB'000*	Generators and related equipment *RMB'000*	Motor vehicles *RMB'000*	Furniture, fixtures and others *RMB'000*	Construction in progress *RMB'000*	Total *RMB'000*
Cost:						
At 1 January 2023	18,625,226	193,660,093	363,038	2,595,260	19,359,222	234,602,839
Business combination under common control *(Note 42(a))*	194,942	2,179,394	2,355	1,702	1,761,480	4,139,873
At 1 January 2023 (Restated)	18,820,168	195,839,487	365,393	2,596,962	21,120,702	238,742,712
Additions (Restated)	2,765	1,164,743	9,815	120,925	23,702,466	25,000,714
Transfer from construction in progress (Restated)	566,392	17,011,421	–	243,947	(17,821,760)	–
Transfer to intangible assets	–	–	–	–	(7,851)	(7,851)
Disposals	(2,780)	(56,600)	(8,962)	(42,442)	(7,793)	(118,577)
Disposal of subsidiaries	(77,429)	(71,613)	–	–	(102,565)	(251,607)
Reclassification	145,755	(145,755)	–	–	–	–
Reclassification between assets	(5,200)	150,581	–	738	(117,197)	28,922
Exchange adjustments	325	(66,932)	19	7,130	(8,439)	(67,897)
At 31 December 2023 (Restated)	19,449,996	213,825,332	366,265	2,927,260	26,757,563	263,326,416
At 1 January 2024	**19,449,996**	**213,825,332**	**366,265**	**2,927,260**	**26,757,563**	**263,326,416**
Additions	**34,875**	**1,013,305**	**13,843**	**239,551**	**23,634,788**	**24,936,362**
Transfer from construction in progress	**1,637,900**	**21,998,913**	**–**	**240,759**	**(23,877,572)**	**–**
Acquisition of subsidiaries *(Note 42(b))*	**17,184**	**1,076,424**	**–**	**288**	**1,118,709**	**2,212,605**
Disposals	**(7,194)**	**(748,369)**	**(17,196)**	**(9,635)**	**(11,209)**	**(793,603)**
Disposal of subsidiaries *(Note 43)*	**(2,453,846)**	**(7,566,093)**	**(26,289)**	**(584,559)**	**(334,410)**	**(10,965,197)**
Exchange adjustments	**(3,393)**	**(141,737)**	**–**	**(252)**	**(68,196)**	**(213,578)**
At 31 December 2024	**18,675,522**	**229,457,775**	**336,623**	**2,813,412**	**27,219,673**	**278,503,005**

	Buildings and structures	Generators and related equipment	Motor vehicles	Furniture, fixtures and others	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Accumulated depreciation and impairment losses:						
At 1 January 2023	6,571,689	72,781,386	316,262	1,811,041	1,148,759	82,629,137
Business combination under common control *(Note 42(a))*	631	50,698	221	118	–	51,668
At 1 January 2023 (Restated)	6,572,320	72,832,084	316,483	1,811,159	1,148,759	82,680,805
Depreciation (Restated)	492,918	9,229,819	8,705	378,616	–	10,110,058
Impairment (Restated) *(note (i))*	12,409	1,230,068	–	–	277,080	1,519,557
Write-back on disposals	(312)	(47,464)	(8,782)	(38,929)	(6,418)	(101,905)
Disposal of subsidiaries	(77,429)	(71,613)	–	–	(102,565)	(251,607)
Reclassification	52,381	(52,381)	–	–	–	–
Reclassification between assets	(2,204)	11,878	–	261	–	9,935
Exchange adjustments	219	(11,186)	5	3,705	(2,801)	(10,058)
At 31 December 2023 (Restated)	7,050,302	83,121,205	316,411	2,154,812	1,314,055	93,956,785
At 1 January 2024	**7,050,302**	**83,121,205**	**316,411**	**2,154,812**	**1,314,055**	**93,956,785**
Depreciation	**372,390**	**10,233,831**	**8,920**	**326,229**	**–**	**10,941,370**
Impairment *(note (i))*						

16 PROPERTY, PLANT AND EQUIPMENT (Continued)

* *Certain of the Group's interest-bearing bank borrowings and bonds were secured by the Group's equipment, which had an aggregate net book value of RMB4,439,235,000 as at 31 December 2024 (31 December 2023 (restated): RMB3,822,863,000).*

Note:

(i) Provision of impairment losses

For the year ended 31 December 2024, the wind power segment, the PV segment and the other segment of the Group recognised impairment losses for property, plant and equipment ("PPE"), intangible assets and right-of-use assets of RMB1,020,335,000 (2023 (restated): RMB2,158,168,000). The impairment losses included the impairment of individual assets and impairment for CGUs, which are included in "Impairment losses on non-current assets" in the "Consolidated Statement of Profit or Loss and Other Comprehensive Income".

– Impairment of individual assets

For the year ended 31 December 2024, certain construction in progress in the wind power segment, the PV power segment and other segment were in long-term delay of construction progress or suspended due to various factors. The Group impaired those assets and recognised an impairment loss of RMB100,412,000 (2023: RMB292,804,000).

– Impairment for CGUs

When any indicators of impairment are identified, PPE or intangible assets are reviewed for impairment based on each CGU. The CGU is an individual plant or individual entity. The carrying values of these individual plants or entities were compared to the recoverable amounts of the CGUs.

(a) For the year ended 31 December 2024, certain wind farms of the Group carried out the special programme of replacing smaller units of wind turbines with larger ones, the generators and related equipment of these wind farms will be demolished in the near future and would no longer be used, the recoverable amount of these CGUs is lower than their carrying amount. The Group estimated the recoverable amount of these CGUs based on value-in-use, which is calculated using future cash flows and discounted at an appropriate discount rate. Based on Management's assessment, the recoverable amount of these CGUs as at 31 December 2024 was RMB9,902,000, an impairment loss of RMB154,689,000 was recognised, of which RMB27,899,000 was included in impairment loss of PPE, RMB126,790,000 was included in impairment loss of intangible assets.

16 PROPERTY, PLANT AND EQUIPMENT (Continued)

Note: (Continued)

(i) Provision of impairment losses (Continued)

– Impairments for CGUs (Continued)

(b) For the year ended 31 December 2024, some projects of certain subsidiaries in wind power segment and the PV segment of the Group had a decline in the expectation of profitability which showed indications of impairment of the related PPE. The Group estimated the recoverable amount of these CGUs based on value-in-use, which was calculated using future cash flows and discounted at an appropriate discount rate. Based on Management's assessment, the recoverable amount of the CGUs as at 31 December 2024 was RMB864,361,000, and an impairment loss of RMB567,179,000 was recognised for PPE and RMB198,055,000 was recognised for intangible assets.

The principal assumptions used in assessing the recoverable amount of the CGUs are as follows:

– The main factor affecting the future sales volumes of electricity is the power generation hours, which was forecasted with reference to the historical periods and the budget for the forecast period.

– The future on-grid tariffs was forecasted based on the relevant national policies and regional power trading policies combined with the historical average tariffs.

– The future operating costs mainly include repair and maintenance costs, personnel costs and other operating expenses, which are forecasted based on operating costs and budgets for the historical period.

– Projection for a period of greater than five years and not more than twenty years in general may be used on the basis that a longer projection period represents the long-dated nature of the lifespan of a wind turbine and is a more appropriate reflection of the future cash flows generated from the long-term operation of wind power projects.

– The pre-tax discount rate used is 8.86%-10.15% (2023: 7.10%-10.67%).

– The long-term growth rate was not used in the cash flow forecasts.

17 LEASES

(a) Right-of-use assets

The carrying amounts of the Group's right-of-use assets and the movements during the year are as follows:

	Leasehold Land *RMB'000*	Buildings and structures *RMB'000*	Generators and related equipment *RMB'000*	Motor vehicles *RMB'000*	Sea-use rights *RMB'000*	Total *RMB'000*
As at 1 January 2023	2,916,044	41,488	445,538	4,015	395,033	3,802,118
Business combination under common control *(Note 42(a))*	20,224	–	–	–	–	20,224
As at 1 January 2023 (Restated)	2,936,268	41,488	445,538	4,015	395,033	3,822,342
Additions (Restated)	1,832,196	132,365	230,175	4,260	121,224	2,320,220
Depreciation charge (Restated)	(208,410)	(33,520)	(23,603)	(5,202)	(19,993)	(290,728)
Impairment	–	–	–	–	(2,486)	(2,486)
Disposals	(173)	(5,268)	(8,685)	–	–	(14,126)
Disposal of a subsidiary	(1,487)	–	–	–	–	(1,487)
Reclassification between assets	188,158	219	(201,182)	–	–	(12,805)
Exchange adjustments	2,186	(105)	–	(25)	–	2,056
As at 31 December 2023 (Restated)	4,748,738	135,179	442,243	3,048	493,778	5,822,986
As at 1 January 2024	**4,748,738**	**135,179**	**442,243**	**3,048**	**493,778**	**5,822,986**
Additions	**965,980**	**867,032**	**70,087**	**1,168**	**–**	**1,904,267**
Acquisition of a subsidiary	**42,552**	**–**	**–**	**–**	**–**	**42,552**
Depreciation charge	**(246,035)**	**(116,807)**	**(25,665)**	**(2,642)**	**(21,710)**	**(412,859)**
Disposals	**(66,596)**	**(8,376)**	**(1,269)**	**(324)**	**–**	**(76,565)**
Disposal of subsidiaries *(Note 43)*	**(232,138)**	**(48)**	**–**	**–**	**–**	**(232,186)**
Exchange adjustments	**(4,472)**	**161**	**–**	**9**	**–**	**(4,302)**
As at 31 December 2024	**5,208,029**	**877,141**	**485,396**	**1,259**	**472,068**	**7,043,893**

17 LEASES (Continued)

(b) Lease liabilities

The carrying amount of lease liabilities and the movements during the year are as follows:

	2024	2023 (Restated)
	RMB'000	*RMB'000*
Carrying amount at 1 January	**1,642,765**	978,266
Business combination under common control *(Note 42(a))*	**54,059**	4,387
Carrying amount at 1 January (restated)	**1,696,824**	982,653
Additions	**1,279,384**	1,269,688
Accretion of interest recognised during the year from continuing operations	**109,295**	73,377
Disposals	**(76,638)**	(223)
Payments	**(329,796)**	(630,469)
Exchange adjustments	**(4,699)**	1,798
Cost and carrying amount as at 31 December	**2,674,370**	1,696,824
Analysed into:		
Current portion	**167,431**	176,891
Non-current portion	**2,506,939**	1,519,933

17 LEASES (Continued)

(b) Lease liabilities (Continued)

As at 31 December 2024, part of the lease liabilities amounting to RMB249,498,000 (2023(restated): RMB347,438,000) was derived from leases from the related parties under CHN Energy.

The amounts recognised in profit or loss in relation to leases are as follows:

	2024	2023 (Restated)
	RMB'000	*RMB'000*
CONTINUING OPERATIONS		
Interest on lease liabilities	**56,769**	49,059
Depreciation charge of right-of-use assets	**283,791**	221,307
Expense relating to short-term leases and lease of low-value assets	**124,564**	98,409
Variable lease payments not included in the measurement of lease liabilities	**7,947**	10,784
Total amounts recognised in profit or loss	**473,071**	379,559

(c) Variable lease payments

The Group has lease contracts for land that contain variable payments based on the Group's revenue generated from the sale of electricity. These terms are negotiated by Management for certain land where the wind turbines are located. Management's objective is to align the lease expense with the revenue of the sale of electricity. The amount of variable lease payments recognised in profit or loss for the current year for these leases was RMB7,947,000 (2023: RMB10,784,000).

18 INTANGIBLE ASSETS

	Concession assets *RMB'000*	Power sales rights *RMB'000*	Software and others* *RMB'000*	Total *RMB'000*
Cost:				
At 1 January 2023	11,868,600	545,669	248,082	12,662,351
Business combination under common control *(Note 42(a))*	–	–	3,703	3,703
At 1 January 2023 (Restated)	11,868,600	545,669	251,785	12,666,054
Additions (Restated)	60,223	–	27,484	87,707
Disposals	–	–	(103)	(103)
Disposal of subsidiaries	–	–	(317)	(317)
Reclassification between assets	–	–	300	300
Exchange adjustments	–	5,135	11	5,146
At 31 December 2023 (Restated)	11,928,823	550,804	279,160	12,758,787
At 1 January 2024	**11,928,823**	**550,804**	**279,160**	**12,758,787**
Additions	**37,063**	**–**	**68,689**	**105,752**
Acquisition of subsidiaries *(Note 42(b))*	**–**	**–**	**27**	**27**
Disposals	**(41,552)**	**–**	**(300)**	**(41,852)**
Exchange adjustments	**–**	**(17,351)**	**(10)**	**(17,361)**
At 31 December 2024	**11,924,334**	**533,453**	**347,566**	**12,805,353**

18 INTANGIBLE ASSETS (Continued)

	Concession assets *RMB'000*	Power sales rights *RMB'000*	Software and others* *RMB'000*	Total *RMB'000*
Accumulated amortisation and Impairment losses:				
At 1 January 2023	6,046,814	205,632	122,214	6,374,660
Business combination under common control *(Note 42(a))*	–	–	23	23
At 1 January 2023 (Restated)	6,046,814	205,632	122,237	6,374,683
Amortisation (Restated)	569,007	28,566	12,575	610,148
Impairment	635,864	–	261	636,125
Disposals	–	–	(103)	(103)
Disposal of subsidiaries	–	–	(317)	(317)
Reclassification between assets	–	–	26	26
Exchange adjustments	–	(4,309)	12	(4,297)
At 31 December 2023 (Restated)	7,251,685	229,889	134,691	7,616,265
At 1 January 2024	**7,251,685**	**229,889**	**134,691**	**7,616,265**
Amortisation	**481,384**	**29,099**	**17,856**	**528,339**
Impairment *(Note 16(i))*	**324,843**	**–**	**–**	**324,843**
Acquisition of subsidiaries *(Note 42(b))*	**–**	**–**	**3**	**3**
Disposals	**–**	**–**	**(181)**	**(181)**
Exchange adjustments	**–**	**(12,385)**	**(6)**	**(12,391)**
At 31 December 2024	**8,057,912**	**246,603**	**152,363**	**8,456,878**
Net Carrying amount:				
At 31 December 2023 (Restated)	4,677,138	320,915	144,469	5,142,522
At 31 December 2024	**3,866,422**	**286,850**	**195,203**	**4,348,475**

18 INTANGIBLE ASSETS (Continued)

* As at 31 December 2024, the Group's data resources primarily consist of wind and solar monitoring points data mart applications, which are recognised as other intangible assets with amount of RMB2,817,000.

19 GOODWILL

	2024	2023
	RMB'000	*RMB'000*
Cost	**145,668**	195,617
Accumulated impairment losses	**–**	–
Cost and carrying amount as at 31 December	**145,668**	195,617

Impairment tests for CGUs containing goodwill:

Goodwill is allocated to the Group's CGUs identified according to operating segment as follows:

	2024	2023
	RMB'000	*RMB'000*
Wind power	**145,668**	145,668
Coal power	**–**	49,949
Cost and carrying amount as at 31 December	**145,668**	195,617

Goodwill of the wind power segment in the Group arose from the acquisition of Buerjin Tianrun Wind Power Co., Ltd., Fuxin Julonghu Wind Power Generation Co., Ltd., Fuxin Huashun Wind Power Generation Co., Ltd..

Goodwill of the coal power segment in the Group arose from the acquisition of Jiangyin Binjiang Heat and Power Generating Co., Ltd., Jiangyin Chengdong Heat and Power Generating Co., Ltd. and Nantong Xinxing Heat and Power Generating Co., Ltd. in 2016. As the result of the disposal of the coal power segment in 2024 (see Note 5), the goodwill related to coal power segment was derecognised.

19 GOODWILL (Continued)

The recoverable amount of goodwill is determined based on value-in-use calculation. The calculation uses cash flow projections based on financial budgets approved by Management covering a five-year period and a pre-tax discount rate of 9.62% to 10.63% (2023: 10.95% to 12.46%).

Cash flows beyond the five-year period are expected to maintain constant, which is comparable with the industry. Management believes that any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the carrying amount to exceed its recoverable amount.

The key assumption used for the value-in-use calculations is the revenue from electricity sales. Management determined the revenue from electricity sales based on its expectation of electricity and the tariffs approved by related government authorities.

20 INVESTMENTS IN SUBSIDIARIES

The following list contains only the particulars of subsidiaries at 31 December 2024 which principally affected the results, assets or liabilities of the Group.

	Name of the company	Place of incorporation/ registration and business	Issued and fully paid-up/ registered capital	Percentage of attributable equity interest		Principal activities
				Direct	Indirect	
1	江蘇龍源新能源有限公司 Jiangsu Longyuan New Energy Co., Ltd.	PRC/Chinese Mainland	RMB692,997,000	51.00%	49.00%	Wind power generation
2	吉林龍源風力發電有限公司 Jilin Longyuan Wind Power Generation Co., Ltd.	PRC/Chinese Mainland	RMB438,200,000	56.58%	9.65%	Wind power generation
3	遼寧龍源新能源發展有限公司 Liaoning Longyuan New Energy Development Co., Ltd.	PRC/Chinese Mainland	RMB1,438,382,300	100.00%	–	Wind power generation
4	龍源棲霞風力發電有限公司 Longyuan Qixia Wind Power Generation Co., Ltd.	PRC/Chinese Mainland	RMB18,400,000	–	80.00%	Wind power generation
5	天津龍源海晶新能源有限公司 Tianjin Longyuan Haijing New Energy Co., Ltd.	PRC/Chinese Mainland	RMB751,800,000	85.00%	–	PV power generation
6	雄亞(維爾京)有限公司 Hero Asia (BVI) Co., Ltd.	The British Virgin Islands	USD1,000	–	100.00%	Investment
7	射陽龍源風力發電有限公司 Sheyang Longyuan Wind Power Generation Co., Ltd.	PRC/Chinese Mainland	RMB1,300,000,000	50.00%	10.00%	Wind power generation
8	龍源鹽城新能源發展有限公司 Longyuan Yancheng New Energy Development Co., Ltd.	PRC/Chinese Mainland	RMB1,350,000,000	51.00%	–	Wind power generation

20 INVESTMENTS IN SUBSIDIARIES (Continued)

	Name of the company	Place of incorporation/ registration and business	Issued and fully paid-up/ registered capital	Percentage of attributable equity interest		Principal activities
				Direct	Indirect	
9	龍源國能海上風電(鹽城)有限公司 Longyuan Guoneng Offshore Wind Power Generation (Yancheng) Co., Ltd.	PRC/Chinese Mainland	RMB1,350,000,000	51.00%	–	Wind power generation
10	依蘭龍源匯能風力發電有限公司 Yilan Longyuan Huineng Wind Power Generation Co., Ltd.	PRC/Chinese Mainland	RMB183,772,714	92.00%	–	Wind power generation
11	國能重慶風電開發有限公司 China Energy Chongqing Wind Power Generation Co., Ltd.	PRC/Chinese Mainland	RMB523,198,000	51.00%	–	Wind power generation
12	通榆新發風力發電有限公司 Tongyu Xinfa Wind Power Generation Co., Ltd.	PRC/Chinese Mainland	RMB790,728,900	95.46%	4.54%	Wind power generation
13	寧夏龍源新能源有限公司 Ningxia Longyuan New Energy Co., Ltd.	PRC/Chinese Mainland	RMB2,605,961,460	100.00%	–	Wind power generation
14	龍源阜新風力發電有限公司 Longyuan Fuxin Wind Power Generation Co., Ltd.	PRC/Chinese Mainland	RMB188,186,000	100.00%	–	Wind power generation
15	龍源(張北)風力發電有限公司 Longyuan (Zhangbei) Wind Power Generation Co., Ltd.	PRC/Chinese Mainland	RMB204,670,000	100.00%	–	Wind power generation
16	臨澤龍源新能源有限公司 Linze Longyuan New Energy Co., Ltd.	PRC/Chinese Mainland	RMB1,605,000,000	100.00%	–	Wind power generation
17	國能北投灌陽風電有限公司\ Guoneng Beitou Guanyang Wind Power Generation Co., Ltd.	PRC/Chinese Mainland	RMB207,100,000	–	51.00%	Wind power generation

20 INVESTMENTS IN SUBSIDIARIES (Continued)

Name of the company	Place of incorporation/ registration and business	Issued and fully paid-up/ registered capital	Percentage of attributable equity interest		Principal activities
			Direct	Indirect	
18 全州國能能源有限公司 Quanzhou Guoneng Energy Co., Ltd.	PRC/Chinese Mainland	RMB411,380,300	–	100.00%	Wind power generation
19 龍源(張家口)風力發電有限公司 Longyuan (Zhangjiakou) Wind Power Generation Co., Ltd.	PRC/Chinese Mainland	RMB1,636,105,900	100.00%	–	Wind power generation
20 福建龍源海上風力發電有限公司 Fujian Longyuan Offshore Wind Power Generation Co., Ltd.	PRC/Chinese Mainland	RMB2,204,800,000	70.00%	–	Wind power generation
21 龍源大柴旦新能源開發有限公司 Longyuan Da Chai Dan New Energy Development Co., Ltd.	PRC/Chinese Mainland	RMB302,000,000	100.00%	–	Wind power generation
22 阜新巨龍湖風力發電有限公司 Fuxin Julong Lake Wind Power Generation Co., Ltd.	PRC/Chinese Mainland	RMB400,000,000	–	60.00%	Wind power generation
23 吳忠龍源新能源有限公司 Wuzhong Longyuan New Energy Co., Ltd.	PRC/Chinese Mainland	RMB270,760,000	100.00%	–	Wind power generation
24 貴州龍源新能源有限公司 Guizhou Longyuan New Energy Co., Ltd.	PRC/Chinese Mainland	RMB1,275,435,380	100.00%	–	Wind power generation
25 龍源大豐風力發電有限公司 Longyuan Dafeng Wind Power Generation Co., Ltd.	PRC/Chinese Mainland	RMB520,614,000	100.00%	–	Wind power generation

20 INVESTMENTS IN SUBSIDIARIES (Continued)

Name of the company	Place of incorporation/ registration and business	Issued and fully paid-up/ registered capital	Percentage of attributable equity interest		Principal activities
			Direct	Indirect	
26 河北龍源中保風力發電有限公司 Hebei Longyuan Zhongbao Wind Power Generation Co., Ltd.	PRC/Chinese Mainland	RMB409,808,000	–	70.00%	Wind power generation
27 赤峰龍源松州風力發電有限公司 Chifeng Longyuan Songzhou Wind Power Generation Co., Ltd.	PRC/Chinese Mainland	RMB1,170,054,411	100.00%	–	Wind power generation
28 內蒙古龍源蒙東新能源有限公司 Inner Mongolia Longyuan Mengdong New Energy Co., Ltd.	PRC/Chinese Mainland	RMB585,122,920	100.00%	–	Wind power generation
29 雲南龍源新能源有限公司 Yunnan Longyuan New Energy Co., Ltd.	PRC/Chinese Mainland	RMB1,237,262,000	100.00%	–	Wind power generation
30 甘肅龍源新能源有限公司 Gansu Longyuan New Energy Co., Ltd.	PRC/Chinese Mainland	RMB624,530,000	75.00%	25.00%	Wind power generation
31 天津龍源新能源有限公司 Tianjin Longyuan New Energy Co., Ltd	PRC/Chinese Mainland	RMB480,307,320	100.00%	–	Wind power generation
32 福建龍源新能源有限公司 Fujian Longyuan New Energy Co., Ltd.	PRC/Chinese Mainland	RMB553,787,400	100.00%	–	Wind power generation
33 龍源阿拉山口風力發電有限公司 Longyuan Alashankou Wind Power Generation Co., Ltd.	PRC/Chinese Mainland	RMB308,610,000	100.00%	–	Wind power generation
34 龍源(酒泉)風力發電有限公司 Longyuan (Jiuquan) Wind Power Generation Co., Ltd.	PRC/Chinese Mainland	RMB976,134,000	100.00%	–	Wind power generation

20 INVESTMENTS IN SUBSIDIARIES (Continued)

	Name of the company	Place of incorporation/ registration and business	Issued and fully paid-up/ registered capital	Percentage of attributable equity interest		Principal activities
				Direct	Indirect	
35	山西龍源新能源有限公司Shanxi Longyuan New Energy Co. Ltd.	PRC/Chinese Mainland	RMB510,117,530	100.00%	–	Wind power generation
36	河北龍源新能源有限公司Hebei Longyuan New Energy Co. Ltd.	PRC/Chinese Mainland	RMB917,836,750	100.00%	–	Wind power generation
37	江蘇海上龍源新能源有限公司Jiangsu Offshore Longyuan New Energy Co., Ltd.	PRC/Chinese Mainland	RMB768,000,000	70.00%	–	Wind power generation
38	龍源大理風力發電有限公司Longyuan Dali Wind Power Generation Co., Ltd.	PRC/Chinese Mainland	RMB649,211,900	80.00%	–	Wind power generation
39	龍源黃海如東海上風力發電有限公司Longyuan Huanghai Rudong Offshore Wind Power Generation Co., Ltd.	PRC/Chinese Mainland	RMB500,000,000	70.00%	–	Wind power generation
40	龍源(北京)新能源工程技術有限公司 Longyuan (Beijing) New Energy Engineering Technology Co., Ltd.	PRC/Chinese Mainland	RMB30,000,000	100.00%	–	Manufacture and sale of power equipment
41	龍源巴裡坤風力發電有限公司Longyuan Balikun Wind Power Generation Co., Ltd.	PRC/Chinese Mainland	RMB563,442,800	100.00%	–	Wind power generation
42	龙源达茂風力發电有限公司Longyuan Damao Wind Power Generation Co., Ltd.	PRC/Chinese Mainland	RMB420,898,700	100.00%	–	Wind power generation
43	龍源臨沂風力發電有限公司Longyuan Linyi Wind Power Generation Co., Ltd.	PRC/Chinese Mainland	RMB333,940,000	43.00%	57.00%	Wind power generation

20 INVESTMENTS IN SUBSIDIARIES (Continued)

	Name of the company	Place of incorporation/ registration and business	Issued and fully paid-up/ registered capital	Percentage of attributable equity interest		Principal activities
				Direct	Indirect	
44	龍源哈密新能源有限公司Longyuan Hami New Energy Co., Ltd.	PRC/Chinese Mainland	RMB259,630,000	100.00%	–	Wind power generation
45	海安龍源海上風力發電有限公司Haian Longyuan Offshore Wind Power Generation Co., Ltd.	PRC/Chinese Mainland	RMB840,000,000	70.00%	–	Wind power generation
46	龍源鹽城大豐海上風力發電有限公司Longyuan Yancheng Dafeng Offshore Wind Power Generation Co., Ltd.	PRC/Chinese Mainland	RMB1,507,142,900	70.00%	9.58%	Wind power generation
47	龍源南非可再生能源有限公司Longyuan South Africa Renewables Proprietary Limited	South Africa	ZAR 100	–	100.00%	Wind power generation
48	廣西龍源新能源有限公司Guangxi Longyuan New Energy Co., Ltd.	PRC/Chinese Mainland	RMB1,324,464,840	100.00%	–	Wind power generation
49	雄亞投資有限公司Hero Asia Investment Limited (note (iii))	Hong Kong	HKD 10,000	100.00%	–	Investment
50	龍源加拿大可再生能源有限公司Longyuan Canada Renewables Limited (note (iii))	Canada	CAD 90,000,000	–	100.00%	Wind power generation
51	國能定邊新能源有限公司Guoneng Dingbian New Energy Co., Ltd.	PRC/Chinese Mainland	RMB388,929,444	100.00%	–	Wind power generation
52	國能雲南新能源有限公司Guoneng Yunnan New Energy Co., Ltd.	PRC/Chinese Mainland	RMB335,657,400	100.00%	–	Wind power generation

20 INVESTMENTS IN SUBSIDIARIES (Continued)

Name of the company	Place of incorporation/ registration and business	Issued and fully paid-up/ registered capital	Percentage of attributable equity interest		Principal activities
			Direct	Indirect	
53 國電甘肅新能源有限公司Guodian Gansu New Energy Co., Ltd.	PRC/Chinese Mainland	RMB264,234,525	100.00%	–	Wind power generation
54 中衛龍源新能源有限公司Zhongwei Longyuan New Energy Co., Ltd.	PRC/Chinese Mainland	RMB1,730,431,460	–	100.00%	PV power generation

Notes:

(i) For subsidiaries incorporated in PRC, the English translation of the names is for reference only. The official names of these entities are in Chinese.

(ii) All subsidiaries established in the PRC are limited liability companies.

(iii) The bonds issued by the subsidiaries are set out in Note 29(e).

21 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

	2024	2023
	RMB'000	*RMB'000*
Share of net assets	**5,860,406**	5,994,794

The following list contains only the particulars of material associates at 31 December 2024, all of which are limited liability companies established in the PRC, which principally affected the results or assets of the Group:

	Place of establishment	Particulars of registered capital *RMB'000*	Percentage of attributable equity interest		Principal activities
			Direct	Indirect	
Associates					

21 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES (Continued)

Summarised financial information of the material associates, adjusted for any differences in accounting policies, and reconciled to the carrying amounts in the consolidated financial statements, is disclosed below:

	Guoneng Financial Leasing Co., Ltd.	
	2024	2023
	RMB'000	*RMB'000*
Cash and cash equivalents	**68,874**	275,222
Other current assets	**11,943,481**	23,833,614
Current assets	**12,453,355**	24,108,836
Non-current assets	**44,483,229**	28,463,879
Financial liabilities	**(38,741,177)**	(28,636,953)
Other current liabilities	**(4,595,341)**	(3,468,125)
Current liabilities	**(43,391,568)**	(32,105,078)
Non-current financial liabilities	**(3,372,916)**	(11,648,077)
Other non-current liabilities	**(2,697,467)**	(1,544,984)
Net assets	**7,474,633**	7,274,576
Reconciled to the Group's interests in the associate:		
The Group's effective interest	**49.00%**	49.00%
The Group's interest in net assets of the investee at end of year	**3,662,570**	3,564,542
Carrying amount of interests in the associate at end of year	**3,662,570**	3,564,542
Revenue	**1,468,175**	1,106,453
Finance income	**2,351**	3,916
Finance expenses	**(107)**	–
Income tax	**(67,516)**	(8,668)
Profit for the year	**200,057**	24,718
Total comprehensive income	**200,057**	24,718
Dividends received during the year	**–**	41,337

21 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES (Continued)

	Nantong Tianshenggang Power Generation Co., Ltd. 2024 *RMB'000*
Cash and cash equivalents	**41,109**
Other current assets	**43,861**
Current assets	**660,765**
Non-current assets	**3,644,780**
Financial liabilities	**(98,245)**
Other current liabilities	**(334,451)**
Current liabilities	**(1,002,496)**
Non-current financial liabilities	**(79,706)**
Other non-current liabilities	**(125,714)**
Net assets	**3,097,629**
Less: Non-controlling interests	**(35,525)**
Total equity attributable to equity holders of the associate	**3,062,104**
Reconciled to the Group's interests in the associate:	
The Group's effective interest	**31.94%**
The Group's interest in net assets of the investee at end of year	**978,036**
Impact of fair value adjustment	**245,563**
Elimination of cross-shareholdings	**(365,125)**
Carrying amount of interests in the associate at end of year	**858,474**
Revenue	**297,524**
Finance income	**(4)**
Finance expenses	**(824)**
Income tax	**2,829**
Profit for the year	**32,057**
Total comprehensive income	**32,057**
Dividends received during the year	**(15,970)**

21 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES (Continued)

Aggregate information of associates and joint ventures that are not individually material is as follows:

	2024	2023 (Restated)
	RMB'000	*RMB'000*
Aggregate carrying amount of individually immaterial associates and joint ventures in the consolidated financial statements*	**1,339,362**	2,430,252
Aggregate amounts of the Group's share of those associates' and joint ventures' profit/(loss) from continuing operations	**56,877**	(7,611)
Aggregate amounts of the Group's share of those associates' and joint ventures' total comprehensive income/(loss) from continuing operations	**56,877**	(7,611)

* *Interests in Jiangsu Nantong Power Generation Co., Ltd. (江蘇南通發電有限公司), a joint venture included under the Group's coal power segment, with amount of RMB780,960,000 was derecognised in 2024 due to disposal of Nantong Tiandian (see Note 5).*

22 OTHER ASSETS

	2024	2023 (Restated)
	RMB'000	*RMB'000*
Listed equity investments designated at FVOCI *(note (i))*	**20,548**	20,778
Unlisted equity investments designated at FVOCI *(note (ii))*	**166,410**	162,085
Financial assets at fair value through profit or loss	**–**	50,000
Loans and advances to non-controlling equity owner *(note (iii))*	**42,700**	42,425
Others	**793,408**	475,654
Subtotal	**1,023,066**	750,942
Deductible VAT *(note (iv))*	**6,593,403**	4,709,554
	7,616,469	5,460,496
Less: Loss allowance	**–**	–
	7,616,469	5,460,496

22 OTHER ASSETS (Continued)

Notes:

(i) The listed equity investments designated at FVOCI are equity investments in companies established in the PRC and listed in Shanghai Stock Exchange Market and Shenzhen Stock Exchange Market. The details are as follows:

	2024	2023
	RMB'000	*RMB'000*
Shenzhen Energy Group Co., Ltd.	**19,383**	19,294
Kangxin New Materials Co., Ltd.	**1,165**	1,484
	20,548	20,778

(ii) The unlisted equity investments designated at FVOCI are equity investments in limited liability companies established in the PRC and the Group's management has assessed and classified these equity investments into equity investments through other comprehensive income and measured them at fair value (cannot be reclassified to profit or loss in subsequent periods). The details are as follows:

	2024	2023
	RMB'000	*RMB'000*
Inner Mongolia Hohhot Pumped Storage Power Generation Co., Ltd.	**124,767**	120,442
Jilin Zhanyu Wind Power Asset Management Co., Ltd.	**38,938**	38,938
Tibet Electricity Trading Center	**1,372**	1,372
Zhangjiakou Great Wall Wind Power Co., Ltd.	**1,333**	1,333
	166,410	162,085

(iii) The loans to non-controlling equity owners were unsecured and not past due as at the end of the reporting period, and bore interest at the rates of 11.33% per annum for the year ended 31 December 2024 (31 December 2023: 11.66%).

(iv) Deductible VAT mainly represents the input VAT relating to the acquisition of property, plant and equipment, inventories and intangible assets.

23 INVENTORIES

Inventories comprised:

	2024	2023 (Restated)
	RMB'000	*RMB'000*
Fuel for power generation	**–**	237,849
Material and supplies	**431,342**	500,276
	431,342	738,125
Less: Provision for inventory obsolescence	**(3,219)**	(9,199)
Total	**428,123**	728,926

Movements of provision for inventory obsolescence during the years are analysed as follows:

	2024	2023
	RMB'000	*RMB'000*
Beginning of the year	**9,199**	8,094
Provision	**3,219**	1,105
Disposal of subsidiaries	**(9,199)**	–
End of the year	**3,219**	9,199

24 TRADE AND BILLS RECEIVABLES

	2024	2023 (Restated)
	RMB'000	*RMB'000*
Amounts due from third parties	**43,830,981**	35,856,698
Amounts due from fellow subsidiaries	**165,933**	235,118
Amounts due from associates	**7,883**	34,036
	44,004,797	36,125,852
Less: Loss allowance	**(478,746)**	(357,690)
	43,526,051	35,768,162
Analysed into:		
Trade receivables	**43,509,808**	35,664,635
Bills receivable	**16,243**	103,527
	43,526,051	35,768,162

At 31 December 2024, the Group endorsed certain bills receivable accepted by banks in Mainland China to certain suppliers in order to settle the trade payables due to these suppliers with a carrying amount in aggregate of RMB930,000 (31 December 2023: RMB34,096,000) (the "Derecognised Bills"). In the opinion of the Directors, the risk of the Group being claimed by the holders of the Derecognised Bills is remote in the absence of a default of the accepted banks. The Group has transferred substantially all risks and rewards relating to the Derecognised Bills. Accordingly, it has derecognised the full carrying amounts of the Derecognised Bills and the associated trade payables.

24 TRADE AND BILLS RECEIVABLES (Continued)

(a) Ageing analysis

The ageing analysis of trade and bills receivable of the Group, based on the invoice date and net of loss allowance, is as follows:

	2024	2023 (Restated)
	RMB'000	*RMB'000*
Within 1 year or no invoice date specified	**43,510,069**	35,732,941
Between 1 and 2 years	**8,471**	14,571
Between 2 and 3 years	**1,727**	12,028
Over 3 years	**5,784**	8,622
	43,526,051	35,768,162

The Group's trade and bills receivables are mainly wind power and PV power sales receivables and tariff premium of renewable energy receivables from local state grid companies. Generally, these receivables are due within 15 to 30 days from the date of billing, except for the tariff premium. The collection of such tariff premium is subject to the allocation of funds by relevant government authorities to local state grid companies, which consequently takes a relatively long time for settlement.

24 TRADE AND BILLS RECEIVABLES (Continued)

(b) Impairment of trade and bills receivables

The movements in the loss allowance for doubtful debts are as follows:

	2024	2023 (Restated)
	RMB'000	*RMB'000*
At 1 January	**357,690**	290,725
Impairment losses provided for the year from continuing operations	**154,092**	77,700
Impairment losses provided for the year from discontinued operations	**–**	4,506
Reversal of impairment losses for the year from continuing operations	**(39,757)**	(10,890)
Acquisition of a subsidiary	**62,460**	–
Disposal of subsidiaries	**(54,633)**	–
Written off	**–**	(3,581)
Exchange reserve	**(1,106)**	(770)
At 31 December	**478,746**	357,690

Pursuant to Caijian [2020] No. 4 Notice on Promoting the Healthy Development of Non-aqueous Renewable Energy Power Generation (關於促進非水可再生能源發電健康發展的若干意見) and Caijian [2020] No. 5 Notice on the Measures for Administration of Subsidy Funds for Tariff Premium of Renewable Energy (可再生能源電價附加資金管理辦法) jointly issued by the Ministry of Finance, the NDRC of the PRC and the National Energy Administration in January 2020, a set of new standardised procedures for the settlement of the aforementioned renewable energy tariff premium have come into force since January 2020 and approvals on a project-by-project basis are required before the allocation of funds to local grid companies. Caijian [2012] No. 102 Notice on the Interim Measures for Administration of Subsidy Funds for Tariff Premium of Renewable Energy (可再生能源電價附加補助資金管理暫行辦法) jointly issued by the Ministry of Finance in March 2012 was repealed at the same time.

24 TRADE AND BILLS RECEIVABLES (Continued)

(b) Impairment of trade and bills receivables (Continued)

As at 31 December 2024, most of the Group's related projects have been approved for the tariff premium of renewable energy and certain projects were in the process of applying for the approval. The Directors are of the opinion that the approvals will be obtained in due course. The tariff premium receivables are settled in accordance with the prevailing government policies and prevalent payment trends of the Ministry of Finance. There is no due date for settlement. The Directors considered the probability of default of trade receivables from the tariff premium is remote since such tariff premium is funded by the PRC government and taking into account the past payment histories of the local grid companies, adjusted for general economic conditions of the new energy industry and an assessment of both current as well as forecast direction of market conditions at the reporting date. Accordingly, the Directors are of the opinion that the credit risk of trade receivables from the tariff premium is remote.

The Group has applied the simplified approach to measure the provision for expected credit losses prescribed by IFRS 9, which permits the use of lifetime expected credit loss provision for all trade receivables. To measure the expected credit loss of trade receivables excluding tariff premium receivables, trade receivables have been grouped based on shared credit risk characteristics and the ageing.

24 TRADE AND BILLS RECEIVABLES (Continued)

(b) Impairment of trade and bills receivables (Continued)

Set out below is the information about the credit risk exposure on the Group's trade receivables:

As at 31 December 2024

	Within 1 year or no invoice date specified	Between 1 and 2 years	Between 2 and 3 years	Over 3 years	Total
Expected credit loss rate	1.07%	0.12%	16.25%	55.33%	1.09%
Gross carrying amount *(RMB'000)*	43,965,061	8,481	2,062	12,950	43,988,554
Expected credit losses *(RMB'000)*	471,236	10	335	7,165	478,746

As at 31 December 2023

	Within 1 year or no invoice date specified (Restated)	Between 1 and 2 years (Restated)	Between 2 and 3 years	Over 3 years	Total (Restated)
Expected credit loss rate	0.97%	0.70%	0.81%	30.22%	0.98%
Gross carrying amount *(RMB'000)*	35,977,670	14,673	12,126	12,356	36,016,825
Expected credit losses *(RMB'000)*	348,256	102	98	3,734	352,190

As at 31 December 2024, bills receivable were all bank acceptance bills with a maturity of three to twelve months. Management considered the expected credit losses according to the probability of default and finally did not make the expected credit losses in the year of 2024.

25 PREPAYMENTS AND OTHER CURRENT ASSETS

	2024	2023 (Restated)
	RMB'000	*RMB'000*
Loans and advances to:		
– Associates and joint ventures	**36,863**	39,503
– Third parties	**33,899**	38,022
Government grant receivables	**130,944**	171,795
Dividends receivable from associates	**44,492**	28,041
Deductible VAT *(Note 22(iv))*	**1,679,438**	1,803,365
Receivable deposits for aborted planned acquisitions	**165,750**	209,750
Prepayments and others	**1,183,366**	1,344,297
	3,274,752	3,634,773
Less: Loss allowance	**(502,028)**	(437,969)
	2,772,724	3,196,804

25 PREPAYMENTS AND OTHER CURRENT ASSETS (Continued)

The movements in the loss allowance for doubtful debts are as follows:

	2024	2023
	RMB'000	*RMB'000*
At 1 January	**437,969**	55,568
Impairment losses provided for the year from continuing operations	**1,312**	4,270
Impairment losses provided for the year from discontinued operations	**1,200**	6
Reversal of impairment losses for the year from continuing operations	**(31,352)**	(10)
Impairment losses recognised upon disposal of subsidiaries	**474,542**	378,135
Disposal of subsidiaries	**(12,697)**	–
Written off	**(368,946)**	–
At 31 December	**502,028**	437,969

For government grant receivables, dividends receivable from associates, receivable deposits for aborted planned acquisitions and other receivables, an impairment analysis is performed at each reporting date by considering the probability of default by applying a loss rate approach with reference to the historical loss record of the Group. The loss rate is adjusted to reflect the current conditions and forecasts of future economic conditions, as appropriate.

For the other loans and advances due from related parties, dividend receivables, government grant receivables and deductible VAT, there was a specific due date or settlement schedule. Management considered the probability of default as nil. For the remaining items of prepayments and other current assets, Management evaluated the expected credit loss on individual base.

26 OTHER FINANCIAL ASSETS

	2024	2023
	RMB'000	*RMB'000*
Financial assets at fair value through profit or loss		
– Listed equity securities on the Hong Kong Stock Exchange	**192,797**	163,273
– Financial products	**–**	295,800
	192,797	459,073

27 RESTRICTED DEPOSITS

Restricted deposits as at 31 December 2024 mainly represent the deposits used by various companies to repay bank loans, as well as performance bond deposits and land reclamation deposits.

28 CASH AT BANKS AND ON HAND

	2024	2023 (Restated)
	RMB'000	*RMB'000*
Cash on hand	**–**	1
Cash at banks and other financial institutions	**3,124,520**	4,810,555
	3,124,520	4,810,556
Representing:		
– Cash and cash equivalents	**3,124,520**	4,810,556
	3,124,520	4,810,556

29 BORROWINGS

(a) The long-term interest-bearing borrowings comprise:

	2024	2023 (Restated)
	RMB'000	*RMB'000*
Bank loans		
– Secured *(note (i))*	**8,405,418**	11,025,086
– Unsecured *(note (ii))*	**59,624,016**	58,085,705
Loans from fellow subsidiaries		
– Unsecured	**12,861,720**	11,058,396
Loans from an associate		
– Secured *(note (i))*	**947,765**	357,000
– Unsecured	**907,014**	928,878
Loans from third parties		
– Secured *(note (i))*	**1,212,297**	551,810
– Unsecured	**377,773**	–
Other borrowings *(Note 29(e)(i))*		
– Secured	**561,703**	658,096
– Unsecured	**19,000,000**	10,296,444
	103,897,706	92,961,415
Less: Current portion of long-term borrowings *(Note 29(b))*		
– Bank loans	**(9,815,865)**	(7,532,462)
– Loans from fellow subsidiaries	**(2,618,292)**	(1,338,600)
– Loans from an associate	**(43,922)**	–
– Loans from third parties	**(66,220)**	(82,765)
– Other borrowings	**(3,561,922)**	(6,862,553)
	87,791,485	77,145,035

29 BORROWINGS (Continued)

(a) The long-term interest-bearing borrowings comprise: (Continued)

Notes:

(i) Certain secured borrowings of the subsidiaries of the Group were secured by property, plant and equipment with net carrying amount of RMB4,439,235,000 (31 December 2023(restated): RMB3,822,863,000), inventories with net carrying amount of RMB4,020,000 (31 December 2023: RMB2,899,000) and trade debtors' beneficial rights arising from future electricity sales.

(ii) As at 31 December 2024, the Group's loans and borrowings guaranteed by CHN Energy amounted to RMB39,682,000 (31 December 2023: RMB75,664,000).

Certain of the Group's banking facilities are subject to the fulfilment of covenants, which are relating to the Group's financial metrics which are tested at any time throughout the loan term based on the lending arrangements with financial institutions. If the Group were to breach the covenants, the related loans would become payable on demand. Further details of the covenants and the Group's management of liquidity risk are set out in Note 37(c). As at 31 December 2024, some covenants relating to drawn down facilities had been breached, of which RMB1,666,006,000 was reclassified as current liabilities payable on demand(31 December 2023: RMB1,466,440,000).

29 BORROWINGS (Continued)

(b) The short-term interest-bearing borrowings comprise:

	2024	2023 (Restated)
	RMB'000	*RMB'000*
Bank loans		
– Secured	**–**	150,000
– Unsecured	**14,239,322**	17,537,792
Loans from fellow subsidiaries		
– Unsecured	**13,759,500**	8,671,000
Loans from an associate		
– Unsecured	**132,000**	–
Loans from third parties		
– Secured	**–**	556,000
Other borrowings		
– Unsecured *(Note 29(e)(ii))*	**11,400,000**	7,050,000
Current portion of long-term borrowings (Note 29(a))		
– Bank loans	**9,815,865**	7,532,462
– Loans from fellow subsidiaries	**2,618,292**	1,338,600
– Loans from an associate	**43,922**	–
– Loans from third parties	**66,220**	82,765
– Other borrowings	**3,561,922**	6,862,553
	55,637,043	49,781,172

29 BORROWINGS (Continued)

(c) The effective interest rates per annum on borrowings are as follows:

	2024	2023 (Restated)
	RMB'000	*RMB'000*
Long-term		
Bank loans	**1.30%~12.16%**	1.65%~11.28%
Loans from fellow subsidiaries	**2.10%~3.55%**	2.45%~3.65%
Loans from an associate	**2.09%~3.15%**	2.44%~3.10%
Loans from third parties	**0.00%~3.62%**	2.90%~3.55%
Other borrowings	**1.85%~4.32%**	1.80%~4.89%
Short-term		
Bank loans	**2.00%~4.78%**	2.00%~6.11%
Loans from fellow subsidiaries	**1.95%~2.80%**	2.10%~4.99%
Loans from an associate	**2.20%~2.30%**	–
Loans from third parties	**3.62%**	3.50%~3.62%
Other borrowings	**1.68%~2.05%**	2.32%~2.38%

29 BORROWINGS (Continued)

(d) The borrowings are repayable as follows:

	2024	2023 (Restated)
	RMB'000	*RMB'000*
Within 1 year	**55,637,043**	49,781,172
After 1 year but within 2 years	**31,726,256**	14,835,851
After 2 years but within 5 years	**19,416,755**	22,404,659
After 5 years	**36,648,474**	39,904,525
	143,428,528	126,926,207
Including		
Bank loans:		
Within 1 year	**24,055,187**	25,220,254
After 1 year but within 2 years	**12,699,824**	9,161,926
After 2 years but within 5 years	**15,619,906**	19,029,085
After 5 years	**29,893,839**	33,883,950
	82,268,756	87,295,215
Loans other than bank loans:		
Within 1 year	**31,581,856**	24,560,918
After 1 year but within 2 years	**19,026,432**	5,673,925
After 2 years but within 5 years	**3,796,849**	3,375,574
After 5 years	**6,754,635**	6,020,575
	61,159,772	39,630,992

29 BORROWINGS (Continued)

(e) Significant terms of other borrowings:

	2024 RMB'000	2023 RMB'000
Long-term *(note (i))*		
Current portion of long-term other borrowings	**3,561,922**	6,862,553
Non-current portion of long-term other borrowings	**15,999,781**	4,091,987
Short-term		
Short-term financing bonds *(note (ii))*	**11,400,000**	7,050,000

Note:

(i) On 22 October 2015, a subsidiary of the Company, Longyuan Canada Renewables Limited, issued an eighteen-year corporate bond of CAD200,000,000 at par with a coupon rate of 4.32% per annum. The effective interest rate is 4.57%. As at 31 December 2024, CAD88,256,000 of the corporate bond was repaid.

On 13 January 2022, the Company issued a three-year medium-term note of RMB2,000,000,000 at par with a coupon rate of 2.93%. The effective interest rate is 2.99%.

On 12 May 2022, the Company issued a three-year medium-term note of RMB1,500,000,000 at par with a coupon rate of 2.65%. The effective interest rate is 2.70%.

On 17 July 2024, the Company issued a three-year medium-term note of RMB2,000,000,000 at par with a coupon rate of 2.07%. The effective interest rate is 2.17%.

On 20 August 2024, the Company issued a three-year medium-term note of RMB4,000 million at par with a coupon rate of 2.08%. The effective interest rate is 2.18%.

29 BORROWINGS (Continued)

(e) Significant terms of other borrowings: (Continued)

Note: (Continued)

On 23 September 2024, the Company issued a ten-year medium-term note of RMB1,000 million at par with a coupon rate of 2.37%. The effective interest rate is 2.47%.

On 28 November 2024, the Company issued a three-year medium-term note of RMB2,500 million at par with a coupon rate of 2.00%. The effective interest rate is 2.10%.

On 19 December 2024, the Company issued a three-year medium-term note of RMB2,000 million at par with a coupon rate of 1.85%. The effective interest rate is 1.95%.

(ii) Short-term financing bonds represented a series of unsecured corporate bonds with the effective interest rates from 1.68% to 2.05% issued in 2024.

30 TRADE AND BILLS PAYABLES

	2024	2023 (Restated)
	RMB'000	*RMB'000*
Bills payables	**3,542,490**	6,342,022
Trade payables	**2,201,400**	934,732
Amounts due to associates	**48,861**	18,765
Amounts due to fellow subsidiaries	**204,304**	121,623
	5,997,055	7,417,142

30 TRADE AND BILLS PAYABLES (Continued)

The ageing analysis of trade payables by invoice date is as follows:

	2024	2023 (Restated)
	RMB'000	*RMB'000*
Within 1 year	**5,765,896**	7,388,709
Between 1 and 2 years	**216,135**	11,680
Between 2 and 3 years	**10,056**	9,261
Over 3 years	**4,968**	7,492
	5,997,055	7,417,142

As at 31 December 2024 and 2023, all trade and bills payables are payable and expected to be settled within one year.

31 OTHER CURRENT LIABILITIES

	2024	2023 (Restated)
	RMB'000	*RMB'000*
Payables for acquisitions of property, plant and equipment	**10,710,879**	10,008,614
Payables for staff-related costs	**70,475**	224,293
Payables for other taxes	**490,600**	517,101
Dividends payable	**1,439,770**	673,790
Amounts due to associates and joint ventures *(note (i))*	**1,833,778**	1,442,513
Amounts due to fellow subsidiaries *(note (i))*	**465,647**	268,159
Amounts due to CHN Energy *(note (i))*	**61,625**	39,647
Payables for acquisition of a subsidiary	**85,793**	85,793
Accrued interest payable	**369,750**	342,054
Other accruals and payables	**835,041**	1,152,355
Derivative financial instruments		
– Interest rate swap contracts *(note (ii))*	**32,925**	24,301
Contract liabilities	**115,045**	150,452
	16,511,328	14,929,072

Notes:

(i) Amounts due to CHN Energy, fellow subsidiaries, associates and joint ventures are unsecured and interest-free, and have no fixed terms of repayment.

(ii) In 2015, Longyuan Mulilo De Aar Wind Power (RF) Proprietary Limited and Longyuan Mulilo De Aar 2 North (RF) Proprietary Limited, two subsidiaries of the Group, entered into interest rate swap contracts to mitigate the interest rate risks. The interest rate swap contracts are recognised in accordance with the accounting policies set out in Note 2(q).

(iii) Except for derivative financial instruments, all other payables are measured at amortised cost and expected to be settled within one year or are repayable on demand.

32 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(a) Tax payable/(recoverable) in the consolidated statement of financial position represents:

	2024	2023 (Restated)
	RMB'000	*RMB'000*
Net tax payable at 1 January	**356,719**	308,052
Provision for the year from continuing operations *(Note 10(a))*	**1,600,695**	1,681,627
Provision for the year from discontinued operations	**277,885**	124,957
Underprovision in respect of prior years from continuing operations *(Note 10(a))*	**22,534**	22,346
Income tax paid	**(1,651,359)**	(1,780,263)
Disposal of subsidiaries *(Note 43)*	**(33,703)**	–
Net tax payable at 31 December	**572,771**	356,719
Representing:		
Tax payable	**659,531**	458,953
Tax recoverable	**(86,760)**	(102,234)
	572,771	356,719

32 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

(b) Deferred tax assets and liabilities recognised

The components of deferred tax assets and liabilities recognised in the consolidated statement of financial position and the movements during the years are as follows:

Deferred tax assets rising from:	Provision for impairment of assets *RMB'000*	Unrealised profits *RMB'000*	Depreciation and amortisation *RMB'000*	Changes in fair value of derivative financial instruments *RMB'000*	Losses available for offsetting against future taxable profits *RMB'000*	Equity investments *RMB'000*	Revaluation of other properties *RMB'000*	Lease liability *RMB'000*	Others *RMB'000*	Total *RMB'000*
At 1 January 2023	336,426	94,139	45,666	–	438,898	5,246	35,450	19,605	42,806	1,018,236
Business combination under common control *(Note 42(a))*	7,200	–	–	–	–	–	–	1,097	–	8,297
At 1 January 2023 (Restated)	343,626	94,139	45,666	–	438,898	5,246	35,450	20,702	42,806	1,026,533
Credited/(charged) to profit or loss from continuing operations	307,457	3,922	(2,706)	–	(55,473)	–	(4,801)	134,532	2,386	385,317
Credited to profit or loss from discontinued operations	–	–	–	–	–	–	–	–	1,607	1,607
Fair value reserve	–	–	–	–	–	6,478	–	–	–	6,478
Exchange reserve	(726)	–	–	–	(9,608)	–	–	22	256	(10,056)
At 31 December 2023 (Restated)	650,357	98,061	42,960	–	373,817	11,724	30,649	155,256	47,055	1,409,879
At 1 January 2024	**650,357**	**98,061**	**42,960**	**–**	**373,817**	**11,724**	**30,649**	**155,256**	**47,055**	**1,409,879**
Credited/(charged) to profit or loss from continuing operations	**57,850**	**(31,947)**	**(2,423)**	**8,890**	**(82,534)**	**–**	**(4,825)**	**336,959**	**13,715**	**295,685**
Charged to profit or loss from discontinued operations	**(300)**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(1,853)**	**(2,153)**
Fair value reserve	**–**	**–**	**–**	**–**	**–**	**(484)**	**–**	**–**	**–**	**(484)**
Acquisition of subsidiaries *(Note 42(b))*	**–**	**–**	**–**	**–**	**–**	**–**	**526**	**–**	**–**	**526**
Disposal of subsidiaries *(Note 43)*	**(1,803)**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(14,269)**	**(16,072)**
Exchange reserve	**3,231**	**–**	**–**	**–**	**(17,671)**	**–**	**–**	**(1,184)**	**(3,683)**	**(19,307)**
At 31 December 2024	**709,335**	**66,114**	**40,537**	**8,890**	**273,612**	**11,240**	**26,350**	**491,031**	**40,965**	**1,668,074**

32 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

(b) Deferred tax assets and liabilities recognised (Continued)

Deferred tax liabilities arising from:	Revaluation of other properties *RMB'000*	Depreciation and amortisation *RMB'000*	Changes in fair value of derivative financial instruments *RMB'000*	Right-of-use assets *RMB'000*	Total *RMB'000*
At 1 January 2023	(15,361)	(699,660)	(2,873)	(20,564)	(738,458)
Business combination under common control *(Note 42(a))*	–	–	–	(1,047)	(1,047)
At 1 January 2023 (Restated)	(15,361)	(699,660)	(2,873)	(21,611)	(739,505)
(Charged)/credited to profit or loss from continuing operations	(4,950)	51,629	824	(136,368)	(88,865)
Credited to profit or loss from discontinued operations	6,898	–	–	–	6,898
Exchange reserve	–	13,515	204	–	13,719
At 31 December 2023 (Restated)	(13,413)	(634,516)	(1,845)	(157,979)	(807,753)
At 1 January 2024	**(13,413)**	**(634,516)**	**(1,845)**	**(157,979)**	**(807,753)**
Credited/(charged) to profit or loss from continuing operations	**2,416**	**(5,594)**	**1,845**	**(344,061)**	**(345,394)**
Credited to profit or loss from discontinued operations	**654**	**–**	**–**	**–**	**654**
Acquisition of subsidiaries *(Note 42(b))*	**(9,011)**	**–**	**–**	**–**	**(9,011)**
Disposal of subsidiaries *(Note 43)*	**3,132**	**–**	**–**	**–**	**3,132**
Exchange reserve	**–**	**(14,302)**	**–**	**(1,106)**	**(15,408)**
At 31 December 2024	**(16,222)**	**(654,412)**	**–**	**(503,146)**	**(1,173,780)**

32 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

(b) Deferred tax assets and liabilities recognised (Continued)

Reconciliation to the consolidated statement of financial position:

	2024	2023 (Restated)
	RMB'000	*RMB'000*
Net deferred tax asset recognised in the consolidated statement of financial position	**840,007**	863,939
Net deferred tax liability recognised in the consolidated statement of financial position	**(345,713)**	(261,813)

(c) Deferred tax assets not recognised

In accordance with the accounting policy set out in Note 2(z), the Group has not deferred tax assets in respect of cumulative tax losses of RMB2,998,926,000 (2023: RMB2,668,010,000) and deductible temporary differences of RMB1,741,159,000 (2023: RMB1,262,762,000) as at 31 December 2024, as it is not probable that future taxable profits against which the losses and the provisions can be utilised will be available in the relevant entity.

According to the tax law, the Group had tax losses of RMB2,682,230,000 (2023(restated): RMB2,266,477,000) arose in Chinese Mainland that can be carried forward to set off against future taxable income which will expire within 1 to 5 years. Tax losses of an amount of RMB517,903,000 are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. The deductible cumulative tax losses which will expire within 1 to 5 years is set out below:

32 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

(b) Deferred tax assets and liabilities recognised (Continued)

	2024	2023 (Restated)
	RMB'000	*RMB'000*
2024	**–**	907,649
2025	**377,736**	377,735
2026	**277,579**	312,314
2027	**207,420**	220,315
2028	**440,162**	448,464
2029	**1,379,333**	–
Total unused tax losses	**2,682,230**	2,266,477

32 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

(d) Deferred tax liabilities not recognised (Continued)

As the Company is a PRC Tax Resident Enterprise, the Company is exempted from the PRC tax charged on the dividends remitted to the Company by the PRC subsidiaries, associates or joint ventures. As such, no deferred income tax liabilities on unremitted earnings of PRC subsidiaries, associates or joint ventures would be recognised and the Company has no plan to dispose of any of these investees in the foreseeable future.

As at 31 December 2024, the temporary difference relating to the retained earnings of the Group's overseas subsidiaries was RMB 31,400,000 (31 December 2023: RMB5,884,000). As the Group can control the subsidiary's dividend policy and anticipates that the profits will most likely not be distributed in the foreseeable future and the Company has no plan to dispose of any of these investees in the foreseeable future, no deferred tax liability has been recognised for income tax payable as a result of the distribution of these retained earnings.

33 EMPLOYEE BENEFITS

Pursuant to the relevant labour rules and regulations in the PRC, the Group participated in defined contribution retirement schemes (the "Schemes") organised by the relevant local government authorities for its employees. The Group is required to make contributions to the Schemes at 16% of the salaries of the employees. The local government authorities are responsible for the entire pension obligations payable to retired employees. The Group has no other material obligation to make payments in respect of pension benefits associated with these Schemes and the supplementary retirement plan other than the annual contributions described above. Contributions to the plan vest immediately, there is no forfeited contributions that may be used by the Group to reduce the existing level of contribution.

34 DEFERRED INCOME

	2024 *RMB'000*	2023 *RMB'000*
At 1 January	**845,360**	965,503
Additions	**547**	8,994
Credited to profit or loss from continuing operations	**(164,318)**	(119,309)
Credited to profit or loss from discontinued operations	**(7,037)**	(9,828)
Disposal of subsidiaries	**(79,127)**	–
At 31 December	**595,425**	845,360

Deferred income mainly represents the VAT refund granted by the government relating to the purchase of domestic equipment, other subsidies relating to the construction of property, plant and equipment, which would be recognised as income on a straight-line basis over the expected useful life of the relevant assets.

35 OTHER NON-CURRENT LIABILITIES

	2024	2023
	RMB'000	*RMB'000*
Long-term retention payables and engineering equipment payables		
– Associates and joint ventures	**208,007**	193,313
– Fellow subsidiaries	**44,445**	27,603
– Third parties	**973,352**	815,594
Others	**128,513**	246,503
	1,354,317	1,283,013

36 CAPITAL, RESERVES AND DIVIDENDS

(a) Movements in components of reserves of the Company

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

	Share capital *RMB'000 (Note 36(c))*	Treasury shares *RMB'000 (Note 36(d))*	Other equity instruments *RMB'000 (Note 45)*	Capital reserve *RMB'000 (Note 36(e)(i))*	Statutory surplus reserve *RMB'000 (Note 36(e)(ii))*	Special reserve *RMB'000 (Note 36(e)(v))*	Fair value reserve *RMB'000 (Note 36(e)(iv))*	Retained earnings *RMB'000*	Total equity *RMB'000*
At 1 January 2023	8,381,963	–	5,056,400	16,126,751	2,822,761	30	480	16,582,157	48,970,542
Change in equity for 2023:									
Profit for the year	–	–	154,901	–	–	–	–	5,462,989	5,617,890
Other comprehensive income	–	–	–	–	–	–	178	–	178
Total comprehensive income	–	–	154,901	–	–	–	178	5,462,989	5,618,068
Redemption of other equity instruments	–	–	(2,992,024)	(7,976)	–	–	–	–	(3,000,000)
Appropriation	–	–	–	–	555,098	–	–	(555,098)	–
Dividends to shareholders of the Company	–	–	–	–	–	–	–	(981,528)	(981,528)
Distribution to holders of other equity instruments *(Note 45)*	–	–	(196,400)	–	–	–	–	–	(196,400)
Safety Production Expenditures	–	–	–	–	–	(30)	–	30	–
Repurchase of own shares *(Note 36(d))*	–	(56,648)	–	(134)	–	–	–	–	(56,782)
At 31 December 2023	8,381,963	(56,648)	2,022,877	16,118,641	3,377,859	–	658	20,508,550	50,353,900

36 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

	Share capital *RMB'000* *(Note 36(c))*	Treasury shares *RMB'000* *(Note 36(d))*	Other equity instruments *RMB'000* *(Note 45)*	Capital reserve *RMB'000* *(Note 36(e)(i))*	Statutory surplus reserve *RMB'000* *(Note 36(e)(ii))*	Special reserve *RMB'000* *(Note 36(e)(v))*	Fair value reserve *RMB'000* *(Note 36(e)(iv))*	Retained earnings *RMB'000*	Total equity *RMB'000*
At 1 January 2024	8,381,963	(56,648)	2,022,877	16,118,641	3,377,859	-	658	20,508,550	50,353,900
Change in equity for 2024:									
Profit for the year	-	-	45,823	-	-	-	-	5,809,211	5,855,034
Other comprehensive income	-	-	-	-	-	-	139	-	139
Total comprehensive income	-	-	45,823	-	-	-	139	5,809,211	5,855,173
Redemption of other equity instruments	-	-	(1,999,300)	(700)	-	-	-	-	(2,000,000)
Appropriation	-	-	-	-	584,656	-	-	(584,656)	-
Dividends to shareholders of the Company	-	-	-	-	-	-	-	(1,860,113)	(1,860,113)
Distribution to holders of other equity instruments *(Note 45)*	-	-	(69,400)	-	-	-	-	-	(69,400)
Safety Production Expenditures	-	-	-	-	-	110	-	(110)	-
Profit compensation				89,105					89,105
Repurchase of own shares *(Note 36(d))*	-	(55,246)	-	(126)	-	-	-	-	(55,372)
Cancellation of treasury shares *(Note 36(d))*	(22,147)	111,894	-	(89,890)	-	-	-	-	(143)
At 31 December 2024	8,359,816	-	-	16,117,030	3,962,515	110	797	23,872,882	52,313,150

36 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

(b) Dividends

	2024 RMB'000	2023 RMB'000
Dividends for ordinary shareholders of the Company recognised as distribution during the year:		
2023 Final -RMB0.2225 per share (2022: RMB0.1171 per share)	1,860,113	981,528

Subsequent to the end of the reporting period, final dividend in respect of the year ended 31 December 2024 of RMB0.2278 per ordinary share has been recommended by the Directors and is subject to approval of the shareholders at the forthcoming Annual General Meeting. The final dividend proposed after the end of the reporting period has not been recognised as a liability at the end of the reporting period. If any circumstances, such as issuance of new shares or share repurchase before the record date for dividend distribution, results in the changes in our total number of shares on record date for dividend distribution, dividend per share shall be adjusted accordingly on the premise that the total dividend amount remains unchanged.

(c) Share capital

	2024 RMB'000	2023 RMB'000
Issued and fully paid:		
Domestic state-owned ordinary shares of RMB1.00 each	5,041,934	5,041,934
H shares of RMB1.00 each	3,317,882	3,340,029
	8,359,816	8,381,963

All shareholders are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings of the Company. All shares rank equally with regard to the Company's residual assets.

36 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

(d) Treasury shares

During the year of 2024, the Company repurchased 11,812,000 H shares with a total consideration (excluding the related transactions costs) of RMB55,246,000, representing 0.3536% of the Company's total H shares and 0.1409% of the Company's total shares.

During the year of 2023, the Company repurchased 10,335,000 H shares with a total consideration of RMB56,648,000 (excluding Commission and other fees), representing 0.3094% of the Company's total H shares and 0.1233% of the Company's total shares.

The above shares have been cancelled in March 2024. The implementation of this repurchase was in compliance with the requirements of the Company's share repurchase program and relevant laws and regulations.

(e) Nature and purpose of reserves

(i) Capital reserve

The capital reserve includes share premium and the other capital reserve.

Share premium represents the difference between the total amount of the par value of the shares issued and the amount of the net proceeds received from the Initial Public Offering ("**IPO**") in December 2009 and the placing of new H shares in December 2012.

The other capital reserve mainly represents the difference between the total amount of the nominal value of shares issued and the amount of the net assets injected by CHN Energy and the cash injection in excess of the nominal value of shares issued to Guodian Northeast Electric Power Co., Ltd. upon the establishment of the Company, and the capital reserve as a result of merger with Pingzhuang Energy by a share swap in January 2022, and the capital reserve as a result of the acquisition of business and business combinations under common control.

36 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

(e) Nature and purpose of reserves (Continued)

(ii) Statutory surplus reserve

According to the Company's Articles of Association, the Company is required to transfer 10% of its net profit as determined in accordance with the PRC Accounting Rules and Regulations to its statutory surplus reserve until the reserve balance reaches 50% of the registered capital. The transfer to this reserve must be made before distribution of a dividend to equity holders. This reserve fund can be utilised in setting off accumulated losses or increasing capital of the Company and is non-distributable other than in liquidation.

(iii) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of operations that have functional currencies other than the RMB and the foreign exchange differences on the net investment in foreign operations of the Group which are dealt with in accordance with the accounting policies as set out in Note 2(ad).

(iv) Fair value reserve

The fair value reserve comprises the cumulative net change in the fair value of equity investments at fair value through other comprehensive income (income tax exclusive) held at the end of the reporting period and is dealt with in accordance with the accounting policies in Notes 2(n) and 2(z).

36 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

(e) Nature and purpose of reserves (Continued)

(v) Special reserve

According to the "Management Measures for the Extraction and Use of Enterprise Safety Production Expenses" issued by the Ministry of Finance on 13 December 2022 (Caizi [2022] No.136), the subsidiaries of the Company which are engaging power generation are required to set aside an amount of certain percentage of revenue to safety production fund since December 2022. The withdrawn safety production fund was recorded in special reserve, which can be used for safety facilities and environment improvement, and is not available for distribution to shareholders. Upon incurring qualifying safety expenditure, an equivalent amount should be transferred from special reserve to retained earnings.

(f) Distributability of reserves

According to the Company's Articles of Association, the distributable profits are the lower of the net profit of the year as determined under PRC accounting rules and regulations and the amount determined under IFRS Accounting Standards. At 31 December 2024, the aggregate amount of reserves available for distribution to equity holders of the Company was RMB23,872,882,000 (2023: RMB20,508,550,000). After the end of the reporting period, the Directors proposed a final dividend of RMB0.2278 per share (see Note 36(b)), amounting to RMB1,904,366,000. The dividend has not been recognised as a liability at the end of the reporting period.

36 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

(g) Capital management

The Group's primary objectives for managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

The Group monitors its capital structure on the basis of the net gearing ratio, which is calculated by dividing net debt (the sum of total borrowings and lease liabilities less cash and cash equivalents) by the sum of net debt and total equity. The net gearing ratio of the Group as at 31 December 2024 was 62.5% (2023: 59.5%).

There were no changes in the Group's approach to capital management compared with previous years. Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

37 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

(a) Financial instruments by category

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

Financial assets

At 31 December 2024

	Financial assets at fair value through profit or loss *RMB'000*	Financial assets at fair value through other comprehensive income *RMB'000*	Financial assets at amortised cost *RMB'000*	Total *RMB'000*
Current				
Trade and bills receivables	–	43,281,542	244,509	43,526,051
Financial assets included in other current assets	–	–	1,309,879	1,309,879
Other financial assets	192,797	–	–	192,797
Restricted deposits	–	–	158,789	158,789
Cash and cash equivalents	–	–	3,124,520	3,124,520
	192,797	43,281,542	4,837,697	48,312,036
Non-current				
Financial assets included in other assets	–	186,958	42,700	

37 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

Financial liabilities

At 31 December 2024

	Financial liabilities at fair value through profit or loss *RMB'000*	Financial liabilities at amortised cost *RMB'000*	Total *RMB'000*
Current			
Interest-bearing loans and other borrowings	–	55,637,043	55,637,043
Trade and bills payables	–	5,997,055	5,997,055
Lease liabilities	–	167,431	167,431
Financial liabilities in other current liabilities	32,925	16,363,358	16,396,283
	32,925	78,164,887	78,197,812
Non-current			
Interest-bearing loans and other borrowings	–	87,791,485	87,791,485
Financial liabilities in other non-current liabilities	–	1,354,317	1,354,317
Lease liabilities	–	2,506,939	2,506,939
	–	91,652,741	91,652,741
	32,925	169,817,628	169,850,553

37 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

Financial assets

At 31 December 2023 (restated)

	Financial assets at fair value through profit or loss *RMB'000*	Financial assets at fair value through other comprehensive income *RMB'000*	Financial assets at amortised cost *RMB'000*	Total *RMB'000*
Current				
Trade and bills receivables	–	35,353,454	414,708	35,768,162
Financial assets included in other current assets	–	–	929,852	929,852
Other financial assets	459,073	–	–	459,073
Restricted deposits	–	–	346,789	346,789
Cash and cash equivalents	–	–	4,810,556	4,810,556
	459,073	35,353,454	6,501,905	42,314,432
Non-current				
Financial assets included in other assets	50,000	182,863	42,425	275,288
	50,000	182,863	42,425	275,288
	509,073	35,536,317	6,544,330	42,589,720

37 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

Financial liabilities

At 31 December 2023 (restated)

	Financial liabilities at fair value through profit or loss *RMB'000*	Financial liabilities at amortised cost *RMB'000*	Total *RMB'000*
Current			
Interest-bearing loans and other borrowings	–	49,781,172	49,781,172
Trade and bills payables	–	7,417,142	7,417,142
Lease liabilities	–	176,891	176,891
Financial liabilities in other current liabilities	24,301	14,754,319	14,778,620
	24,301	72,129,524	72,153,825
Non-current			
Interest-bearing loans and other borrowings	–	77,145,035	77,145,035
Financial liabilities in other non-current liabilities	–	1,073,535	1,073,535
Lease liabilities	–	1,519,933	1,519,933
	–	79,738,503	79,738,503
	24,301	151,868,027	151,892,328

The exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business. The Group is also exposed to equity price risk arising from its equity investments in other entities, and movements in its own equity share price.

The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

37 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(b) Credit risk

The Group's credit risk is primarily attributable to cash and cash equivalents, restricted deposits, trade and bills receivables, other financial assets, financial assets included in prepayments and other current assets and financial assets included in other non-current assets.

The receivables from the sale of electricity mainly represent receivables from the provincial power grid companies. The Group has no significant credit risk with any of these power grid companies as the Group and its subsidiaries maintain long-term and stable business relationships with these companies. The receivables from the provincial power grid companies accounted for 98% of the Group's total trade and bills receivables as at 31 December 2024 (31 December 2023 (*restated*): 99%).

For other trade receivables and other receivables, the Group performs an ongoing individual credit evaluation of its customers' and counterparties' financial conditions. The allowance for doubtful debts has been made in the financial statements.

37 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(b) Credit risk (Continued)

Maximum exposure and year-end staging

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at 31 December.

At 31 December 2024

	12-month ECLs	Lifetime ECLs			
	Stage 1	Stage 2	Stage 3	Simplified approach	
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade and bills receivables*	16,243	–	–	43,988,554	44,004,797
Financial assets included in prepayments and other current assets					
– Normal**	1,309,879	–	–	–	1,309,879
– Doubtful**	–	–	502,028	–	502,028
Restricted deposits	158,789	–	–	–	158,789
Cash and cash equivalents	3,124,520	–	–	–	3,124,520
Financial assets included in other non-current assets	42,700	–	–	–	42,700
	4,652,131	–	502,028	43,988,554	49,142,713

37 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(b) Credit risk (Continued)

Maximum exposure and year-end staging (Continued)

At 31 December 2023 (restated)

	12-month ECLs	Lifetime ECLs			
	Stage 1 *RMB'000*	Stage 2 *RMB'000*	Stage 3 *RMB'000*	Simplified approach *RMB'000*	*RMB'000*
Trade and bills receivables*	109,027	–	–	36,016,825	36,125,852
Financial assets included in prepayments and other current assets					
– Normal**	929,852	–	–	–	929,852
– Doubtful**		–	437,969	–	437,969
Other financial assets	295,800	–	–	–	295,800
Restricted deposits	346,789	–	–	–	346,789
Cash and cash equivalents	4,810,556	–	–	–	4,810,556
Financial assets included in other non-current assets	42,425	–	–	–	42,425
	6,534,449	–	437,969	36,016,825	42,989,243

* *For trade receivables included in trade and bills receivables to which the Group applies the 12-month ECLs and the simplified approach for impairment, information based on the provision matrix is disclosed in Note 24 to the consolidated financial statements.*

** The credit quality of the financial assets included in prepayments and other current assets is considered to be "normal" when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, the credit quality of the financial assets is considered to be "doubtful".

37 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(b) Credit risk (Continued)

Maximum exposure and year-end staging (Continued)

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position after deducting any impairment allowance.

The Group provided financial guarantees to related parties. Except for the

37 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(c) Liquidity risk (Continued)

As disclosed in Note 29(a), certain of the Group's banking facilities are subject to the fulfilment of covenants which are relating to the Group's financial metrics which are tested at any time throughout the loan term based on the lending arrangements with financial institutions. If the Group were to breach the covenants the related loans would become payable on demand. Information about the covenants for those bank loans classified as non-current at the end of the reporting period, of which the Group did not identify any difficulties complying with the covenants. is set out below:

Carrying amount 31 December 2024	Carrying amount 31 December 2023 (Restated)	Covenants	Timing to comply with the covenants
RMB'000	*RMB'000*		
9,035,752	9,109,796	Fail for fulfilment of financial ratios including total debts to total assets ratio, current ratio, or long-term investments to total net assets ratio.	At any time throughout the loan term
428,200	351,500	Fail for fulfilment of financial performance including amount of revenue, operating profit or net operating cash flow.	At any time throughout the loan term
890,000	970,000	Others.	At any time throughout the loan term
10,353,952	10,431,296		

37 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

The following table details the remaining contractual maturities at the end of the reporting period of the Group's non-derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date that the Group can be required to pay.

	Carrying amount	Contractual cash flows	With in 1 year or on demand	1 to 2 years	2 to 5 years	More than 5 years
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
31 December 2024						
Borrowings	**143,428,528**	**166,273,580**	**58,570,647**	**34,080,311**	**25,261,174**	**48,361,448**
Lease liabilities	**2,674,370**	**3,857,427**	**222,507**	**202,089**	**502,519**	**2,930,312**
Trade and bills payables	**5,997,055**	**5,997,055**	**5,997,055**	**–**	**–**	**–**
Financial liabilities in other current liabilities	**16,396,283**	**16,396,283**	**16,396,283**	**–**	**–**	**–**
Guarantees	**–**	**6,565**	**6,565**	**–**	**–**	**–**
Other long-term liabilities	**1,354,317**	**1,354,317**	**–**	**1,031,726**	**218,057**	**104,534**
	169,850,553	**193,885,227**	**81,193,057**	**35,314,126**	**25,981,750**	**51,396,294**
31 December 2023 *(restated)*						
Borrowings	126,926,207	138,923,428	52,261,550	15,928,504	25,377,701	45,355,673
Lease liabilities	1,696,824	2,385,588	178,228	113,572	358,460	1,735,328
Trade and bills payables	7,417,142	7,417,142	7,417,142	–	–	–
Financial liabilities in other current liabilities	14,778,620	14,778,620	14,778,620	–	–	–
Guarantees	–	7,236	7,236	–	–	–
Other long-term liabilities	1,073,535	1,283,013	–	1,116,237	118,118	48,658
	151,892,328	164,795,027	74,642,776	17,158,313	25,854,279	47,139,659

37 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(d) Interest rate risk

The Group's interest rate risk arises primarily from long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk.

The Group regularly reviews and monitors the mix of fixed and variable rate borrowings in order to manage its interest rate risk. During the years ended 31 December 2024 and 2023, however, except for the interest rate swap contracts entered into as stated in Note 31(ii), Management of the Group did not consider it necessary to use interest rate swaps to hedge the exposure to interest rate risk.

The following table details the profile of the Group's net borrowings (interest-bearing financial liabilities less interest-bearing financial assets) at the end of the reporting period. The detailed interest rates and maturity information of the Group's borrowings are disclosed in Note 29.

	2024	2023 (Restated)
	RMB'000	*RMB'000*
Net fixed rate borrowings:		
Lease liabilities	**2,673,174**	1,696,824
Borrowings	**32,785,908**	39,460,394
	35,459,082	41,157,218
Net floating rate borrowings:		
Borrowings	**110,642,620**	87,465,813
Less: Bank deposits (including restricted deposits)	**(3,283,109)**	(5,157,345)
Other assets *(Note 22)*	**(42,700)**	(42,425)
	107,316,811	82,266,043
Total net borrowings	**142,775,893**	123,423,261

37 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(d) Interest rate risk (Continued)

At 31 December 2024, it is estimated that a general increase or decrease of 100 basis points in interest rates of net floating borrowings, with all other variables held constant, would have decreased or increased the Group's profit after tax and retained earnings by approximately RMB703,297,000 (31 December 2023 (restated): RMB624,304,000).

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to the exposure to interest rate risk for non-derivative financial instruments in existence at the end of the reporting period.

The estimated 100 basis points' increase or decrease represents Management's assessment of a reasonably possible change in interest rates over the period until the end of the next reporting period. The sensitivity analysis is performed on the same basis for the years presented.

(e) Currency risk

The Group is exposed to currency risk primarily through sales and purchases which give rise to receivables, borrowings and cash balances that are denominated in a foreign currency, i.e. a currency other than the functional currency of the operations to which the transactions relate. The currencies giving rise to this risk are primarily the Hong Kong Dollar, Euro and United States Dollar. The Group manages this risk as follows:

37 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(e) Currency risk (Continued)

(i) Recognised assets and liabilities

Except for subsidiaries in Hong Kong, South Africa, Canada, and Ukraine, which were denominated in foreign currencies, all revenue-generating operations of the Group are transacted in RMB. In addition, the Group has certain borrowings that are denominated in South African Rand, Canadian Dollar, Euro and United States Dollar.

On the other hand, the RMB is not a freely convertible currency and the PRC government may, at its discretion, restrict access to foreign currencies for current account transactions in the future. Changes in the foreign exchange control system may prevent the Group from satisfying sufficient foreign currency demands and the Group may not be able to pay dividends in foreign currencies to its equity holders.

(ii) Exposure to currency risk

The Group's cash at banks and on hand, prepayments and other current assets, borrowings, trade and bills payables and other current liabilities contain items denominated in foreign currencies. The following table indicates the instantaneous change in the Group's profit after tax (and retained earnings) that would arise if foreign exchange rates to which the Group has significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant. In this respect, it is assumed that the pegged rate between the Hong Kong dollar and the United States dollar would be materially unaffected by any changes in the movement in value of the United States dollar against other currencies.

37 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(e) Currency risk (Continued)

(ii) Exposure to currency risk (Continued)

	2024		2023	
	Increase/ (decrease) in foreign exchange rates	**Effect on profit after tax and retained earnings *RMB'000***	Increase/ (decrease) in foreign exchange rates	Effect on profit after tax and retained earnings *RMB'000*
HKD	**5%**	**772**	5%	92
	(5%)	**(772)**	(5%)	(92)
USD	**5%**	**(52,670)**	5%	(82,547)
	(5%)	**52,670**	(5%)	82,547
EUR	**5%**	**(53,367)**	5%	(61,068)
	(5%)	**53,367**	(5%)	61,068
RMB	**5%**	**(1,253)**	5%	(5,743)
	(5%)	**1,253**	(5%)	5,743

Results of the analysis as presented in the above table represent an aggregation of the instantaneous effects on each of the Group entities' profit after tax and equity measured in the respective functional currencies, translated into RMB at the end of the reporting period for presentation purposes.

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Group which expose the Group to foreign currency risk at the end of the reporting period, including inter-company payables and receivables within the Group which are denominated in a currency other than the functional currencies of the lender and the borrower.

37 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(f) Equity price risk

The Group is exposed to equity price changes arising from equity investments at fair value through profit or loss (Note 26) and equity investments at fair value through other comprehensive income (Note 22). The Group's listed investments are listed on the Hong Kong Stock Exchange, Shenzhen Stock Exchange and Shanghai Stock Exchange. Listed investments have been chosen based on their longer term growth potential and are monitored regularly for performance against expectations.

Unlisted investments are held for long-term purposes. Their performance is assessed at least annually based on the information available to the Group, together with an assessment of their relevance to the Group's long-term strategic plans.

The Directors considered that the Group's exposure to equity price risk is insignificant.

37 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(g) Fair value measurement

(i) Financial assets and liabilities measured at fair value

Fair value hierarchy

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

- Level 1 valuations: Fair value measured using only Level 1 inputs (i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date).

- Level 2 valuations: Fair value measured using Level 2 inputs (i.e. observable inputs which fail to meet the criteria of Level 1, and not using significant unobservable inputs). Unobservable inputs are inputs for which market data are not available.

- Level 3 valuations: Fair value measured using significant unobservable inputs.

37 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(g) Fair value measurement (Continued)

(i) Financial assets and liabilities measured at fair value (Continued)

Fair value hierarchy (Continued)

		Fair value measurements as at 31 December 2024 categorised into		
	Fair value at 31 December 2024	Quoted prices in active market for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Recurring fair value measurement				
Assets:				
Unlisted equity investments designated at FVOCI	166,410	–	–	166,410
Listed equity investments designated at FVOCI	20,548	20,548	–	–
Other financial assets designed at fair value through profit or loss	192,797	192,797	–	–
Trade and bills receivables designated at FVOCI	43,281,542	–	2,306,502	40,975,040
Liabilities:				
Derivative financial instruments				
– Interest rate swap contracts	32,925	–	32,925	–

37 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(g) Fair value measurement (Continued)

(i) Financial assets and liabilities measured at fair value (Continued)

Fair value hierarchy (Continued)

		Fair value measurements as at 31 December 2023 categorised into		
	Fair value at 31 December 2023	Quoted prices in active market for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
	(Restated)	*(Restated)*	(Restated)	*(Restated)*
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Recurring fair value measurement				
,gasurement				

37 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(g) Fair value measurement (Continued)

(i) Financial assets and liabilities measured at fair value (Continued)

Fair value hierarchy (Continued)

The fair values of listed equity investments are based on quoted market prices. The fair values of unlisted equity investments designated at FVOCI have been estimated using a market-based valuation technique based on assumptions that are not supported by observable market prices or rates. The valuation requires the Directors to determine comparable public companies (peers) based on industry, size, leverage and strategy, and calculate an appropriate price multiple, such as enterprise value to earnings before interest, taxes, depreciation and amortisation ("EV/EBITDA") multiple, enterprise value to earnings before interest and taxes ("EV/EBIT"), price to earnings ("P/E") multiple and price to book ("P/B") multiple, for each comparable company identified. The multiple is calculated by dividing the enterprise value of the comparable company by an earnings measure. The trading multiple is then discounted for considerations such as illiquidity and size differences between the comparable companies based on company-specific facts and circumstances. The discounted multiple is applied to the corresponding earnings measure of the unlisted equity investments to measure the fair value. The Directors believe that the estimated fair values resulting from the valuation technique, which are recorded in the consolidated statement of financial position, and the related changes in fair values, which are recorded in other comprehensive income, are reasonable, and that they were the most appropriate values at the end of the reporting period.

37 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(g) Fair value measurement (Continued)

(i) Financial assets and liabilities measured at fair value (Continued)

Fair value hierarchy (Continued)

Set out below is a summary of significant unobservable inputs to the valuation of financial instruments together with a quantitative sensitivity analysis as at 31 December:

2024

	Valuation technique	Significant unobservable input	Range	Sensitivity of fair value to the input
Unlisted equity investments	Valuation multiples	Average P/B	1.25	10% increase/decrease in multiple would result in increase/decrease in fair value by RMB12,477,000
		Discount for lack of marketability	30%	10% increase/decrease in multiple would result in decrease/increase in fair value by RMB5,347,000

37 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(g) Fair value measurement (Continued)

(i) Financial assets and liabilities measured at fair value (Continued)

Fair value hierarchy (Continued)

2023

	Valuation technique	Significant unobservable input	Range	Sensitivity of fair value to the input
Unlisted equity investments	Valuation multiples	Average P/B	1.1 – 1.2	10% increase/decrease in multiple would result in increase/decrease in fair value by RMB15,938,000
		Discount for lack of marketability	25% – 29%	10% increase/decrease in multiple would result in decrease/increase in fair value by RMB5,605,000

37 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(g) Fair value measurement (Continued)

(i) Financial assets and liabilities measured at fair value (Continued)

Fair value hierarchy (Continued)

The discount for lack of marketability represents the amounts of premiums and discounts determined by the Group that market participants would take into account when pricing the investments.

The fair value of trade and bills receivables designated at FVOCI classified as level 3 is determined by discounting the expected future cash flow with discount rate by reference to the market rate of return of other financial instruments with similar contract terms, credit risks and residual periods.

(ii) Fair values of financial instruments carried at other than fair value

The carrying amounts of the Group's financial instruments carried at cost or amortised cost were not materially different from their fair values as at 31 December 2024 and 2023 except the following:

	2024		2023 (Restated)	
	Carrying amount *RMB'000*	**Fair value** *RMB'000*	Carrying amount *RMB'000*	Fair value *RMB'000*
Other borrowings *(Note 29 (a))*	**15,999,781**	**16,357,903**	4,091,987	4,282,447
Fixed rate long-term loans	**1,880,396**	**1,921,052**	684,855	696,324
Total	**17,880,177**	**18,278,955**	4,776,842	4,978,771

38 COMMITMENTS

Capital commitments mainly relate to the construction of new power projects, certain ancillary facilities and renovation projects for existing power plants. Capital commitments outstanding at the year end in the consolidated financial statements were as follows:

	2024	2023
	RMB'000	*RMB'000*
Contracted, but not provided	**10,190,662**	9,804,170

39 CONTINGENT LIABILITIES

The Company issued a counter-guarantee to Hubei Energy Group Co., Ltd. (湖北能源集團股份有限公司), the controlling equity owner of Hubei Jiugongshan Wind Power Co., Ltd. (湖北省九宮山風力發電有限責任公司), which is an associate of the Company, in respect of a guarantee issued by Hubei Energy Group Co., Ltd. (湖北能源集團股份有限公司) for a banking facility granted to the associate in 2008. At 31 December 2024, the balance of the guarantee provided by Hubei Energy Group Co., Ltd. for Hubei Jiugongshan Wind Power Generation Co., Ltd. is RMB13,677,000, and the balance of the counter-guarantee provided by our company based on our shareholding ratio in Hubei Jiugongshan Wind Power Generation Co., Ltd. is RMB 6,565,000 (31 December 2023: RMB7,236,000).

40 MATERIAL RELATED PARTY TRANSACTIONS

(a) Transactions with related parties

The Group is part of a large group of companies under CHN Energy and has significant transactions and relationships with the subsidiaries of CHN Energy.

The principal transactions are as follows:

	Notes	2024 RMB'000	2023 (Restated) RMB'000
Sales of goods and provision of services to	(i)		
CHN Energy		**39,350**	541
Fellow subsidiaries		**407,487**	468,830
Associates and joint ventures		**109,899**	326,750
Purchase of goods and receipt of services from	(ii)		
Fellow subsidiaries		**4,519,437**	3,290,830
Associates and joint ventures		**1,770,660**	1,540,701
Purchase of property, plant and equipment and intangible assets	(iii)		
Fellow subsidiaries		**(279,693)**	(58)
Associates and joint ventures		**(169,183)**	(201,182)
Net changes in working capital repaid from	(iv)		
Fellow subsidiaries		**(134,434)**	(112,833)
Associates and joint ventures		**(111,474)**	(224,759)
Loan guarantees revoked from	(v)		
CHN Energy		**(35,981)**	(48,364)
Loans provided by	(vi)		
Fellow subsidiaries		**7,100,930**	1,264,173
Associates		**659,310**	257,000
Interest expenses and other financial services expenses	(vii)		
Fellow subsidiaries		**564,121**	500,083
Associates and joint ventures		**36,010**	24,683
Interest income	(viii)		
Fellow subsidiaries		**4,095**	21,008

40 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Transactions with related parties (Continued)

	Notes	2024 RMB'000	2023 (Restated) RMB'000
Lease payments			
Fellow subsidiaries		**41,776**	37,247
Lease income			
Fellow subsidiaries		**48,276**	6,739
Associates and joint ventures		**2,771**	3,145
Lease liabilities			
Fellow subsidiaries		**6,802**	377,339
Associates		**(308)**	3,060
Deposits withdrawn from	(ix)		
A fellow subsidiary		**(1,205,618)**	(463,315)
Increase investment to			
Associates		**256,901**	2,357,136

40 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Transactions with related parties (Continued)

Notes:

(i) The sales to the related parties were made according to the market prices and conditions offered to the major customers of the Group.

(ii) The purchases from the related parties were made according to the market prices and conditions offered by the fellow subsidiaries and associates to their major customers.

(iii) The amount represented sale of property, plant and equipment and intangible assets to fellow subsidiaries.

(iv) The working capital provided to and received from the related parties is unsecured and interest-free.

40 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Outstanding balances with related parties

The deposits placed with a fellow subsidiary amounted to RMB1,253,226,000 as at 31 December 2024 (31 December 2023 (restated): RMB2,614,116,000). Details of the other outstanding balances with related parties are set out in Notes 17, 24, 25, 29, 30, 31 and 35.

(c) Transactions with other state-controlled entities in the PRC

The Group is a state-controlled entity and operates in an economic regime currently dominated by entities directly or indirectly owned or controlled by the PRC government and numerous government authorities and agencies (collectively referred to as "state-controlled entities").

Apart from the transactions mentioned above, the Group conducts a majority of its business activities with state-controlled entities in the ordinary course of business. These transactions are carried out on terms similar to those that would be entered into with non-state-controlled entities. Transactions with other state-controlled entities include, but are not limited to the following:

– Sale of electricity;

– Depositing and borrowing money;

– Purchase of materials and receipt of construction work services; and

The tariff of electricity is regulated by the relevant government authorities. The Group prices its other services and products based on the commercial negotiations. The Group has also established its approval process for the sale of electricity, purchase of products and services and its financing policy for borrowings. Such approval process and financing policy do not depend on whether the counterparties are state-controlled entities or not.

40 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(c) Transactions with other state-controlled entities in the PRC (Continued)

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

	2024	2023 (Restated)
	RMB'000	*RMB'000*
Sales of electricity	**32,809,727**	32,287,313
Sales of other products	**510,163**	1,616,347
Interest income	**62,019**	175,130
Interest expenses	**2,796,131**	2,515,066
Loans (repaid)/received	**(4,991,199)**	16,813,995
Deposits withdrawn from state-owned banks	**(556,199)**	(15,035,820)
Purchase of materials and receipt of construction services	**6,203,227**	3,379,629

40 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

The balances of transactions with other state-controlled entities are as follows:

	2024	2023 (Restated)
	RMB'000	*RMB'000*
Receivables from sales of electricity	**42,882,567**	35,409,560
Receivables from sales of other products	**23,950**	29,067
Bank deposits (including restricted deposits)	**1,736,174**	1,656,359
Borrowings	**82,304,016**	84,351,301
Payable for purchase of materials and receiving construction work services	**1,849,044**	2,805,186

(d) Key management compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group. The total remuneration of the key management personnel is shown below:

	2024	2023
	RMB'000	*RMB'000*
Salaries and other emoluments	**3,841**	3,512
Discretionary bonuses	**9,483**	7,692
Retirement scheme contributions	**1,342**	1,042
	14,666	12,246

40 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(e) Commitment with related parties

	2024	2023
	RMB'000	*RMB'000*
Capital commitment with		
Associates	**665,880**	220,930

(f) Applicability of the Listing Rules relating to connected transactions

The related party transactions in respect of the sales and purchases of goods, the provision of and receipt of services to and from CHN Energy and its subsidiaries, loans from and deposits placed with CHN Energy and its subsidiaries, the provision of financing lease related service and factoring service from CHN Energy and its subsidiaries as detailed in Note 40(a) constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules. The disclosures required by Chapter 14A of the Listing Rules are provided in the section headed "Connected transactions" in the Director's Report of the Group for the year ended 31 December 2024.

41 COMPANY-LEVEL STATEMENT OF FINANCIAL POSITION

	2024 *RMB'000*	2023 *RMB'000*
Non-current assets		
Property, plant and equipment	**228,259**	241,161
Intangible assets	**10,132**	11,344
Investments in subsidiaries	**63,744,751**	61,642,933
Investments in associates and joint ventures	**2,046,142**	2,067,632
Other assets	**76,989**	3,428,634
Total non-current assets	**66,106,273**	67,391,704
Current assets		
Inventories	**445**	470
Trade and bills receivables	**2,727**	4,179
Prepayments and other current assets	**73,082,858**	61,683,565
Restricted deposits	**14,641**	14,822
Cash at banks and on hand	**478,021**	1,701,819
Total current assets	**73,578,692**	63,404,855

41 COMPANY-LEVEL STATEMENT OF FINANCIAL POSITION (CONTINUED)

	2024	2023
	RMB'000	*RMB'000*
Current liabilities		
Borrowings	**25,267,502**	24,285,794
Trade and bills payables	**48,099**	47,426
Other payables	**28,204,636**	30,176,433
Total current liabilities	**53,520,237**	54,509,653
Net current assets	**20,058,455**	8,895,202
Total assets less current liabilities	**86,164,728**	76,286,906
Non-current liabilities		
Borrowings	**33,844,601**	25,925,483
Deferred income	**2,674**	3,266
Deferred tax liabilities	**4,303**	4,257
Total non-current liabilities	**33,851,578**	25,933,006
NET ASSETS	**52,313,150**	50,353,900
CAPITAL AND RESERVES		
Share capital	**8,359,816**	8,381,963
Treasury shares	**–**	(56,648)
Other equity instruments	**–**	2,022,877
Reserves	**43,953,334**	40,005,708
TOTAL EQUITY	**52,313,150**	50,353,900

42 BUSINESS COMBINATIONS

(a) Business combinations under common control

At the beginning of 2024, the Company entered into an equity transfer agreement with CHN Energy to acquire 100% equity interests of Chicheng Nanjun New Energy Co., Ltd. (赤城縣楠軍新能源有限公司) and Hefei Senyong New Energy Technology Co., Ltd. (合肥森永新能源科技有限公司) held by CHN Energy at a total consideration of RMB206,952,000.

On 22 October 2024, the Company entered into an equity transfer agreement with CHN Energy Guangxi Electric Power Co., Ltd. ("Guangxi Electric Power", 國家能源集團廣西電力有限公司) to acquire 51% equity interests of Guoneng Tengxian Energy Development Co., Ltd (國能藤縣能源發展有限公司) held by Guangxi Electric Power at a consideration of RMB831,270,000.

On 22 October 2024, the Company entered into an equity transfer agreement with CHN Energy Gansu Electric Power Co., Ltd. ("Gansu Electric Power",國家能源集團甘肅電力有限公司) to acquire 51% equity interests of Gansu Guoneng Wind Power Co., Ltd (甘肅國能風力發電有限公司) and Minqin Guoneng Wind Power Co., Ltd (民勤國能風力發電有限責任公司), 100% equity interests of Xiahe Guoneng New Energy Development Co., Ltd (夏河國能新能源開發有限公司), Guoneng (Wuwei) New Energy Co., Ltd (國能(武威)新能源有限公司), and Jinta Beishan Guoneng New Energy Co., Ltd (金塔北山國能新能源有限公司) held by Gansu Electric Power at a total consideration of RMB726,895,000.

On December 2024, the Company entered into an equity transfer agreement with CHN Energy Xiongan Energy Co., Ltd ("Xiongan Energy",國家能源集團雄安能源有限公司) to acquire 60% equity interests of Guoneng Xiongan Tongda (Etuoke Banner) New Energy Technology Co., Ltd (國能雄安通達(鄂托克旗)新能源科技有限公司) held by Xiongan Energy at a consideration of RMB208,000.

42 BUSINESS COMBINATIONS (CONTINUED)

(a) Business combinations under common control (Continued)

The above transactions (the "Transaction") were completed in 2024 and all these acquired entities are engaged in wind power and PV power generation and sales. As all these entities involved in the Transaction are under common control of CHN Energy before and after the acquisition. The Transaction is considered as a business combination under common control. The principle of merger accounting for business combination involving business under common control has therefore been applied. As a result, the consolidated financial statements of the Group have been prepared as if all these entities were the subsidiaries of the Company ever since they became under common control of CHN Energy.

Accordingly, the consolidated statement of financial position as at 31 December 2023 has been restated to include the assets and liabilities of all these entities at carrying amounts in the books of the Group. The consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and consolidated statement of cash flows for the year ended 2023 have been restated to include the results and cash flows of all these entities as if they were the subsidiaries of the Company throughout the year ended 2023. Respective notes to the consolidated financial statements have also been restated. All significant intra-group transactions, balances, income and expenses are eliminated on combination.

42 BUSINESS COMBINATIONS (CONTINUED)

(a) Business combinations under common control (Continued)

As a result of the Transaction, the relevant line items in the consolidated statement of financial position as at 31 December 2023 and the consolidated statement of profit or loss and other comprehensive income for the year ended 2023 have been restated. Details are as follows:

	As at 31 December 2023		
	The Group (as previously reported) *RMB'000*	Effect of the Transaction *RMB'000*	The Group (as restated) *RMB'000*
Total non-current assets	184,906,736	7,943,249	192,849,985
Total current assets	45,008,403	404,141	45,412,544
Total assets	229,915,139	8,347,390	238,262,529
Total non-current liability	76,634,457	4,420,697	81,055,154
Total current liability	71,254,606	1,508,624	72,763,230
Total liabilities	147,889,063	5,929,321	153,818,384
Equity attributable to the equity holders of the Company	70,580,395	1,366,554	71,946,949
Non-controlling interests	11,445,681	1,051,515	12,497,196
Total equity	82,026,076	2,418,069	84,444,145
Total equity and liabilities	229,915,139	8,347,390	238,262,529

42 BUSINESS COMBINATIONS (CONTINUED)

(a) Business combinations under common control (Continued)

	2023		
	The Group (as previously reported net of the effect of discontinued operations)	Effect of the Transaction	The Group (as restated)
	RMB'000	*RMB'000*	*RMB'000*
Revenue and other net income	30,489,866	411,199	30,901,065
Operating expenses	(19,077,390)	(252,330)	(19,329,720)
Operating profit	11,412,476	158,869	11,571,345
Profit before taxation	8,027,673	90,331	8,118,004
Profit for the period	6,614,336	96,147	6,710,483
Other comprehensive income	22,032	–	22,032
Total comprehensive income for the period	6,636,368	96,147	6,732,515
Profit for the period attributable to:			
Equity holders of the Company	6,288,643	55,376	6,344,019
Non-controlling interests	325,693	40,771	366,464
Total comprehensive income for the period attributable to:			
Equity holders of the Company	6,300,933	55,376	6,356,309
Non-controlling interests	335,435	40,771	376,206
Basic and diluted earnings per share *(RMB cents)*	73.19	0.66	73.85

42 BUSINESS COMBINATIONS (CONTINUED)

(b) Major business combinations not under common control

On 29 February 2024, the Group acquired 100% equity interests of five companies from third parties, Beijing Dongneng Xinyuan Equity Investment LP (

42 BUSINESS COMBINATIONS (CONTINUED)

(b) Major business combinations not under common control (Continued)

On 2 December 2024, the Group amended the article of association of Tianjin Longyuan Expressway New Energy Co., Ltd ("Tianjin Longyuan Expressway", 天津龍源高速新能源有限公司), an associate of the Group, in which the Group held 55% equity interests, with the another shareholder, Tianjin Expressway Group Limited (天津高速公路集團有限公司), which is independent to the Group. Under the amended article of association of Tianjin Longyuan Expressway, 50% of the voting rights could sufficiently enable the Group to exercise its power over directing the relevant activities of Tianjin Longyuan Expressway. Therefore, the Directors are of the opinion that the Group could control and consolidate Tianjin Longyuan Expressway in its consolidated financial statements thereafter. Tianjin Longyuan Expressway is engaged in wind power generation and sale.

In December 2024, a subsidiary of the Group, Ningxia Longyuan New Energy Co., Ltd. (寧夏龍源新能源有限公司) entered into a concert party agreement with Zhongneng Xinyuan Ningxia Tongxin Wind Power Generation Co., Ltd ("Zhongneng Xinyuan",中能新源寧夏同心風力發電有限公司), pursuant to which Zhongneng Xinyuan has agreed voting-in-concert with the Group over decisions on directing the relevant activities of Tongxin Longyuan Hechuang Electric Power Co., Ltd. ("Tongxin Longyuan", 同心龍源合創電力有限責任公司), an associate of the Group, in which the Group held 55.66% equity interests. As a result, under the article of association of Tongxin Longyuan taken into the concert party agreement, the Group has obtained controls of 4 out of 7 places in the board of directors of Tongxin Longyuan which could sufficiently enable the Group to exercise its power over directing the relevant activities of Tongxin Longyuan. The Directors are of the opinion that the Group can control and consolidate Tongxin Longyuan in its consolidated financial statements thereafter. Tongxin Longyuan is engaged in operation and maintenance of power boosting substations.

42 BUSINESS COMBINATIONS (CONTINUED)

(b) Major business combinations not under common control (Continued)

The aggregate fair values of the identifiable assets acquired and liabilities assumed of the above-mentioned acquired or consolidated companies as at the acquisition dates are set out as follows:

	Fair value as at the acquisition dates *RMB'000*
Non-current assets	
Property, plant and equipment	2,116,503
Right-of-use assets	42,552
Intangible assets	24
Other assets	112,741
Deferred tax assets	526
Current assets	
Inventories	2,583
Trade and bills receivables	119,546
Prepayments and other current assets	105,084
Cash at banks and on hand	97,947
	2,597,506
Non-current liabilities	
Borrowings	(1,124,090)
Deferred tax liabilities	(9,011)
Other non-current liabilities	(69,873)
Current liabilities	
Trade and bills payable	(788,082)
	(1,991,056)
Total identifiable net assets	606,450
Less: Non-controlling interests	(43,439)
Fair value of identifiable net assets acquired	563,011

42 BUSINESS COMBINATIONS (CONTINUED)

(b) Major business combinations not under common control (Continued)

An analysis of the cash flows in respect of the acquisitions of target companies are as follows:

	2024 *RMB'000*
Cash consideration	**472,765**
Less: Cash and cash equivalents in the subsidiaries acquired	**(97,947)**
Payment for acquisition of businesses, net of cash acquired	**374,818**

Gain on a bargain purchase arising from acquisitions of subsidiaries is as follows:

	Total *RMB'000*
Fair value of identifiable net assets acquired	563,011
Cash consideration	(472,765)
Fair value of pre-existing held interests	(67,675)
Gain on a bargain purchase arising from acquisitions of subsidiaries	22,571

The remeasurement to fair value of the Group's existing interests in Tianjin Longyuan Expressway and Tongxin Longyuan resulted in losses of RMB15,019,000 (RMB67,675,000 fair value of pre-existing held interests less the RMB82,694,000 carrying amount of the equity-accounted investees at the date of acquisition). This amount has been included in "Other net income" (see Note 7).

42 BUSINESS COMBINATIONS (CONTINUED)

(b) Major business combinations not under common control (Continued)

The acquisition-related costs were charged directly to consolidated statements of profit or loss for the year ended 2024. From the acquisition date to 31 December 2024, these target companies contributed total revenue of RMB108,531,000 and net profit of RMB20,674,000.

43 DISPOSAL OF SUBSIDIARIES

(a) Disposal of coal power segment

The Company disposed the coal power segment in the second half of 2024. The details of the transaction are set out in Note 5.

(b) Disposal of Youyi Longyuan Biomass Power Generating Co., Ltd.

Youyi Longyuan Biomass Power Generating Co., Ltd. ("Youyi Biomass", 龍源友誼生物質發電有限公司), a subsidiary of the Group, was established in 2009 and engaged in biomass power generation and sale. On 20 November 2024, Youyi Biomass voluntarily filed an application with the People's Court of Youyi County, Shuangyashan City (the "Court") for bankruptcy liquidation as it's unable to repay its debts as they fall due and was insolvent. On 17 December 2024, the Court ordered a liquidation of Youyi Biomass and associated assets and liabilities of Youyi Biomass were taken up by the liquidation administrator accordingly. As a result, Youyi Biomass ceased to be consolidated by the Group thereafter, and a net loss of RMB26,411,000 was recognised in the Group's consolidated statements of profit or loss and a net out cashflow of RMB143,000 was made for the year ended 31 December 2024. As assessed by the Group, no further provision nor contingent liability is required to be provided for by the Group.

44 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Changes in liabilities arising from financing activities

	Borrowings	Lease liabilities	Accrued interest payable
	RMB'000	*RMB'000*	*RMB'000*
At 1 January 2024	126,926,207	1,696,824	342,054
Changes from financing cash flows:			
Proceeds from borrowings	247,759,841	–	–
Repayment of borrowings	(230,308,406)	–	–
Interest paid for borrowing	–	–	(3,646,295)
Lease payments	–	(329,796)	–
Other changes:			
Interest expense	–	109,295	3,673,991
New leases	–	1,279,384	–
Foreign exchange movement	(140,607)	(4,699)	–
Acquisition of subsidiaries	1,122,556	–	–
Disposal of subsidiaries	(1,931,063)	–	–
Disposal	–	(76,638)	–
At 31 December 2024	143,428,528	2,674,370	369,750

44 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

(a) Changes in liabilities arising from financing activities (Continued)

	Borrowings *RMB'000*	Lease liabilities *RMB'000*	Accrued interest payable *RMB'000*
At 1 January 2023 (restated)	122,339,578	982,653	204,592
Changes from financing cash flows:			
Proceeds from borrowings	152,787,390	–	–
Repayment of borrowings	(148,524,360)	–	–
Interest paid for borrowing	–	–	(3,619,239)
Lease payments	–	(630,469)	–
Other changes:			
Interest expense	–	73,377	3,756,701
New leases	–	1,269,688	–
Foreign exchange movement	323,599	1,798	–
Disposals	–	(223)	–
At 31 December 2023 (restated)	126,926,207	1,696,824	342,054

(b) Total cash outflow for leases

The total cash outflow for leases included in the statement of cash flows is as follows:

	2024 *RMB'000*	2023 (Restated) *RMB'000*
Within operating activities	**132,511**	119,665
Within financing activities	**329,796**	630,469
	462,307	750,134

44 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

(b) Total cash outflow for leases (Continued)

During the year, the Group had non-cash additions to right-of-use assets and lease liabilities of RMB1,279,384,000 and RMB1,279,384,000 (2023 (restated): RMB1,269,688,000 and RMB1,269,688,000) respectively, in respect of lease arrangements.

45 OTHER EQUITY INSTRUMENTS

On 30 August 2021, the Company issued a perpetual medium-term note (the "Note") which was recorded as equity. The Note is at fixed interest rate with a term of three plus N years. The principal amount of the Note is RMB2 billion and the coupon rate is 3.47%. The interest of the Note is recognised as distributions, which will be paid annually in arrears in August in each year and may be deferred at the discretion of the Company unless compulsory distribution payment events (including distributions to ordinary shareholders of the Company or reduction of the registered capital of the Company) have occurred. On 27 August 2024, the Note was fully redeemed by the Company.

In 2024, the profit attributable to holders of perpetual medium-term notes, based on the applicable interest rate, was RMB45,823,000 (2023: RMB154,901,000). RMB69,400,000 has been paid in 2024 (2023: RMB196,400,000).

46 SUBSEQUENT EVENTS AFTER THE REPORTING PERIOD

The Directors made a resolution on the dividend distribution on 28 March 2025, as detailed in Note 36 (b).

47 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR BEGINNING ON 1 JANUARY 2024

Up to the date of issue of these financial statements, the IASB has issued a number of new or amended standards, which are not yet effective for the year beginning on 1 January 2024 and which have not been adopted in these financial statements. These developments include the following which may be relevant to the Group.

	Effective for accounting periods beginning on or after
Amendments to IAS 21, *The effects of changes in foreign exchange rates: Lack of exchangeability*	1 January 2025
Amendments to IFRS 9, *Financial instruments* and IFRS 7, *Financial instruments: disclosures – Amendments to the classification and measurement of financial instruments*	1 January 2026
Annual improvements to IFRS Accounting Standards – Volume 11	1 January 2026
IFRS 18, *Presentation and disclosure in financial statements*	1 January 2027
IFRS 19, *Subsidiaries without public accountability: disclosures*	1 January 2027

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

FINANCIAL STATEMENTS RECONCILIATION BETWEEN PRC GAAP AND IFRS ACCOUNTING STANDARDS

FOR THE YEAR ENDED 31 DECEMBER 2024
(Expressed in thousands of Renminbi unless otherwise stated)

The financial statements, which have been prepared by the Company in conformity with PRC GAAP, differ in certain respects from those of IFRS Accounting Standards. Major impact of adjustments for IFRS Accounting Standards, on the net consolidated profit and equity attributable to equity holders of the Company, is summarised as follows:

	Consolidated profit attributable to equity holders of the Company For the year ended		Total equity attributable to equity holders of the Company As at 31 December	
	2024	2023 (Restated)	2024	2023 (Restated)
	RMB'000	RMB'000	RMB'000	RMB'000
Consolidated net profit/equity attributable to equity holders of the Company under PRC GAAP	**6,345,287**	6,303,392	**73,205,350**	72,284,419
Impact of IFRS Accounting Standards adjustments:				
Difference on revaluation of certain assets upon the reorganisation in 2009 *(Note (i))*	**15,585**	15,585	**(301,141)**	(316,726)
Special reserve *(Note (ii))*	**66,937**	96,515	**–**	–
Others	**(3,294)**	(4,837)	**(3,350)**	(20,744)
Consolidated net profit/equity attributable to equity holders of the Company under IFRS Accounting Standards	**6,424,515**	6,410,655	**72,900,859**	71,946,949

Notes:

(i) On 9 July 2009, the Company was restructured and incorporated as a joint stock limited company. During the restructuring in 2009, a valuation was carried out for certain assets owned by the Company. In accordance with Accounting Standards for Business Enterprises – interpretation 1, valuation results were recognised by the Company in the financial statements prepared under PRC GAAP. Under IFRS Accounting Standards, restructuring was treated as business combination under common control. As a result, valuation results were not recognised and those assets were accounted under historical cost convention in the financial statements prepared under IFRS Accounting Standards. In addition, the difference on certain assets recognition had impact on depreciation and amortisation expenses in subsequent periods, resulting differences in reserve and net profit in the circumstances of asset disposal or impairment provided. The above-mentioned differences were eliminated gradually through depreciation and amortisation expenses provided and assets disposal.

Notes: (Continued)

(ii) According to the "Management Measures for the Extraction and Use of Enterprise Safety Production Expenses" issued by the Ministry of Finance on December 13, 2022 (Caizi [2022] No.136), the group has been calculating and withdrawing safety production expenditures since December 2022. According to the "Interpretation of Enterprise Accounting Standards No.3" issued by the Ministry of Finance on June 11, 2009, the safety production expenditures calculated and withdrawn in accordance with regulations are included in the main business cost, while recognizing "special reserves". Under International Financial Reporting Standards, safety production expenditures are recognized as costs when they are actually incurred. The safety production expenditures that have been withdrawn but have not been used form a special reserve that has been withdrawn according to legal requirements and has specific purposes. They are extracted from Retained earnings and listed in the "special reserve".

GLOSSARY OF TERMS

12556	Sticking to 1 objective. The Group will continue to advance the construction of new Longyuan with the principles of "inherent safety, doubled scale, digital transformation, innovation-driven leadership, and proactive growth", and build, in an all-round way, itself into a world-class and technologically-leading new energy enterprise. Deepening 2 development paths. The Group will adhere to the concept of large-scale development, achieving strong growth in quantity; insist on innovation and change, achieving effective improvement in quality. Improving "Five capabilities" and building "5 World-Class Platforms". The Group will improve its ability of implementing strategies, to build a world-class new energy asset management platform; improve its ability of seizing and utilizing opportunities, to build a world-class new energy business development platform; improve its ability of integrating resources, to build a world-class new energy sharing and coordination platform; improve its ability of reform and innovation, to build a world-class new energy technology innovation and R&D platform; and improve its ability of organization and leading, to build a world-class new energy platform empowered by Party building.

	Playing role as “6 Main Forces”. Firstly, in shaping the new advantages of the whole-chain energy supply guarantee, it will play a role as the “Main Force” for security and stability; secondly, in shaping the new advantages of high-level science and technology and self-reliance, it will play a role as the “Main Force” for reform and innovation; thirdly, in shaping the new advantages of green development, it will play a role as the “Main Force” for low-carbon transition; fourthly, in shaping the new advantages of integration, digitalization and internationalization, it will play a role as the “Main Force” for coordinated development; fifthly, in shaping the new advantages of quality enhancement and efficiency improvement, it will play a role as the “Main Force” for value creation; sixthly, in shaping the new advantages of deep integration, leadership and guarantee, it will play a role as the “Main Force” for the Party building
1+1+4+N	Company headquarters + National Energy Wind Power Operation Research and Development (Experimental) Center + 4 technology companies + affiliated units
"1+N+X” Compliance Management Digital System	"1" refers to the digital platform for compliance management, “N” refers to certain basic and specialized systems for compliance management, and “X” refers to compliance risk guidance in certain material fields
“4+4+2”	construction of four standards for contract management process, contract template, contract audit, and contract audit position responsibilities, the enhancement of four functions, namely, visualization of contract management, automation of contract legal audit, real-time monitoring of partners’ creditworthiness, and full-quantity sensing of contract information, and two improvements in adoption rate of legal opinions and audit efficiency

GLOSSARY OF TERMS

5 World-Class Platforms	1. improving its ability of implementing strategies to build a world-class new energy asset management platform; 2. improving its ability of seizing and utilizing opportunities to build a world-class new energy business development platform; 3. improving its ability of integrating resources to build a world-class new energy sharing and coordination platform; 4. improving its ability of reform and innovation to build a world-class new energy technology innovation and R&D platform; 5. improving its ability of organization and leading to build a world-class new energy platform empowered by Party building
Articles of Association	the articles of association of China Longyuan Power Group Corporation Limited* (as amended, modified or otherwise supplemented from time to time)
average load factor of generating equipment	average utilisation hours divided by calendar hours
average utilisation hours	the consolidated power generation in a specified period (in MWh or GWh) divided by the average consolidated installed capacity in the same period (in MW or GW)
Board/Board of Directors	the board of directors of the Company
CHN Energy	China Energy Investment Corporation Limited
CHN Energy Liaoning Company	CHN Energy Group Liaoning Electric Power Co., Ltd.

GLOSSARY OF TERMS

consolidated installed capacity	the aggregate installed capacity or capacity under construction (as the case may be) of our project companies that we fully consolidated in our consolidated financial statements only. It is calculated by including 100 % of the installed capacity or capacity under construction of our project companies that we fully consolidate in our consolidated financial statements and are deemed as our subsidiaries. Both consolidated installed capacity and consolidated capacity under construction do not include the capacity of our associated companies
electricity sales	the actual amount of electricity sold by a power plant in a particular period of time, which is equivalent to gross power generation less comprehensive auxiliary electricity
ESG	Environmental, social, and corporate governance
Five capabilities	Strategies implementation capability, organization and leading capability, opportunity seizing and utilization capability, resource integration capability, transformation and innovation capability
Four Revolutions and One Cooperation	promoting energy consumption revolution, energy supply revolution, energy technology revolution, energy system revolution, and enhancing international energy cooperation in all aspects
Group	China Longyuan Power Group Corporation Limited* (龍源電力集團股份有限公司) and its subsidiaries
GW	unit of energy, 1 GW = 1,000 MW
GWh	unit of energy, one gigawatt-hour is the amount of energy that would be produced by a generator producing one gigawatt for one hour

GLOSSARY OF TERMS

Hong Kong Stock Exchange	The Stock Exchange of Hong Kong Limited
kW	unit of energy, 1 kW = 1,000 watts
kWh	unit of energy, one kilowatt-hour is the amount of energy that would be produced by a generator producing one thousand watts for one hour
Latest Practicable Date	16 April 2025, being the latest practicable date prior to the printing of this report for the purpose of ascertaining certain information contained herein
Listing Rules	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
Longyuan Power/our Company/ the Company/we	China Longyuan Power Group Corporation Limited* (龍源電力集團股份有限公司)
MST	abbreviations for management, skill, and technology
MW	unit of energy, 1 MW = 1,000 kW
MWh	unit of energy, one megawatt- hour is the amount of energy that would be produced by a generator producing one megawatt for one hour
One Department and Two Centers	production and technology department, operation control center, and equipment maintenance center
Pingzhuang Coal Group	Inner Mongolia Pingzhuang Coal (Group) Co., Ltd.
Pingzhuang Energy	Inner Mongolia Pingzhuang Energy Co., Ltd. (內蒙古平莊能源股份有限公司)

replacing small-capacity units with large-capacity units	to replace the original small-capacity wind turbine units with mainstream models in the industry with large installed capacity of a single unit and advanced technology to maximize the use of land and wind power resources in old wind farms
Reporting Period	from 1 January to 31 December 2024
RMB	Renminbi, the lawful currency of the PRC
SZSE	The Shenzhen Stock Exchange
Three Management and Three Musts	the principle implemented in the safety production work that persons in charge of industry, business and production operation must be responsible for the safety
"Three Sames" Benchmarking	Benchmarking the most favorable price of projects in the same period, region, and type to strictly control the highest price limit
Three Simultaneities	water resources conservation and environmental protection facilities in construction projects shall be designed, constructed and put into use simultaneously with the main project
three teams	excellent experts, great craftsmen and young talents
Two-high-one-low	High quality, high speed and low cost
%	per cent

CORPORATE INFORMATION

THE COMPANY'S OFFICIAL NAME

龍源電力集團股份有限公司

THE COMPANY'S NAME IN ENGLISH

China Longyuan Power Group Corporation Limited*

REGISTERED OFFICE

Room 2006, 20th Floor
Block c, 6 Fuchengmen North Street
Xicheng District
Beijing PRC

HEAD OFFICE IN THE PRC

Block c, 6 Fuchengmen North Street
Xicheng District
Beijing
PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1917, 19/F, Lee Garden
One 33 Hysan Avenue, Causeway Bay
Hong Kong

BOARD OF DIRECTORS

Executive Director

Mr. Gong Yufei *(Chairman of the Board)*
Mr. Wang Liqiang *(President)*

Non-executive Directors

Ms. Wang Xuelian
Ms. Chen Jie
Mr. Zhang Tong
Mr. Wang Yong

Independent Non-executive Directors

Mr. Michael Ngai Ming Tak
Mr. Gao Debu
Ms. Zhao Feng

THE COMPANY'S LEGAL REPRESENTATIVE

Mr. Gong Yufei

AUTHORIZED REPRESENTATIVES

Mr. Gong Yufei
Ms. Chan Sau Ling

COMPANY SECRETARY

Ms. Chan Sau Ling

* *For identification purpose only*

CORPORATE INFORMATION

AUDITORS

KPMG
Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

Zhongshen Zhonghuan Certified Public Accountants LLP
Floor 17-18
Changjiang Industry Building,
Zhongbei Road,
Wuchang District, Wuhan City,
Hubei Province
PRC

LEGAL ADVISORS

as to Hong Kong law

Clifford Chance
27th Floor, Jardine House
One Connaught Place
Central
Hong Kong

as to PRC law

Beijing Zhonglun W&D Law Firm
19th Floor, Golden Tower
No.1, Xibahe South Road
Chaoyang District, Beijing PRC

PRINCIPAL BANKERS

China Development Bank
No.29 Fuchengmenwai Avenue
Xicheng District
Beijing
PRC

China Construction Bank Corporation
Beijing Branch
Building No. 28, Xuanwumenxi Street
Xicheng District
Beijing
PRC

Agricultural Bank of China Limited
Beijing Branch
No. 13, Chaoyangmen North Street
Dongcheng District
Beijing
PRC

H SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712–1716, 17/F
Hopewell Centre
183 Queen's Road East
Wan Chai
Hong Kong

CORPORATE INFORMATION

STOCK CODE

H Share: 00916 Hong Kong Stock Exchange
A Share: 001289 Shenzhen Stock Exchange

FOR INVESTOR ENQUIRIES

Investor hotline: 86 10 6388 8199
Fax: 86 10 6388 7780
Website: www.clypg.com.cn
Email: lyir@ceic.com