China Power International Development Limited
中國電力國際發展有限公司

(incorporated in Hong Kong with limited liability)

(Stock Code : 2380)

Annual Report 2024

LOWER CARBON
EMPOWER BETTER LIFE

CONTENTS

OVERVIEW

BUSINESS REVIEW AND ANALYSIS

CORPORATE GOVERNANCE

FINANCIAL INFORMATION

OTHER INFORMATION

2024 Performance Highlights

PROFIT ATTRIBUTABLE TO

Equity holders of the Group
for the year ended 31 December

2024
3,861,822 RMB'000

2023
3,084,469 RMB'000

25.20%

Ordinary Shareholders of the Company

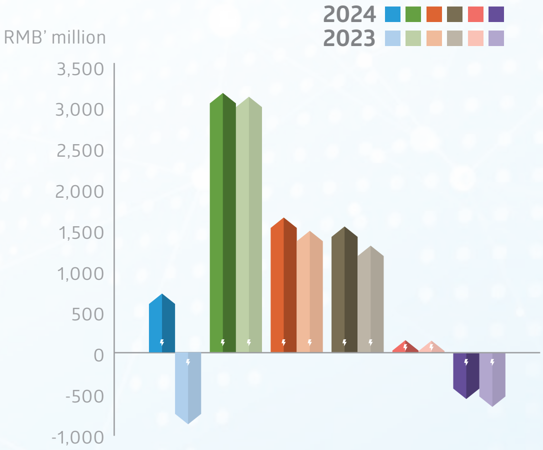
2024
3,364,381 RMB'000

2023
2,660,322 RMB'000

26.47%

NET PROFIT/(LOSS)
for the year ended 31 December

RMB'000	2024	2023
Hydropower	514,934	(826,225)
Wind Power	3,182,680	3,116,119
Photovoltaic Power	1,720,917	1,503,868
Thermal Power	1,556,789	1,315,169
Energy Storage	86,580	37,177
Unallocated	(522,010)	(612,153)
Total	6,539,890	4,533,955



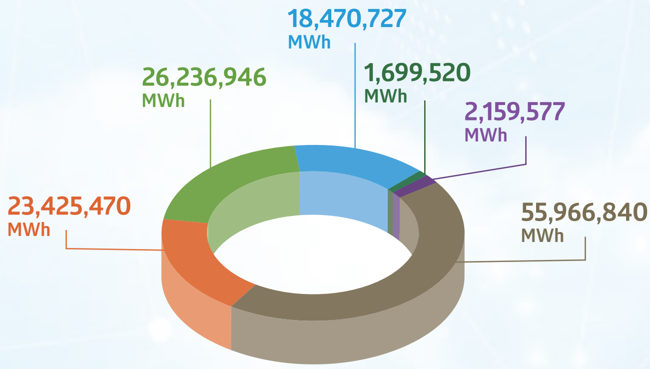
TOTAL ELECTRICITY SOLD
for the year ended 31 December

2024
127,959,080 MWh

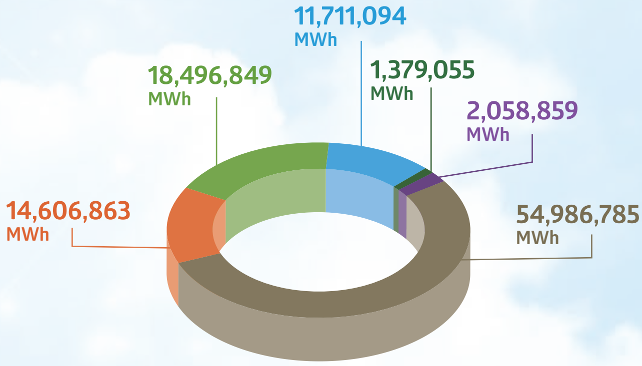
2023
103,239,505 MWh

23.94%

Hydropower 57.72%	Coal-fired Power 1.78%
Wind Power 41.85%	Natural Gas Power 4.89%
Photovoltaic Power 60.37%	Environmental Power 23.24%



2024



2023

OTHER KEY PERFORMANCE INDICATORS

for the year ended 31 December

Indicator	2024	2023	Change
Revenue (RMB'000)	54,212,792	44,261,767	22.48%
Operating profit (RMB'000)	12,167,191	8,715,187	39.61%
Basic earnings per share (RMB)	0.27	0.22	22.73%
Consolidated installed capacity (MW)	49,390.9	45,018.8	9.71%
Total assets (RMB'000)	340,455,547	305,806,779	11.33%
Equity attributable to equity holders of the Company (RMB'000)	54,897,463	53,639,741	2.34%
Total debts (RMB'000)	197,360,970	168,714,840	16.98%
Cash and cash equivalents (RMB'000)	6,073,616	5,738,815	5.83%
Net assets (RMB'000)	107,532,393	95,020,712	13.17%

Corporate Information

BOARD OF DIRECTORS

Executive Directors

HE Xi *(Chairman of the Board)*
GAO Ping *(President of the Company, the chief executive of the Company)*

Non-executive Directors

HU Jiandong
ZHOU Jie
HUANG Qinghua
CHEN Pengjun

Independent Non-executive Directors

LI Fang
YAU Ka Chi
HUI Hon Chung, Stanley

AUDIT COMMITTEE

YAU Ka Chi *(Chairman)*
LI Fang
HUI Hon Chung, Stanley

RISK MANAGEMENT COMMITTEE

HE Xi *(Chairman)*
GAO Ping
LI Fang
YAU Ka Chi
HUI Hon Chung, Stanley

REMUNERATION AND NOMINATION COMMITTEE

LI Fang *(Chairman)*
YAU Ka Chi
HUI Hon Chung, Stanley

STRATEGIC AND SUSTAINABLE DEVELOPMENT COMMITTEE

HE Xi *(Chairman)*
GAO Ping
ZHOU Jie
LI Fang
YAU Ka Chi

EXECUTIVE COMMITTEE

HE Xi *(Chairman)*
GAO Ping
All vice presidents of the Company

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suite 6301, 63/F., Central Plaza
18 Harbour Road
Wanchai, Hong Kong

BEIJING OFFICE

East Building, Hui Huang Shi Dai Plaza
56 North West Fourth Ring Road, Haidian District
Beijing, China

COMPANY WEBSITE

www.chinapower.hk

LISTING INFORMATION

Shares of China Power are:

- listed on the Hong Kong Stock Exchange (Stock Code: 2380/Bloomberg: 2380:HK/Reuters: 2380.HK); and
- eligible for Southbound trading through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect.

SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited
Shops 1712–1716
17th Floor, Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

COMPANY SECRETARY

CHEUNG Siu Lan

AUDITOR

Ernst & Young

VISION

The World's Leading Green and Low-carbon Energy Provider

MISSION

Lower Carbon
Empower Better Life

PHILOSOPHY

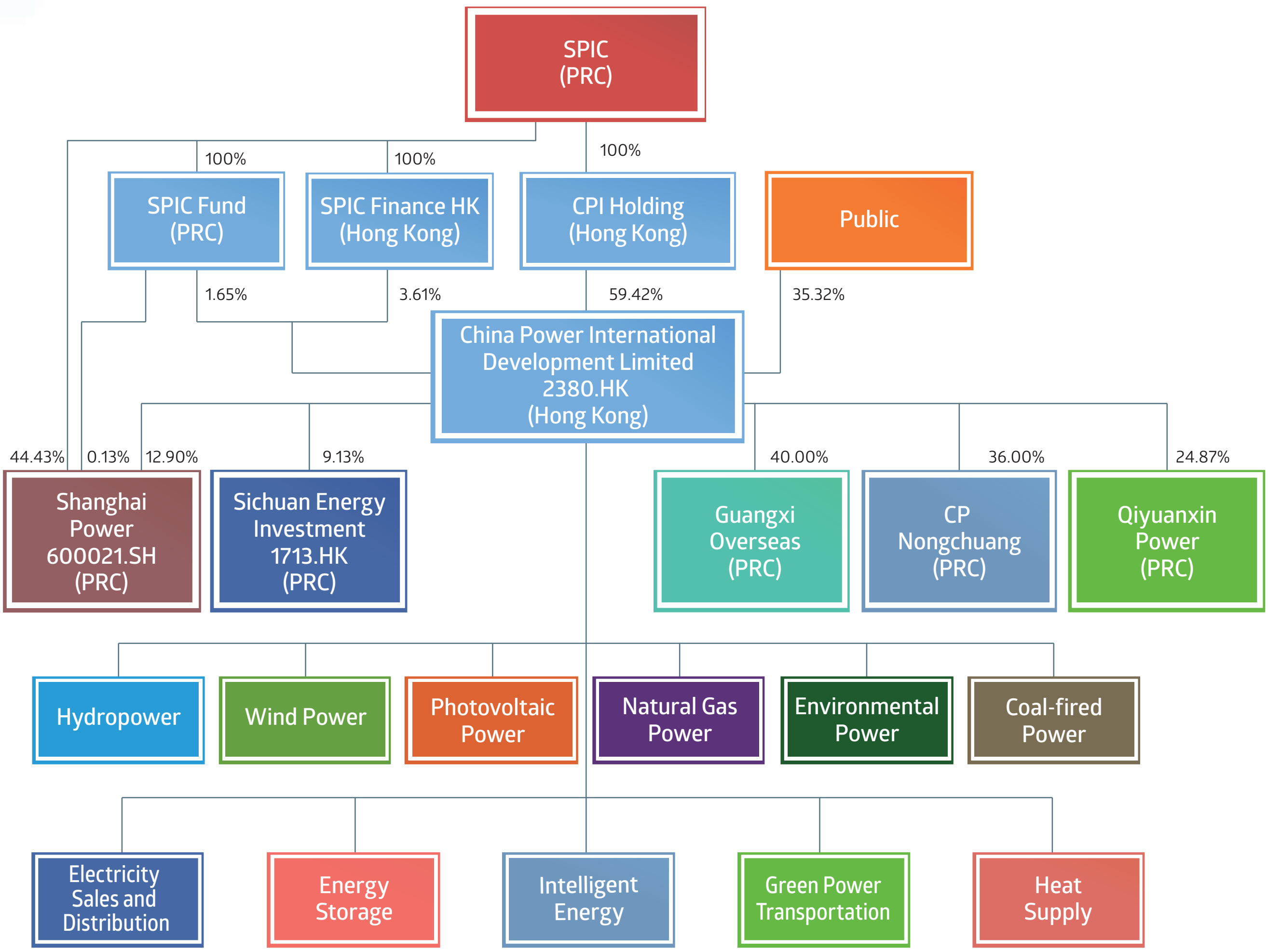
Green-empowerment
Intelligent Innovation
Mutual Achievement

Company Profile

China Power was incorporated in Hong Kong with limited liability under the Hong Kong Companies Ordinance on 24 March 2004 and is a core subsidiary of SPIC, which is an integrated energy group that simultaneously owns thermal power, hydropower, nuclear power and renewable energy resources in the PRC.

The shares of the Company were listed on the Main Board of the Hong Kong Stock Exchange on 15 October 2004 with the stock code 2380. From the beginning of solely engaging in generation and electricity sales of coal-fired power, the Company has expanded its business into the areas of, among others, hydropower, wind power, photovoltaic power, natural gas power, environmental power, energy storage, green power transportation and integrated intelligent energy solution services through continuous development. Various business segments have been kept growing along with the constant expansion of the Group.

GROUP STRUCTURE

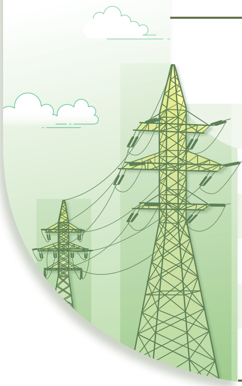


Note: The above group structure is recorded as at 20 March 2025, the date of this annual report.

EXISTING POWER PLANTS

As at 31 December 2024, the Group's total consolidated installed capacity was 49,390.9MW, of which consolidated installed capacity of clean energy was 39,570.9MW, accounting for 80.12% of the total consolidated installed capacity. While the Group's total consolidated installed capacity presented by **type of power plants** is as follows:

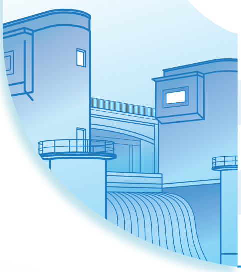
Type of Power Plants



Type of Power Plants	Installed Capacity (MW)	Interest (%)	Attributable Installed Capacity (MW)	Consolidated Installed Capacity (MW)
Hydropower	6,349.0	~9.13-64.93	3,842.6	6,001.1
Wind Power	17,981.1	~8.02-100	8,583.0	14,127.0
Photovoltaic Power	24,123.1	~9.5-100	13,220.1	18,620.5
Natural Gas Power	4,353.3	~12.9-100	986.3	505.3
Environmental Power	317.0	~51-100	256.0	317.0
Coal-fired Power	32,744.5	~9.5-100	12,829.1	9,820.0
Total	85,868.0		39,717.7	49,390.9

As at 31 December 2024, the total consolidated installed capacity of **the Group's wholly-owned and controlled power plants** presented by **region** is as follows:

Hydropower Power Plant



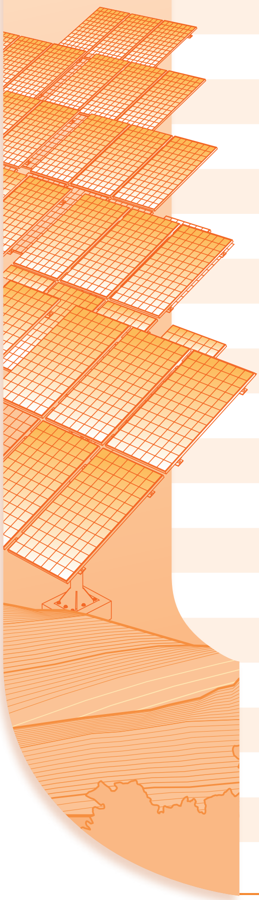
Region	Consolidated Installed Capacity (MW)	Interest (%)	Attributable Installed Capacity (MW)
Hunan	3,659.7	63	2,305.7
Guizhou	1,570.0	59.85	939.7
Guangxi	630.0	64.93	409.1
Sichuan	141.4	~57.33-63	88.1
Total	**6,001.1**		**3,742.6**

Wind Power Plant

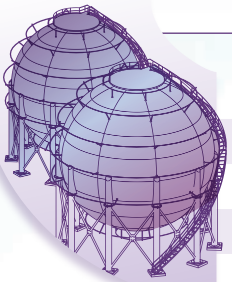
Region	Consolidated Installed Capacity (MW)	Interest (%)	Attributable Installed Capacity (MW)
Shandong	2,929.9	~11.29-100	1,554.8
Shanxi	1,773.6	~20.09-100	946.1
Hunan	1,488.3	~15.15-55.15	565.2
Guangxi	1,334.4	~18.98-100	916.1
Gansu	1,270.5	~20.26-100	849.1
Inner Mongolia	1,106.1	~13.05-100	422.0
Henan	912.1	~32.74-100	824.9
Guangdong	511.5	~32.13-100	389.9
Hubei	507.6	~20-100	365.3
Xinjiang	495.0	~13.05-41.63	136.2
Jiangsu	401.7	~20-70	133.0
Ningxia	326.5	~20.09-49.64	114.3
Liaoning	299.5	~38.72-54.56	155.6
Heilongjiang	264.8	~20.1-100	225.2
Shaanxi	149.0	~51-100	100.5
Anhui	99.5	~32.13-35	33.4
Yunnan	97.5	~32.13-44.1	37.1
Qinghai	50.0	100	50.0
Jilin	49.5	35	17.3
Bangladesh	60.0	34.02	20.4
Total	**14,127.0**		**7,856.4**

Photovoltaic Power Station

Region	Consolidated Installed Capacity (MW)	Interest (%)	Attributable Installed Capacity (MW)
Shanxi	2,775.8	~33.09-100	1,824.8
Ningxia	2,072.8	~20.01-100	890.5
Hubei	1,799.2	~34.65-100	1,372
Heilongjiang	1,782.3	~37.8-100	1,494.3
Hebei	1,326.5	~35.85-100	775.9
Inner Mongolia	1,016.4	~15.15-70	504.9
Anhui	947.8	~20-100	834.7
Guangxi	914.2	~36.36-100	775.6
Xinjiang	870.0	~13.05-100	663.8
Shandong	855.8	~49-100	652.1
Liaoning	816.9	~20.01-100	512.2
Yunnan	407.8	~20.01-100	280.3
Fujian	372.0	~40.8-100	319.7
Hunan	362.8	~32.13-100	189.7
Henan	352.0	~34.65-100	167.3
Tianjin	333.6	~35.7-100	147.7
Guizhou	306.4	~32.32-100	172.8
Zhejiang	301.1	~55-100	240.3
Gansu	298.0	~20.26-73.30	91.1
Guangdong	257.8	~54.65-100	221.1
Jiangxi	102.8	~58.18-100	79.8
Jiangsu	101.8	~45-100	86.4
Jilin	77.5	~30.09-59.65	43.1
Shaanxi	52.5	100	52.5
Hainan	37.7	~20.01-63	15.2
Beijing	34.3	~28.13-100	16.2
Sichuan	34.3	20.26	6.9
Chongqing	10.4	~55.15-100	7.3
Total	**18,620.50**		**12,438.20**



Natural Gas Power Plant

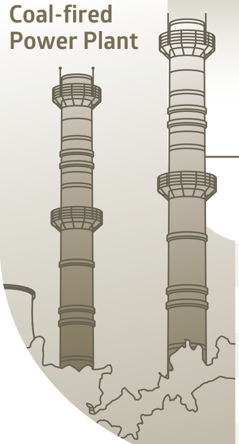


Region	Consolidated Installed Capacity (MW)	Interest (%)	Attributable Installed Capacity (MW)
Jiangsu	200.0	100	200.0
Hubei	155.3	~90-100	139.9
Guangdong	120.0	100	120.0
Sichuan	30.0	100	30.0
Total	**505.3**		**489.9**

Environmental Power Plant

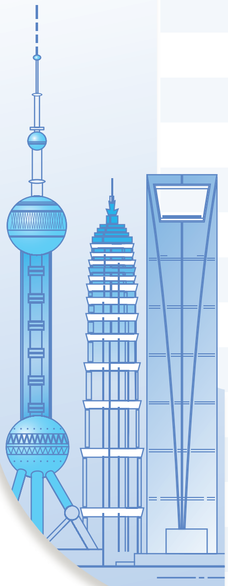
Region	Consolidated Installed Capacity (MW)	Interest (%)	Attributable Installed Capacity (MW)
Hainan	125.0	100	125.0
Heilongjiang	80.0	51	40.8
Henan	64.0	~51-85	49.4
Hebei	24.0	100	24.0
Sichuan	24.0	70	16.8
Total	**317.0**		**256.0**

Coal-fired Power Plant



Region	Consolidated Installed Capacity (MW)	Interest (%)	Attributable Installed Capacity (MW)
Anhui	4,600.0	~20-60	2,232.0
Shanxi	2,000.0	100	2,000.0
Guizhou	1,320.0	95	1,254.0
Sichuan	1,200.0	51	612.0
Henan	700.0	100	700.0
Total	**9,820.0**		**6,798.0**

As at 31 December 2024, the total attributable installed capacity of **the Group's main associates, joint ventures and investment holding companies' power plants** are as follows:



Power Plant Region	Installed Capacity (MW)	Interest (%)	Attributable Installed Capacity (MW)
Shanghai Power	20,413.9	12.9	2,633.4
Changshu Power Plant	3,320.0	50	1,660.0
Yaomeng Power Plant	1,865.7	40	746.3
CP Shentou	1,200.0	54	648.0
Pingwei Power	1,260.0	49	617.4
Dabieshan Power Plant	2,600.0	20.4	530.4
Guangxi Overseas	1,231.4	40	492.6
Lixin Thermal Power	600.0	50	300.0
Sujin Energy	3,007.0	9.5	285.7
Li Yu Jiang Power Plant	600.0	25.2	151.2
Fushan Power Station	81.0	50	40.5
Hunan Nuclear Power	110.0	12.6	13.9
Sichuan Energy Investment	127.0	9.13	11.6
Guigang Wind Power	60.9	8.02	4.9
Total	**36,477.1**		**8,136.0**

PROJECTS UNDER CONSTRUCTION

As at 31 December 2024, the Group's projects under construction presented by type of power plants is as follows:

Type of Power Plants	Installed Capacity (MW)	Interest (%)	Attributable Installed Capacity (MW)
Photovoltaic Power	4,609.9	~29.93-100	3,001.3
Wind Power	1,716.5	~33.09-100	1,274.4
Integrated Intelligent Energy	90.6	~51-100	88.7
Environmental Power	12.0	100	12.0
Total	**6,429.0**		**4,376.4**

NEW DEVELOPMENT PROJECTS

As at the date of this annual report, the total installed capacity of new projects in a preliminary development stage (including projects which approvals from the government of the PRC have been applied for) is approximately 25,562.9MW. The categories are distributed as follows:

Type of Projects	Installed Capacity (MW)
Wind Power	17,857.8
Photovoltaic Power	6,710.7
Integrated Intelligent Energy and Others	994.4
Total, approximately	**25,562.9**

SHAREHOLDING IN EMERGING ENERGY INDUSTRIES AND INVESTMENT HOLDING COMPANIES

BEIJING

55.32% stake in Xinyuan Smart Storage *(energy storage)*

36.00% stake in CP Nongchuang *(intelligent rural energy development)*

SHANGHAI

24.87% stake in Qiyuanxin Power *(green power transportation)*

12.90% stake in Shanghai Power *(integrated power supply and services)*

GUANGXI

40.00% stake in Guangxi Overseas *(investment holding)*

SICHUAN

9.13% stake in Sichuan Energy Investment *(integrated power supply and services)*

ULTIMATE CONTROLLING SHAREHOLDER — SPIC

The Company is ultimately owned by SPIC, a wholly State-owned enterprise established by the approval of the State Council of the PRC. With the further comprehensive deepening of reform as the driving force and the development of new quality productive forces as an important focus, SPIC is fully implementing the "balanced growth strategy" and strives to be a world-class clean energy enterprise with global competitiveness. The total installed capacity is approximately 260GW, of which clean energy accounts for 72.71%.

Major Events in 2024

MARCH

- China Power hosted the kick-off meeting of the "Research on the Social Value Evaluation System of Central Enterprises" and took the lead in conducting the research on the governance topics and exploring the methods to monetize and measure the social value created by the corporate social responsibility activities of central enterprises, and provided an important reference for the development of the ESG evaluation system of modern enterprises with Chinese characteristics.

APRIL

- The "Comprehensive Risk Intelligent Analysis Tool for Bidders" independently developed by Wu Ling Power won the "Outstanding Application Award" in the Intelligent Supervision Business Model Innovation Competition organized by SASAC. The tool applied technologies such as autonomous learning and big data to build an intelligent risk evaluation model for bidders and in turn effectively curb procurement costs.

JUNE

- China Power officially acceded to the United Nations Global Compact ("UNGC"), the world's largest corporate sustainability initiative to call for companies worldwide to align their strategies and operations with universal principles on human rights, labor, environment and anti-corruption, and take actions to advance societal goals with an emphasis on collaboration and innovation.

SEPTEMBER

- Xinyuan Smart Storage won the "2024 Award for the Best Large-scale Energy Storage System Integration Solution Provider" at the Starlight Award Ceremony of the 3rd Energy Storage Exhibition of EESA and the 11th China International Conference on Photovoltaic, Energy Storage and Charging with the latest generation of its large-scale energy storage system integration solution.

- The Southern Shandong Peninsula Offshore Wind Power Base V-site 500MW Project of SPIC Shandong Energy Development Co., Ltd. and the Qionghai Domestic Waste Incineration Power Plant Expansion Project developed by CP Investment Green Energy Technology Co., Ltd., both being subsidiaries of the Company, received the "2024 China Quality Electric Power Project Award" granted by the China Electric Power Construction Association.

- China Power received an asset restructuring proposal from SPIC for the proposed subscription of the new shares to be allotted by Yuanda Environmental, a company listed on the Shanghai Stock Exchange, plus cash as consideration to the Company, in exchange for the Company's controlling interests in Wu Ling Power and Changzhou Hydropower.

OCTOBER

- China Power won two ESG awards: (i) the "Outstanding ESG Rating Award" at the 7th Hong Kong ESG Reporting Awards (HERA); and (ii) the "2024 Green Development Annual Tribute Award-ESG Annual Action Breakthrough Pioneer" jointly presented by Phoenix Satellite TV, China Champions for Climate Action and Rocky Mountain Institute (RMI).

- The "Green Power Transportation: Carbon Emissions and Climate Control Practices in China's Road Freight" project of Qiyuanxin Power was successfully shortlisted in the Climate and Environmental Technology category of the fourth "BRICS Solutions for Sustainable Development Goals Awards".

- To advance the asset restructuring proposal put forward by SPIC in September, China Power and Guangxi Company each entered into a restructuring framework agreement with Yuanda Environmental, respectively. The asset restructuring proposal, if materialized, will further consolidate the Company's position as SPIC's integrated clean energy flagship platform listed in two financial markets, namely Hong Kong and Shanghai.

NOVEMBER

- China Power's "CCER-linked Green Bond to Encourage Renewable Energy Transition" case study was successfully selected as one of the "20 Cases Examples for 20 Years Private Sectors' Sustainable Development in China" of UNGC, which created a valuable precedent for linking financial instruments to sustainability practices.

- The No.5 generating unit of Changshu Power Plant and No.4 generating unit of Pingwei II were honored with the title of "2023 National Reliability Benchmark Unit for Power Generating Units" by China Electricity Council.

DECEMBER

- China Power won multiple high-profile accolades with its ESG practices, including the "2024 Excellent Cases of Sustainable Development Practices of Listed Companies" from the China Association for Public Companies, the "Excellent Case in ESG and Green Development" in the Chinese Enterprise International Image Building Case Collection Activity jointly organized by the News Center, SASAC and the China Center for International Communication Development, as well as the "2024 Excellent ESG Cases of Chinese Enterprises" award jointly presented by the China Enterprise Reform and Development Society and Banyuetan Magazine. In addition, China Power was also selected as an excellent case at the "Ernst & Young Sustainability Excellence Awards 2024".

- Guazhou Wind Power and Deyang Environmental obtained the "National High-and-New-Tech Enterprises Certificate" respectively.

- The "Active Safety Centralized Control System for Unmanned Energy Storage Power Stations Based on Production and Sales Synergy", independently developed by Xinyuan Smart Storage, won the First Prize of the "2024 Electric Power Innovation Award" granted by the China Electricity Council.

- China Power was honored with "Listed Company with the Highest Growth in the New Energy Industry Award", "2024 Golden Hong Kong Stock Award" and "Best IR Team Award" at the "2024 13th Chinese Listed Companies Summit" hosted by National Business Daily and the "9th Zhitong Finance Capital Market Annual Conference and Listed Company Awards Ceremony".

- China Power entered into a capital injection agreement with Huainan Mining, pursuant to which Huainan Mining would increase its equity interest in Pingwei Power by way of capital injection. The purpose of the agreement is to strengthen the strategic partnership between the parties and to fully unleash the advantages of the "two joint operations" (兩個聯營) industrial models of "coal plus coal-fired power" and "coal-fired power plus new energy power".

20th Listing Anniversary: A Review of Key Milestones

Since its listing in 2004, China Power has always been committed to optimizing its energy structure, during which it transformed from a traditional coal-fired power generation enterprise to a diversified innovative energy group focusing on clean energy. China Power has now grown into one of the leaders in China's energy industry, and is gradually moving towards its strategic goal of becoming a world-class green and low-carbon energy provider. In the course of its 20 years of development, the Company achieved steady growth in installed capacity of power generation through strategic mergers and acquisitions, business expansion and technological innovation. The following are the key milestones in the development history of the Company.

Foundation and Rapid Growth

2004

- China Power was successfully listed on the Hong Kong Stock Exchange.
- At the time of its listing, the Company was principally engaged in thermal power business. It owned coal-fired power generating units with a consolidated installed capacity of **2,410MW**, and held 50% interest in an associate that owns coal-fired power generating units with an installed capacity of **1,200MW**.

2005

Successfully completed the acquisition of a company that owns coal-fired power generating units with an installed capacity of **1,200MW**, further expanding the scale of its thermal power business.

2006

Acquired 25% equity interest in Shanghai Power, a company listed on the Shanghai Stock Exchange, to further consolidate the influence of the Company in the power market in East China.

2007-2008

Large-scale coal-fired power generating units were put into operation successively with an additional installed capacity of approximately **3,820MW**, providing support of stable power supply for national energy security and local economic development.

Business Expansion and Diversified Layout

2009

Successfully acquired 63% interest in Wu Ling Power, providing an additional installed capacity of approximately **6,000MW#** of hydropower, marking the Company's large-scale expansion into the renewable energy market for the first time in an effort to develop its hydropower business.

2013-2015

As of the end of 2015, through continuous acquisitions and investment in the development of new power generating units, the Company's consolidated installed capacity reached **17,040.7MW**, of which the proportion of thermal power decreased to approximately 70.48% from 100% while hydropower accounted for approximately 28.06%.

2011

Disposed of part of the equity interests in two subsidiaries principally engaged in coal-fired power generation to Huainan Mining to develop the "coal-and-power joint-operation" business model so as to diversify the operational risks of the thermal power business.

Including the installed capacity of power plants in operation and under construction

Innovation and Transformation

2016

The 100MW photovoltaic power station of Datong Power Station, a "top-runner" photovoltaic project under the "13th Five-Year" Plan for the national economy and society, was officially put into commercial operation, marking an important step in the Company's transformation and expansion into other clean energy sources.

2018

Completed the acquisition of clean energy companies in Guangxi, Shandong, Hubei and Anhui provinces, providing an additional installed capacity of approximately **3,900MW#**, which further expanded the presence of its new energy business.

2020

Entered into an agreement with CPI Holding and SPIC Overseas Investment Limited* (國家電力投資集團海外投資有限公司) for entrusted management of their power generation business, laying the foundation for the Company's further expansion of its clean energy business management and reinforcing its influence in the international market.

As of the end of 2020, the consolidated installed capacity of the Company's power generating units amounted to **26,845.8MW**, of which the proportion of clean energy has increased to approximately 43.98%.

Growing into a World-Class Enterprise

2021

Fully expanding into the green technology and low-carbon energy sectors, including green power transportation (acquired 36% equity interest in Qiyuanxin Power), nuclear power maintenance and repair services market (acquired 55% equity interest in CP Huayuan Nuclear Power Engineering Technical Co., Ltd.), energy storage (jointly established Xinyuan Smart Storage) and low-carbon development in rural area (jointly established CP Nongchuang). The objectives of these strategic measures were to strengthen the Company's power-related technological innovation capability.

Hosted the "Building a World-class Low-carbon Enterprise Development Forum cum New Strategy Press Conference", during which the Company officially released its new strategy outline.

2022

Acquired 23 clean energy companies with an installed capacity of approximately **2,200MW**#, accelerating the Company's transformation towards a "World-class Green and Low-carbon Energy Provider".

Disposed of the controlling interests in two coal-fired power subsidiaries to China Coal Power Co., Ltd. to further realize the "coal-and-power joint-operation" and optimize the power asset structure.

2023

Acquired clean energy project companies in 21 provinces with a total installed capacity of approximately **9,300MW#**, which further significantly increased the proportion of the Company's clean energy installed capacity.

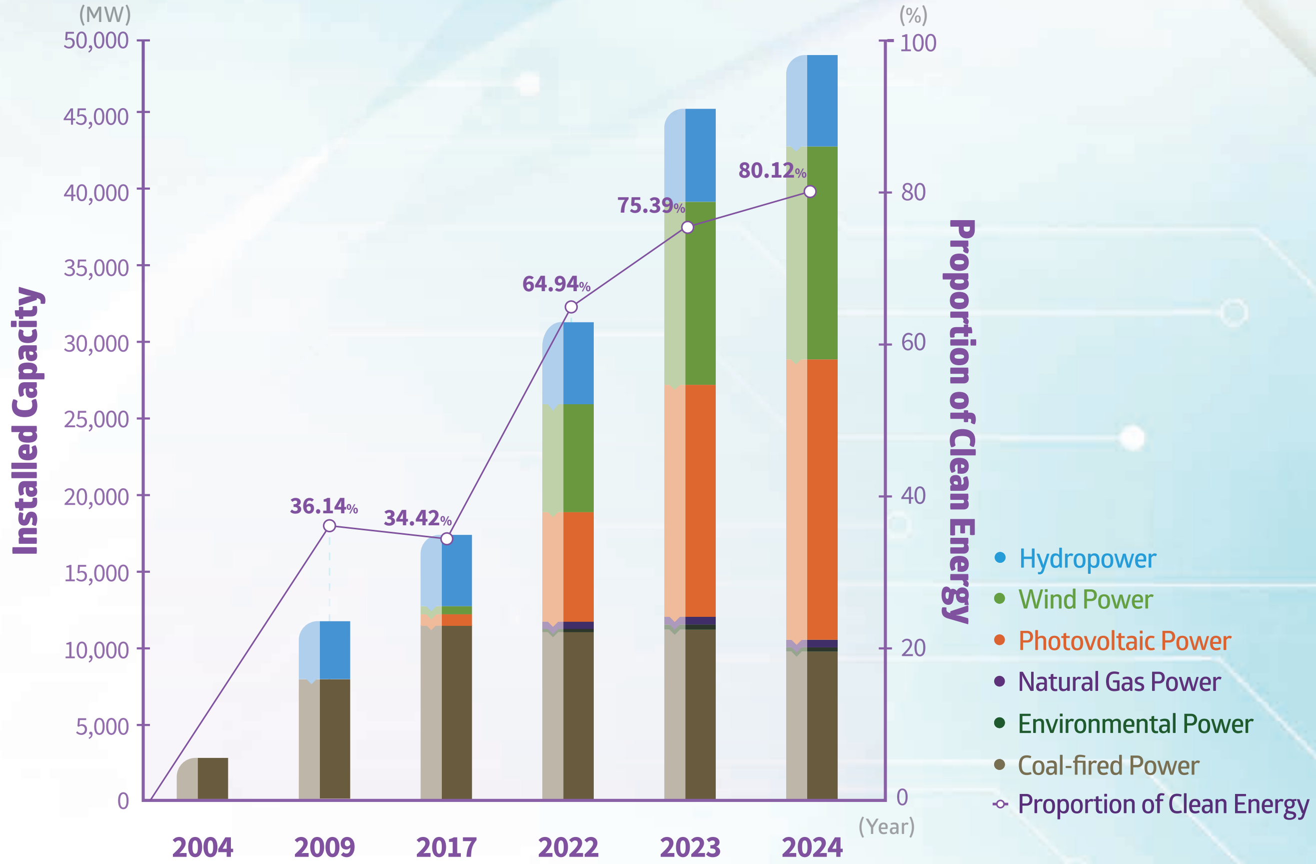
2024

- Received an asset restructuring proposal from SPIC, which proposed the Company to use its controlling interests in Wu Ling Power and Changzhou Hydropower, both being subsidiaries of the Company, as the consideration to subscribe for the new shares to be allotted by Yuanda Environmental, a company listed on the Shanghai Stock Exchange, plus cash consideration.
- As of the end of 2024, the Company's consolidated installed capacity amounted to **49,390.9MW**, of which the proportion of clean energy has reached 80.12%, demonstrating the Company's determination in its green and low-carbon transformation.

Future Outlook

The past two decades have witnessed the remarkable development of China Power transforming itself from a coal-fired power generation enterprise into a leader in the power industry. Looking ahead, we will continue to uphold the philosophy of "Innovation, Collaboration, Green and Low-Carbon", striving to promote clean energy transformation and make greater contributions to achieve sustainable development.

Consolidated Installed Capacity



(Unit: MW)

	2004	2009	2017	2022	2023	2024
• Hydropower	-	3,995	4,806	5,451	5,951	6,001
• Wind Power	-	-	548	7,189	12,016	14,127
• Photovoltaic Power	-	-	786	7,207	15,150	18,621
• Natural Gas Power	-	-	-	475	505	505
• Environmental Power	-	-	-	197	317	317
Sub total of Clean Energy	-	3,995	6,140	20,519	33,939	39,571
• Coal-fired Power	2,410	7,060	11,700	11,080	11,080	9,820
Total	2,410	11,055	17,840	31,599	45,019	49,391

Total power generation (MWh) — **747.36%↑**

15,703,628 (2004) → 133,065,568 (2024)

Revenue (RMB'000) — **1,517.33%↑**

3,352,001 (2004) → 54,212,792 (2024)

Profit for the year (RMB'000) — **917.68%↑**

642,629 (2004) → 6,539,890 (2024)

Profit attributable to ordinary shareholders of the Company (RMB'000) — **423.07%↑**

643,203 (2004) → 3,364,381 (2024)

Net Assets (RMB'000) — **1,627.35%↑**

6,225,278 (2004) → 107,532,393 (2024)

Market Capitalization (HK$'000) — **335.07%↑**

9,013,100 (2004) → 39,213,379 (2024)

20 Years OF LISTING

LETTER TO SHAREHOLDERS

Letter to Shareholders

2024, the 20th anniversary of listing on the Hong Kong Stock Exchange, marked a key milestone for the Company. With the trust and support of all the shareholders, we continued to promote high-quality development in an ongoing proactive and vigorous manner. Against the backdrop of the age under the Dual Carbon Goals and global energy transformation, we steadily enhanced our profitability and capacity, continued to strengthen our core competitiveness, and developed steadily towards the goal of becoming a first-class low-carbon energy provider, driven by clean development and technological innovation.

REVIEW OF 2024

Clean energy projects in steady progress. As of the end of 2024, the Group's consolidated installed capacity was 49,390.9MW, 80.12% of which were installed capacity of clean energy, and revenue from clean energy accounted for approximately 60% of total revenue. During the year, a number of iconic large-scale new energy base projects of the Group were connected to the power grid one after another. For example, a number of key projects such as Phase II of the Shandong Peninsula South Site U 450MW Parity Offshore Wind Power Project and Phase II of the Hubei Macheng 700MW Multi-energy Complementary Million-kW Base Project also achieved full-capacity commissioning. For details, please refer to the section headed "Status of Key Projects" under the "Management's Discussion and Analysis" section.

In addition, we actively developed high-quality integrated smart energy projects to promote the diversification and innovation of green and low-carbon energy application scenarios. For example, the zero-carbon power plant in Wuhu, Anhui and the Mona Lisa 85MW Integrated Intelligent Energy Project in Teng County, which has become the single largest industrial and commercial rooftop distributed photovoltaic power generation project in Guangxi Autonomous Region. These projects not only guided the development direction of green and low-carbon energy transformation, but also made major contributions for the green upgrade of the economy and society.

Technological-innovation empowered development. The Group was committed to the launch of the innovation-driven development strategy. In 2024, the total number of accumulated patents exceeded 700, which continuously consolidated the leading position of the Group in power-related industrial technology. As a leader in industry innovation, we took the lead in building the Key Laboratory of the Ministry of Emergency Management and obtained the approval to build an academician workstation. Moreover, Guazhou Wind Power and Deyang Environmental were recognized as national High-and-New-Tech Enterprises during the year. The following companies from the emerging industries achieved a range of technological innovations during the year:

Letter to Shareholders

In the arena of **novel energy storage**, Xinyuan Smart Storage was recognized as a "Unicorn" enterprise in Beijing in 2024. Its first all-in-one machine of supramolecular fully-immersed industrial and commercial energy storage passed the test verification of the entire-machine mode by the State Grid Electric Power Research Institute, which signifies the maturity and reliability of the technology.

In the arena of **green power transportation**, Qiyuanxin Power's "Vehicle-mounted Storage-shared Mobile Power Supply" and "Distributed Energy Intelligent Management and Control System" were selected and included in the Reference Products (Technology) Catalogue by the Ministry of Industry and Information Technology (MIIT). The achievement signifies its leading position in promoting green transportation technology. In terms of financing, in December 2024, Qiyuanxin Power successfully completed the Series C equity financing of approximately RMB800 million, providing strong support for further development of the enterprise and the demonstration of green transformation of transportation and energy integration.

The above achievements not only highlight the technological strength of the Group in the emerging new energy industries, but also provide a key demonstration for developing a green energy system.

Further implementing our ESG practices. We have established an all-round ESG system, risk management and evaluation basis system that benchmarks against the new climate disclosure requirements of the Hong Kong Stock Exchange and international best practices. In 2024, the Group's ranking in the domestic industries according to S&P's ESG rating was raised to the top 10 and the Company joined the UNGC. Meanwhile, the Company was awarded a series of major ESG awards, including the 14th China Securities Golden Bauhinia Awards for "Excellence in High-quality Development of Listed Company".

Optimizing shareholder returns. In 2024, in celebration of the 20th anniversary of listing of the Company, we distributed a special dividend to the shareholders. During the year, we successfully introduced CITIC Financial AMC as a strategic shareholder of the Company. Additionally, we continued to steadily promote the "coal-and-power joint-operation" and cooperated with large-scale coal enterprises, laying a solid foundation for the long-term stable profitability and green transformation of the Group's thermal power segment.

On the other hand, we are currently pushing forward the asset restructuring in respect of the acquisition of Yuanda Environmental in an orderly manner, so as to create a long-term favorable corporate structure of a red chip company controlling an A-share company, allowing it to effectively leverage its role as the connecting hub of the capital markets in Mainland China and Hong Kong to broaden and diversify financing channels (For further details, please refer to the announcement of the Company dated 17 January 2025).

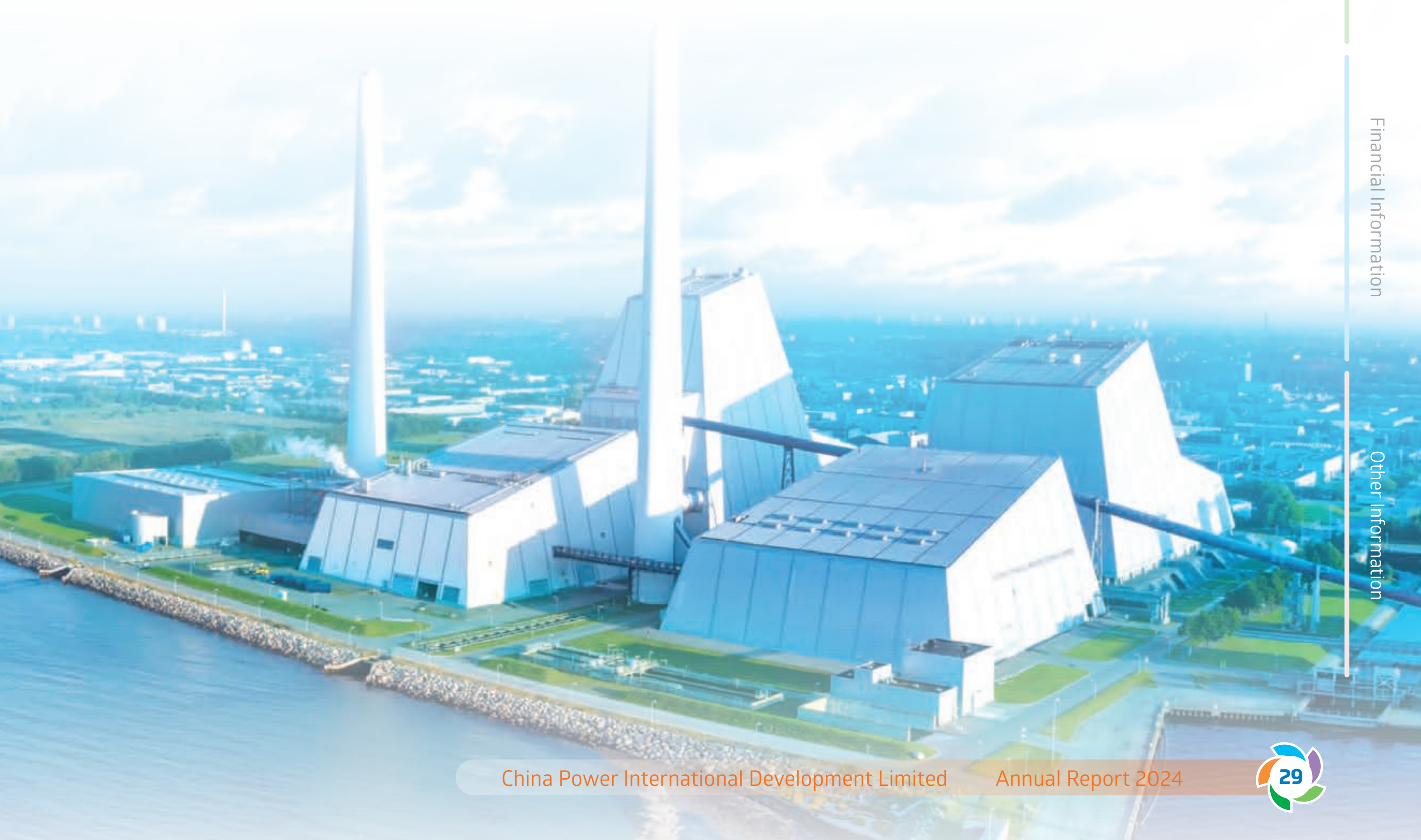
OUTLOOK FOR 2025

2025 will be a year of opportunities amidst challenges. While external changes have brought various uncertainties, China's economy remains its solid foundation, diverse strengths, strong resilience and huge potentials, with its fundamental upside trend in the long run staying unchanged.

Among the power industry, the market-oriented reforms are underway at an increasingly fast pace. On 9 February 2025, the NDRC and the NEA jointly issued the "Notice Concerning Deepening the New Energy On-grid Tariff Market-oriented Reform to Promote the High-quality Development of New Energy (《關於深化新能源上網電價市場化改革促進新能源高質量發展的通知》)" to promote the entry of on-grid power generation capacity of new energy into the market, while facilitating the sustainable and healthy development of the industry through deepening the tariff market-oriented reform, thereby promoting the green transformation of energy. Coupled with the current rapid iteration and update of technology in the power industry, new technologies, new business forms and new models will continue to emerge, and new opportunities will be created for the development of the industry.

In the face of this situation, the Group will firmly implement its strategic goals under the outline of the "14th Five-Year" plan for the national economic and social development, seize the historical opportunities arising from the comprehensive green transformation of the economy and society, adhere to high-quality development in an effort to develop China Power into a leading green and low-carbon energy provider in China.

High-quality development of clean energy. Putting focused efforts in further exploring the industries and regions with high returns and strong risk resistance, such as projects with large-scale bases, offshore wind power and coal-and-power joint-operation. We seek to enhance our competitive advantage in the future by continuously improving the quality of assets. Our goal is to achieve coordinated development among various energy sources such as hydro, wind and photovoltaic power, while ensuring that thermal power effectively supports and regulates the energy mix.



Development driven by technological innovation. Technological innovation is the core driver of the Group's development. We will continue to step up the investments in scientific research and development, focus on the breakthroughs in key areas such as energy storage, green power transportation and integrated intelligent energy, and promote the commercialization of technological achievements. We will actively expand the industrial, commercial and large-scale energy storage markets, and promote the implementation of application scenarios for the integration of transportation and energy such as highways and ports, so as to enhance the value creation capacity of the power-related strategic emerging industries.

Integration of new technologies into operations. We will adopt pilot-use of artificial intelligence (AI) for decision-making and price quotation when participating in the electricity sales in the spot market in order to increase revenue per kWh. Furthermore, we will promote the regionalization and integration of new energy inspection, repair and operation and maintenance work through existing centralized data centers, and put devoted efforts to make breakthroughs in securing key international projects to enhance the profitability of overseas projects.

2025 is the concluding year of China's "14th Five-Year" plan for its national economic and social development, as well as the year of fulfilling the first phase of the Group's strategic goals. We will make all-out efforts to develop China Power into a leading green and low-carbon energy provider in China, reward our shareholders and the society with outstanding performance, and jointly turn a new chapter for the new era of energy transformation!

Directors and Senior Management Profiles

DIRECTORS

He Xi

- Chairman of the Board
- Executive Director
- Chairman of the Risk Management Committee
- Chairman of the Strategic and Sustainable Development Committee
- Chairman of the Executive Committee

HE Xi, born in 1965, is a senior engineer at professor level and has a master's degree in power mechanical and engineering from North China Electric Power University. Mr. HE is currently the chairman of CPI Holding and National Bio Energy Group Co., Ltd. He previously served as the chief engineer of new energy of SPIC, an executive director and the general manager of CPI Guangxi Nuclear Power Co., Ltd., the deputy general manager and the chief engineer of CPI Power Engineering Co., Ltd., and the chief engineer of Macun Power Plant of Hainan Zhonghai Energy Co., Ltd. He joined the Group in 2020.

Gao Ping

- Executive Director
- President (the chief executive of the Company)
- Member of the Risk Management Committee
- Member of the Strategic and Sustainable Development Committee
- Member of the Executive Committee

GAO Ping, born in 1971, is a qualified accountant and has a master's degree in business administration from Peking University. Mr. Gao is currently the vice chairman of National Bio Energy Group Co., Ltd. He previously served as a director and the general manager of Jilin Electric (a company listed on the Shenzhen Stock Exchange), a deputy director of Planning and Finance Department and a deputy general manager of Analysis and Evaluation Department, a director of Accounting and Tax Management Division of SPIC, a deputy general manager and the chief financial officer of SPIC Yunnan International Power Investment Co., Ltd., and the chief of finance and tax related divisions of Wu Ling Power. He joined the Group in 2021.

Hu Jiandong

· Non-executive Director

HU Jiandong, born in 1963, is a chief senior engineer and has a bachelor's degree in engineering majoring in hydropower station automation from Huazhong College of Technology (now known as Huazhong University of Science and Technology) and a master's degree in economics majoring in corporate management from Fudan University. He currently serves as a director of CPI Holding, Jilin Electric (a company listed on the Shenzhen Stock Exchange), SPIC Yellow River Upstream Hydropower Development Co., Ltd. and Qinghai Yellow River Upstream Hydropower Development Co., Ltd., and is a special duty director of SPIC.

Mr. HU held several senior positions in power related industries in the past, including the vice president of Guangxi Power Industry Survey and Design Institute, the deputy director of Guangxi Power Industry Bureau, the deputy general manager of Guangxi Power Company Limited and CPI Holding, the general manager of China Power Investment Co., Ltd., and deputy chief engineer, assistant to the general manager and concurrently the chief officer of departments or institutions such as hydropower, hydrogen power, clean energy and human resources of SPIC. Mr. HU previously served as the general manager and chairman of Shanghai Power (a company listed on the Shanghai Stock Exchange) from the period January 2008 to July 2011 and October 2020 to August 2022, respectively. He also served as an executive director and an executive vice president of the Company during its listing on the Hong Kong Stock Exchange in 2004 and remained in office until January 2008. He re-joined the Group in November 2024.

Zhou Jie

· Non-executive Director
· Member of the Strategic and Sustainable Development Committee

ZHOU Jie, born in 1969, is a senior accountant and has a bachelor's degree in economics majoring in accountancy from Changsha Water Conservancy and Electric Power Normal College (now known as Changsha University of Science & Technology). Mr. ZHOU is currently a director of SPIC Yellow River Upstream Hydropower Development Co., Ltd., Qinghai Yellow River Upstream Hydropower Development Co., Ltd. and CPI Holding, and is a special duty director of SPIC. He previously served as a director and the general manager of Wu Ling Power, a director of SPIC Guangdong Power Co., Ltd., the deputy general manager of the Hunan Branch of SPIC and Yellow River Upstream Hydropower Development Co., Ltd., and the financial controller of CPI Xinjiang Energy and Chemical Group Co., Ltd. He joined the Group in 2021.

Huang Qinghua

· Non-executive Director

HUANG Qinghua, born in 1972, is a chief senior economist and holds a lawyer qualification in China. She has a bachelor's degree in law majoring in economic law from Southwest College of Political Science and Law (now known as Southwest University of Political Science and Law) and a master's degree in law from Tsinghua University. Ms. HUANG is currently a director of SPIC Chongqing Electric Power Co., Ltd., SPIC Guizhou Jinyuan Co., Ltd., SPIC Aluminum & Power Investment Co., Ltd. and CPI Holding and is a special duty director of SPIC. She previously served as a director at Guohe Zhanjiang Nuclear Power Co., Ltd., the deputy general manager, the secretary of the board and the chief legal adviser of CPI Yuanda Environmental-Protection (Group) Co., Ltd. and the deputy general manager of Yuanda Environmental (a company listed on the Shanghai Stock Exchange). She joined the Group in 2023.

Chen Pengjun

· Non-executive Director

CHEN Pengjun, born in 1971, is a senior economist and holds a bachelor of science degree in geography majoring in resources and environmental science from Beijing Normal University and a master's degree of business administration from Tsinghua University. Mr. CHEN currently serves as a non-executive director of Aluminum Corporation of China Limited (a company listed on both the Hong Kong Stock Exchange and the Shanghai Stock Exchange), a non-executive director of Daqin Railway Co., Ltd. (a company listed on the Shanghai Stock Exchange) and the vice president and general manager of the asset management department I at CITIC Financial AMC (a company listed on the Hong Kong Stock Exchange).

Mr. CHEN previously held various significant roles in China Huarong Asset Management Co., Ltd. (now known as CITIC Financial AMC), including the director of the listing office, the general manager of the international business management department, the general management department and the equity business department. He also served as the general manager of Huarong International Trust Co., Ltd. (now known as Xingbao International Trust Co., Ltd.), China Huarong Financial Leasing Co., Ltd., Huarong Securities Co., Ltd. (now known as China Reform Securities Co., Ltd.) and the chairman of Huarong Ruitong Equity Investment Co., Ltd. He joined the Group in November 2024.

Li Fang

- Independent Non-executive Director
- Chairman of the Remuneration and Nomination Committee
- Member of the Audit Committee
- Member of the Risk Management Committee
- Member of the Strategic and Sustainable Development Committee

LI Fang, born in 1962, has a bachelor's degree in mechanical engineering from University of Science and Technology Beijing and a juris doctor degree from the College of Law of Arizona State University in the United States. Mr. LI has extensive experience in legal, corporate governance and corporate finance. Mr. LI previously served as an executive director at Goldman Sachs (Asia) L.L.C. and a lawyer at Davis Polk and Wardwell LLP in the United States. He joined the Group in 2004.

Yau Ka Chi

- Independent Non-executive Director
- Chairman of the Audit Committee
- Member of the Remuneration and Nomination Committee
- Member of the Risk Management Committee
- Member of the Strategic and Sustainable Development Committee

YAU Ka Chi, born in 1958, holds a professional diploma in company secretaryship and administration from the Hong Kong Polytechnic (now known as the Hong Kong Polytechnic University) and is a member of the American Institute of Certified Public Accountants, Illinois CPA Society and the Hong Kong Institute of Certified Public Accountants. Mr. YAU has over 30 years of professional accounting services experience including 20 years in serving PRC-based enterprises. He had worked for Ernst & Young in its Hong Kong, Toronto and Beijing offices, with a primary focus in providing professional services in accounting and audit, initial public offering, and corporate restructuring, before retiring in September 2015. During the tenure with Ernst & Young, Mr. YAU was appointed, among others, as the professional practice director of Greater China and the assurance leader for China North Region. He joined the Group in 2016.

Mr. YAU previously served as an independent non-executive director of China Mengniu Dairy Company Limited, BetterLife Holding Limited, Yihai International Holding Ltd. and HBM Holdings Limited, respectively, until November 2021, October 2023, March 2024 and June 2024. The above companies are listed on the Hong Kong Stock Exchange.

Hui Hon Chung, Stanley

- Independent Non-executive Director
- Member of the Audit Committee
- Member of the Remuneration and Nomination Committee
- Member of the Risk Management Committee

HUI Hon Chung, Stanley, JP, born in 1950, has a bachelor's degree in science from The Chinese University of Hong Kong. Mr. HUI has more than 40 years of management experience in the aviation industry, including holding various senior management positions in Cathay Pacific Airways Limited, AHK Air Hong Kong Limited, Hong Kong Dragon Airlines Limited and the Hong Kong Airport Authority. He joined the Group in 2021.

Mr. HUI is currently an independent non-executive director of Beijing Capital International Airport Co., Ltd. (a company listed on the Hong Kong Stock Exchange). At present, he is also the President of the Hong Kong Aircraft Leasing and Aviation Finance Association and a director of the Greater Bay Airlines.

Mr. HUI was appointed as a Justice of the Peace by the Chief Executive of the HKSAR Government in July 2006. Mr. HUI was also previously appointed by the HKSAR Government as a member of the Greater Pearl River Delta Business Council (for two terms), a member of the Commission on Strategic Development, a member of Aviation Development Advisory Committee, a council member of Vocational Training Council and a member of the Hong Kong Tourism Board. He also previously served as a member of the 13th session of National Committee of the Chinese People's Political Consultative Conference, a member of the General Committee of the Hong Kong General Chamber of Commerce.

Mr. HUI was previously an independent non-executive director of Air China Limited (a company listed on the Hong Kong Stock Exchange) and Guangzhou Baiyun International Airport Co., Ltd (a company listed on the Shanghai Stock Exchange) respectively until he retired in February 2022 and February 2023.

SENIOR MANAGEMENT

Shou Rufeng

· Director (T)
· Coordinator of the Sustainability Working Committee

SHOU Rufeng, born in 1974, is a certified public accountant in the PRC and has a bachelor's degree in economics from Renmin University of China and a master's degree in business administration from Cranfield University in the United Kingdom. Mr. SHOU is currently the chairman of the Supervisory Board of Shanghai Power. He previously served as the capital operations director and the general manager of Capital Markets & Investor Relations Department of the Company and CPI Holding, and the deputy general manager of CPI Holding. He had been working for the Group on capital planning prior to the Company's listing in 2004 and stayed with the Group until 2019. He re-joined the Group in 2021.

Tong Yumei

· Vice President

TONG Yumei, born in 1966, is a senior political officer and has a bachelor's degree in economics and management from Qinghai Branch of Central Party School of the Chinese Communist Party. Ms. TONG previously served as the secretary of Commission for Discipline Inspection and the chairman of Labour Committee of SPIC Science & Technology Research Institute Co., Ltd., the chairman of Labour Committee of the Training Center of Sinohydro Engineering Bureau 4 Co., Ltd., the head of the General Office of Labour Committee, a manager of Party-Mass Work Department and a director of Discipline Inspection and Supervision Department of SPIC Yellow River Upstream Hydropower Development Co., Ltd, and the senior manager of Party-Mass Work Department (Labour Work Committee) of SPIC. She joined the Group in 2022.

Lv Keqi

· Vice President

LV Keqi, born in 1970, is a senior engineer and has a bachelor's degree in electrical engineering from Fuzhou University. Mr. LV previously served as an assistant to the president and the general manager of Production and Operation Department of the Company, the general manager of Pu'an Power Plant, China Power (Pu'an) New Energy Company Limited and China Power (Gu'an New District) Distribution and Sales Company Limited, and the deputy general manager of Liaoning Qinghe Electric Power Company Limited. He participated in management of the Group's power plants prior to the Company's listing in 2004 and has been staying with the Group since then.

Hu Xiang

· Chief Accountant

HU Xiang, born in 1978, is a chief senior accountant and holds a master's degree in accounting from Changsha University of Science and Technology. Mr. HU previously served as the deputy director of the Accounting Center at Wu Ling Power, the general manager of the Planning and Finance Department of the Company, the deputy general manager of SPIC Shared Services Co., Ltd., and the director of the Financial Sharing Center of SPIC. He had been working for Wu Ling Power on accounting and finance before the Company's listing in 2004 and stayed with the Group until January 2022. He re-joined the Group in 2024.

Yang Qian

· Vice President

YANG Qian, born in 1977, is a senior political officer and has a bachelor's degree in economics majoring in accountancy from Beijing Institute of Technology (online education) and a master's degree in software engineering from Beihang University. Ms. YANG previously served as an assistant to the president of the Company, manager of the General Office of the State Nuclear Power Technology Corporation, a deputy director of the General Office (Board Office) and a director of the General Management Department of SPIC. She joined the Group in 2021.

Guo Feng

· Vice President

GUO Feng, born in 1971, is an economist and a senior political officer and holds a master's degree in business administration from the Party School of the Communist Party of China, Liaoning Provincial Committee. Mr. GUO previously served as the deputy general manager of the Strategic Planning Department of CPI Holding, the general manager of China Power (Shenyang) Energy Investment Co., Ltd. and Pu'an Power Plant. He also held positions as the general manager of the Development Department of the Company, the deputy general manager of the Strategic Planning Department and an assistant to the president and director of the Marketing and Fuel Management Center of the Company. He participated in management of the Group's power plants prior to the Company's listing in 2004 and has been staying with the Group since then.

COMPANY SECRETARY

CHEUNG Siu Lan is a fellow member of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute, who holds the dual designations of Chartered Secretary and Chartered Governance Professional, and is also a fellow member of Hong Kong Institute of Certified Public Accountants and CPA Australia. Ms. CHEUNG has a bachelor's degree in commerce from The University of Queensland, Australia and obtained a master's degree in professional accounting and a postgraduate diploma in corporate administration from The Hong Kong Polytechnic University. She previously served as the company secretary and the group financial controller of a listed group in Hong Kong. She has extensive experience in the fields of corporate governance, corporate finance and mergers and acquisitions.

MANAGEMENT'S DISCUSSION **AND ANALYSIS**

Management's Discussion and Analysis

BUSINESS REVIEW

China's electricity demand expanded in 2024, growing 6.8% year-on-year and outpacing GDP growth, driven by electrification such as electric vehicles (EVs) and artificial intelligence (AI). Notably, the installed capacity of new energy surpassed that of thermal power for the first time. In response to the rising electricity demand and to achieve the Dual Carbon Goals, China is reforming its energy systems, enhancing grid flexibility and advancing the integration of green power into its energy mix. These initiatives are expected to strengthen China's role in the global transition towards green and low-carbon energy.

NATIONAL TOTAL ELECTRICITY CONSUMPTION IN CHINA

6.8 %

The Group has been actively developing its clean energy and emerging new energy related businesses. The Group's wind power and photovoltaic power generation continued to be the drivers of revenue and profit growth for the Group in 2024. Since the Company completed the acquisition of a number of project companies which are primarily engaged in clean energy power generation, particularly in wind power and photovoltaic power generation, from its parent company (SPIC and its subsidiaries) in October 2023 (the "Clean Energy Acquisitions"), those project companies have been gradually unfolding their profit contribution to the Group.

PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE GROUP

3,861,822 RMB'000

BASIC EARNINGS PER SHARE

0.27 RMB

NET ASSETS PER SHARE

(excluding non-controlling interests and other equity instruments)

3.22 RMB

Benefited from a year-on-year increase in average rainfall, the hydropower segment successfully achieved a turnaround from a loss to a profit and became one of the key drivers of profit growth for the Group in the year 2024.

Moreover, benefited from the steady demand for coal-fired power and a notable reduction in unit fuel costs, particularly the lower average unit purchase price of coal and a series of cost reduction and efficiency enhancement measures, the thermal power segment recorded a steady year-on-year growth in profit as compared to the previous year. The energy storage business has also become a key highlight of the year, with profits increasing by approximately 133% as compared to the previous year. With favorable support from the national policies, this segment is expected to further unleash its growth potential in the future.

For the year ended 31 December 2024, the profit attributable to equity holders of the Group amounted to RMB3,861,822,000 (2023: RMB3,084,469,000). Profit attributable to ordinary shareholders of the Company amounted to RMB3,364,381,000 (2023: RMB2,660,322,000). Basic earnings per share was approximately RMB0.27 (2023: RMB0.22). As at 31 December 2024, net assets per share (excluding non-controlling interests and other equity instruments) was approximately RMB3.22.

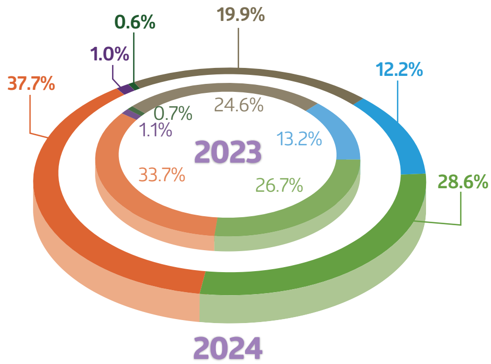
During the year under review, the development and performance of the Group's principal businesses were as follows:

Installed Capacity

As at 31 December 2024, the consolidated installed capacity of the Group's power plants was 49,390.9MW, representing a year-on-year increase of 4,372.1MW or 9.71%. The Group's consolidated installed capacity of clean energy (inclusive of hydropower, wind power, photovoltaic power, natural gas power and environmental power) was 39,570.9MW, accounting for approximately 80.12% of the total consolidated installed capacity of the Group, and representing an increase of approximately 4.73 percentage points as compared to the previous year.

The details of consolidated installed capacity of the Group as at 31 December 2024 are set out as follows:

Type of Power Plants	31 December 2024 MW	31 December 2023 MW
Hydropower	**6,001.1**	5,951.1
Wind Power	**14,127.0**	12,016.1
Photovoltaic Power	**18,620.5**	15,149.4
Natural Gas Power	**505.3**	505.2
Environmental Power	**317.0**	317.0
Coal-fired Power	**9,820.0**	11,080.0
Total	**49,390.9**	45,018.8



The Group's power generating units that commenced commercial operation and those that were acquired during the year are presented by type as follows:

Type of Power Plants	Consolidated Installed Capacity MW
Hydropower	50.0
Wind Power	2,110.9
Photovoltaic Power	3,476.2
Natural Gas Power	0.1
Total	**5,637.2**

Status of Key Projects

2024 was an important year for the Group to accomplish its strategic goals. The Company has stayed committed to high-quality development, focused on low-carbon and green transformation, and steadily pushed forward a number of key projects to lay the foundation for achieving the goal of "becoming a leading green and low-carbon energy provider in China by 2025". The progress of the key projects during the year are as follows:

Integrated Multi-energy Complementary Project

In the first half of 2024, Phases I and II of the Multi-energy Complementary Million-kW New Energy Base with a total installed capacity of 700MW of China Power (Hubei) New Energy Co., Ltd.* (中電(湖北)新能源有限公司), a subsidiary of the Company, have commenced commercial operation at full capacity. In order to achieve a layout with complementary advantages and synergistic development between thermal power and new energy, the project effectively builds a foundation for clean and low-carbon development. It has not only significantly reduced the emission of air pollutants, but also promoted the diversified development of local industries and helped to accomplish both rural revitalization and environmental protection at the same time.

Offshore Wind Power Project

The Phase II of the Site U Project of Haiwei (Rushan) Offshore Wind Power Co., Ltd.* (海衛(乳山)海上風電有限公司), a subsidiary of the Company, has commenced commercial operation during the year. Located in the waters south of Rushan, Shandong Province, the center of the site is approximately 26 kilometers offshore, has a water depth of 28–30 meters, covers a total offshore planned area of approximately 71 square kilometers, and has a total installed capacity of 450MW. The annual on-grid power generation capacity is expected to reach one million MWh, which will assist in an annual saving of approximately 406,000 tons of coal and a reduction of 1.125 million tons of carbon dioxide emissions. The project's development and construction will contribute to the structural restructuring of the local industries, promote local economic development, and foster sound social and comprehensive economic benefits.

Husbandry and Photovoltaic Complementary Project

The 100MW Husbandry and Photovoltaic Complementary Project of Dorbod Mongol Autonomous County Green Energy and New Energy Co., Ltd.* (杜爾伯特蒙古族自治縣綠能新能源有限公司), a subsidiary of the Company, was connected to the power grid at full capacity in 2024. With complementary use of husbandry and photovoltaic power as its key feature, the project effectively utilizes saline-alkali land for the construction of photovoltaic facilities that promote efficient use of land resources, which alleviates soil erosion and facilitates water conservation to some extent. The green barrier formed by the growth of grass can improve the surrounding environment of the photovoltaic power station. The grass produced can provide feed for the sheep, while the manure from husbandry can in turn promote the growth of grass, ultimately forming an ecological cycle of husbandry. At the same time, the project is also one of the first batch of national large-scale base projects of its type in deserts, Gobi and barren land, and it is one of the top 100 projects in the "14th Five-Year Plan" of Heilongjiang Province. The project will contribute 176 million kWh of green electricity to the locality each year and help save a substantial amount of standard coal and water resources on an annual basis, and reduce pollutant emissions.

Innovation of Energy Technology

The Group accelerated the promotion of technological innovation and stepped up its investment in technological research and development. By focusing on key technological innovations and development of digitalization and intelligence, it aimed to further consolidate its competitive edge in the clean energy sector. In addition, we have actively nurtured and introduced high-end technical talents, accelerated the incubation of its energy-related strategic emerging industries, thereby promoting the practical application of energy-related technological innovation achievements.

Intelligent Energy Storage

Xinyuan Smart Storage, a subsidiary of the Company, was granted a series of industry awards, fully demonstrating its innovative capability and market competitiveness in the arena of energy storage. The "Active Safety Centralized Control System for Unmanned Energy Storage Power Stations Based on Production and Sales Synergy", self-developed by Xinyuan Smart Storage, won the First Prize of the 2024 Electricity Innovation Award granted by the China Electricity Council. In addition, Xinyuan Smart Storage was honored with the "2024 Annual Emerging Enterprise of Energy Storage Award" at the 12th Energy Storage International Conference and Expo, and was rated among the "Top 100 Brands of Novel Energy Storage in China" at the 6th Energy Storage Carnival. These honors mark its outstanding performance in the area of energy storage technologies.

In terms of product innovation, Xinyuan Smart Storage launched a brand new product — "Smart Storage — Galaxy" series of supramolecular fully immersed industrial and commercial energy storage all-in-one machine, which provides innovative solutions for the area of industrial and commercial energy storage and meets the industry's demand for highly-efficient energy storage systems. Meanwhile, Xinyuan Smart Storage's first energy storage project with hybrid solid-liquid batteries, the 50MW/100MWh energy storage project in Tokson, Turpan, Xinjiang, has successfully completed the installation of equipment, highlighting its forward-looking technology application. Looking ahead, Xinyuan Smart Storage will continue to deepen its technological research and development, promote the intelligent and safe development of the energy storage industry, and accelerate its global deployment to further consolidate its competitive advantage in the energy storage market.

Green Power Transportation

Qiyuanxin Power, an associate of the Company, focused on promoting the transformation of the transportation sector towards electric, clean and intelligent operation. By the end of 2024, Qiyuanxin Power had built more than 1,000 charging and battery-swap stations for electric heavy-duty trucks nationwide. During the year, Qiyuanxin Power launched a series of innovative products with industry benchmarking significance, including Qiyuan Magic Box 284/400kWh vehicle-mounted storage-shared battery system and Qiyuan Jiaolong 600 semi-solid state battery. These products not only significantly enhance the range of electric heavy-duty trucks, but also effectively curb the operating costs, fostering a strong impetus for the large-scale application of new energy commercial vehicles. In areas along highways, mining areas and outbound transportation corridors, Qiyuanxin Power has developed intelligent micro-grids based on the "Charging and battery-swap stations — Energy storage — Distributed Energy" integrated mode, so as to achieve in-depth clean coupling between efficient consumption of wind and photovoltaic resources and energy for transportation use. In 2024, Zhaofeng Steel Charging and Battery-swap Station, the first wind-and-energy storage micro-grid charging and battery-swap station in China, was successfully put into operation, setting an important demonstration benchmark in the sector of new energy transportation. In terms of expanding new energy application scenarios, Qiyuanxin Power successfully replicated the model of "vehicle-mounted storage-shared and truck-battery separation" to the areas of vessels, loaders, electric agricultural machinery and others. During the year, the Company joined hands with its partners to develop a demonstration farm field for electric agricultural machinery and launched the first batch of electric agricultural machinery products to promote the clean transformation of the agricultural sector. At the same time, partnering with Tonly Heavy Industries (同力重工), Qiyuanxin Power officially launched the first 91-ton battery-swap wide-body mining truck tailored for Rio Tinto Group (力拓集團), the global mining giant, providing a brand-new solution for the green upgrade of the mining industry. Looking into the future, Qiyuanxin Power will continue to deepen the innovation of technology and business models, accelerate the clean and intelligent upgrade of the transportation sector, thereby introducing unlimited possibilities for sustainable development.

Projects under Construction

As at 31 December 2024, the consolidated installed capacity of the projects under construction was 6,429.0MW, all of which were clean energy projects and consisted of various large-scale wind power, photovoltaic power and environmental power generation projects in Shanxi Province, Guangxi Zhuang Autonomous Region, Hunan Province, Guizhou Province and Heilongjiang Province.

New Development Projects

Currently, the total installed capacity of new projects of the Group at a preliminary development stage (including projects with applications submitted to the PRC government for approval) is approximately 25,563MW, all of which are clean energy projects, and are primarily located in areas with development potential, such as Shandong Province, Guangxi Zhuang Autonomous Region, Xinjiang Uygur Autonomous Region and Shanxi Province. Such projects include the Shandong Peninsula South Offshore Wind Power Project with a total capacity of 3,000MW, Qinzhou 900MW Offshore Wind Power Demonstration Project, Xinjiang CP Shenhuo Mulei 800MW Wind Power Project, Xinjiang 9th Division 500MW Wind Power Project and other projects.

Power Generation and Electricity Sales

In 2024, the details of power generation and electricity sold by the Group are set out as follows:

POWER GENERATION

GROSS POWER GENERATION

133,065,568 MWh

Compared with 2023

23.69 %

	2024 / MWh	2023 / MWh	Changes / %
Hydropower	18,706,953	11,899,963	57.20%
Wind Power	27,030,814	18,977,272	42.44%
Photovoltaic Power	23,771,819	14,810,116	60.51%
Coal-fired Power	59,312,935	58,122,560	2.05%
Natural Gas Power	2,224,200	2,120,567	4.89%
Environmental Power	2,018,847	1,652,382	22.18%

ELECTRICITY SALES

TOTAL ELECTRICITY SOLD

127,959,080 MWh

Compared with 2023

23.94 %

	2024 / MWh	2023 / MWh	Changes / %
Hydropower	18,470,727	11,711,094	57.72%
Wind Power	26,236,946	18,496,849	41.85%
Photovoltaic Power	23,425,470	14,606,863	60.37%
Coal-fired power	55,966,840	54,986,785	1.78%
Natural Gas Power	2,159,577	2,058,859	4.89%
Environmental Power	1,699,520	1,379,055	23.24%

In 2024, the total electricity sold by the Group amounted to 127,959,080MWh, representing an increase of 23.94% as compared with the previous year, which was benefited from favorable hydrological conditions, strategic acquisitions, new project commissioning and growth in renewable energy installed capacity. The changes in electricity sold by each power segment as compared with the previous year are as follows:

Hydropower

57.72 % ↑

An increase of 57.72% in electricity sold was recorded due to a year-on-year increase in average rainfall in the river basins where the Group's hydropower plants are located during the year.

Wind Power

41.85 % ↑

Photovoltaic Power

60.37 % ↑

Benefited from the mergers and acquisitions as well as the commencement of commercial operation of new generating units, the electricity sales of wind power and photovoltaic power recorded year-on-year increases of 41.85% and 60.37%, respectively.

Coal-fired Power

1.78% ↑

Benefited from favorable national policies and increased demand for frequency-modulating and peak-shaving power sources within the power system, electricity sales of coal-fired power saw a moderate growth in 2024.

Natural Gas Power

4.89% ↑

Benefited from the commencement of commercial operation of new projects, the electricity sold increased by 4.89% year-on-year.

Environmental Power

23.24 % ↑

Benefited from the Clean Energy Acquisitions in the second half of 2023, the electricity sold increased by 23.24% year-on-year.

In 2024, the details of electricity sold by the Group's main associates and joint ventures are set out as follows:

Associates	2024 / MWh	2023 / MWh	Changes / %
Wind Power	702,158	955,874	−26.54%
Photovoltaic Power	110,360	115,056	−4.08%
Coal-fired Power	39,757,688	38,952,733	2.07%

Joint Ventures	2024 / MWh	2023 / MWh	Changes / %
Wind Power	1,706,990	856,764	99.24%
Photovoltaic Power	123,599	27,144	355.35%
Coal-fired Power	2,631,638	3,240,396	−18.79%
Total	45,032,433	44,147,967	2.00%

Heat Sales

In 2024, the total heat sold by the Group's subsidiaries reached 22,870,515GJ, representing an increase of 5,533,354GJ, or 31.92%, as compared to the previous year. This growth was primarily benefited from the Group's proactive market expansion initiatives, which significantly expanded its customer base. Conversely, the Group's main associates and joint ventures recorded total heat sold of 18,457,812GJ, a decrease of 797,401GJ, or 4.14%, year-on-year, largely due to reduced demand for heat supply following changes in business operations of a key customer of a joint venture. The heat sales of the Group were classified as other gains and losses in the consolidated income statement. During the year, profits generated from sales of heat, trading of coal, coal by-products, spare parts and others totaled RMB285,740,000 (2023: RMB140,561,000), representing a significant increase of 103.29% as compared to the previous year.

TOTAL HEAT SOLD

22,870,515 GJ

Compared with 2023

31.92% ↑

Market-Power Transactions

The Group has actively engaged in the market-oriented reform of the national power industry and strengthened its research on electricity market policies and regulations, particularly in aspects such as the trading of spot electricity, green certificate/green energy and carbon emission allowances. By keeping abreast of the developments of reform, the Group has maximized market power sales and expanded its market share through increased participation in market-power transactions. Additionally, subsidiaries in various provinces have also established their power sales centers, leveraging quality services to attract and retain target customers.

In 2024, the new tariff for coal-fired power was implemented nationwide to optimize coal-fired power revenues through a dual structure of "capacity tariff" plus "volume tariff". While the premium margin in market-traded power tariffs experienced a slight decline, primarily due to increased participation of other power sources in the spot market, which drove down market-traded power tariffs, the capacity tariff (i.e. determined by way of the calculation on recovering a certain percentage of the fixed costs of the coal-fired power generating units) provided a stable comprehensive tariff.

- In 2024, all the power production quota of large-scale coal-fired power generating units of the Group were obtained from the market, and the proportion of market-power transactions to sales was 100% (2023: 100%).

- the average market on-grid tariff was at a premium of approximately 13.48% (2023: 20.22%) over the benchmark tariff.

Despite the decrease in market-trading-tariff, the comprehensive tariff after taking into account the capacity-tariff basically remained stable, which demonstrated the adjusting impact of the capacity-tariff policy on market-trading-tariff.

Average On-Grid Tariff

In 2024, the Group's average on-grid tariffs of each power segment as compared with the previous year were as follows:

Hydropower

It remained relatively stable as compared to the previous year.

Wind Power

The decline was primarily driven by the commencement of operation or consolidation of grid parity wind power generation projects which resulted in a lower average on-grid tariff.

Photovoltaic Power

The decline was primarily driven by the commencement of operation or consolidation of grid parity photovoltaic power generation projects which resulted in a lower average on-grid tariff.

Coal-fired Power

The decline was primarily driven by the reduction in spot electricity tariffs in Shanxi Province.

Natural Gas Power

The decline was primarily influenced by the fluctuation in tariffs under long-term contracts, which subsequently impacted the tariffs for market-power transactions through the power grid company in Guangdong Province.

Environmental Power

The increase was mainly attributable to the higher average on-grid tariff of projects newly launched in the second half of the previous year, compared with the average on-grid tariff of existing projects from the prior year.

Average Utilization Hours of Power Generating Units

In 2024, the average utilization hours of power generating units of each power segment of the Group as compared with the previous year were as follows:

Hydropower

The rise was primarily driven by higher power generation, resulting from the increased average rainfall in the river basins where the Group's hydropower plants are located during the year.

Wind Power

The decline was primarily due to the insufficient wind resources during the year.

Photovoltaic Power

The decline was primarily due to reduced solar irradiance and the integration of various distributed and household photovoltaic power generation projects, which typically have lower utilization hours.

Coal-fired Power

The increase was driven by the higher demand for frequency-modulating and peak-shaving power sources within the power system, leading to a higher utilization rate.

Natural Gas Power

The increase was mainly attributable to higher demand for electricity in the regions where some of the Group's power stations are located.

Environmental Power

The decrease was primarily due to the relatively lower utilization hours of the projects consolidated in the second half of the previous year.

Energy Storage Business

In 2024, the revenue from the energy storage business reached RMB3,908,242,000, representing a year-on-year increase of RMB1,360,059,000 or 53.37%. The net profit amounted to RMB86,580,000, reflecting a significant increase of RMB49,403,000 or 132.89% as compared to the previous year. During the year, Xinyuan Smart Storage received multiple innovative awards and honors and successfully launched a total of 52 projects with a capacity of 6.02GWh.

OPERATING RESULTS OF 2024

In 2024, the net profit of the Group amounted to RMB6,539,890,000, representing an increase of RMB2,005,935,000 or 44.24% as compared with the previous year.

In 2024, the net profit (loss) of each operating segment and their respective changes over the previous year were as follows:

Hydropower
514,934
RMB'000
Compared with 2023
N/A

Wind Power
3,182,680
RMB'000
Compared with 2023
2.14%

Photovoltaic Power
1,720,917
RMB'000
Compared with 2023
14.43%

Thermal Power
1,556,789
RMB'000
Compared with 2023
18.37%

Energy Storage
86,580
RMB'000
Compared with 2023
132.89%

Unallocated
(522,010)
RMB'000
Compared with 2023
14.73%

As compared with 2023, the changes in net profit were mainly due to the following factors:

Revenue

The revenue of the Group was primarily derived from the sales of electricity, provision of power generation and energy storage-related services. In 2024, the Group recorded a revenue of RMB54,212,792,000, representing an increase of 22.48% as compared to RMB44,261,767,000 of the previous year.

In 2024, the details of revenue of each operating segment are set out as follows:

Hydropower
4,806,371
RMB'000
Compared with 2023
57.44%

Wind Power
11,737,415
RMB'000
Compared with 2023
34.61%

Photovoltaic Power
9,491,881
RMB'000
Compared with 2023
57.89%

Thermal Power
24,268,883
RMB'000
Compared with 2023
1.42%

Energy Storage
3,908,242
RMB'000
Compared with 2023
53.37%

- Revenue from hydropower increased by RMB1,753,567,000, which was mainly attributable to the increase in electricity sales of hydropower during the year.

- Revenue from wind power and photovoltaic power increased by RMB6,497,998,000 in total, primarily driven by the expansion of consolidated installed capacity through strategic mergers and acquisitions, as well as the commencement of commercial operation of various power generation projects during the year.

- Revenue from thermal power experienced a moderate growth of RMB339,401,000, primarily benefited from higher demand for frequency-modulating and peak-shaving power sources within the power system.

- Revenue from energy storage increased by RMB1,360,059,000, reflecting the consistent expansion of the Group's energy storage business.

Operating Costs

THE OPERATING COSTS OF THE GROUP

45,319,966 RMB'000

Compared with 2023

17.58 %

Operating costs of the Group mainly consist of fuel costs, repairs and maintenance expenses for power generating units and facilities, depreciation and amortization, staff costs, subcontracting costs, cost of sales of energy storage equipment, consumables, and other operating expenses. In 2024, the operating costs of the Group amounted to RMB45,319,966,000, representing a rise of 17.58% as compared to RMB38,544,960,000 in the previous year. The increase was primarily driven by the Clean Energy Acquisitions, the commencement of operation and consolidation of various clean energy projects, and the expansion of the energy storage business.

Total Fuel Costs

The total fuel costs decreased by RMB444,558,000 or 2.65%, primarily due to the year-on-year decrease in coal prices.

Unit Fuel Cost

The average unit fuel cost of the Group's coal-fired power business was RMB270.58/MWh, representing a decrease of 5.23% as compared to RMB285.51/MWh in the previous year. The year-on-year increase in the amount of imported coal exerted downward pressure on thermal coal prices during the year. Meanwhile, in order to further reduce fuel costs, the Group continued optimizing its procurement structure to capitalize on falling coal prices, which allowed for increased purchases of market coal and imported coal to supplement or replace coal supply under long-term contracts. Furthermore, the Group conducted in-depth analysis of the preferential policies for railway transportation costs to secure railway transportation capacity and preferential measures, which further lowered the unit fuel cost.

Depreciation and Staff Costs

Depreciation of property, plant and equipment and the right-of-use assets and staff costs increased by RMB4,483,811,000 in aggregate, mainly due to the business expansion brought about by the Clean Energy Acquisitions and the large number of new power generating units that commenced commercial operation during the year.

Cost of Energy Storage Equipment Sales and Subcontracting Costs

THE COST OF ENERGY STORAGE EQUIPMENT SALES AND SUBCONTRACTING COSTS

3,212,636 RMB'000

Compared with 2023

42.82%

The Group's energy storage segment is principally engaged in sales of energy storage equipment and the provision of subcontracting services for the development and assembly of power stations integrated with energy storage. In 2024, the cost of sales of energy storage equipment and subcontracting costs amounted to RMB3,212,636,000, representing an increase of RMB963,197,000 or 42.82% as compared to the previous year. It was primarily benefited from the Group's continuous expansion of its energy storage business in both domestic and overseas markets. The expansion resulted in a substantial year-on-year increase in business volume, which led to a significant rise in subcontracting and material costs.

Other Operating Expenses

Other operating expenses increased by RMB1,854,404,000, or 44.74%, year-on-year, primarily due to increased operating costs related to power generation, higher amortization of other intangible assets, and an increase in the provision for impairment of accounts receivable and other receivables.

Other Gains and Losses, Net

The net gains from other gains and losses increased by RMB56,758,000, or 8.36%, year-on-year, primarily due to increase in profits derived from sales of heat, trading of coal, coal by-products, spare parts and others. Furthermore, a gain on recognition of negative goodwill and a gain on disposal of property, plant and equipment were also recorded. However, these net gains were mitigated by an increase in the impairment of property, plant and equipment in 2024.

Operating Profit

In 2024, the Group's operating profit was RMB12,167,191,000, representing an increase of 39.61% as compared to the operating profit of RMB8,715,187,000 in the previous year.

Finance Costs

In 2024, the finance costs of the Group amounted to RMB5,043,066,000 (2023: RMB4,273,867,000). This represents an increase of RMB769,199,000, or 18.00%, as compared to the previous year. The increase in finance costs was mainly due to the Clean Energy Acquisitions made in the latter half of last year. Moving forward, the Group will continue to monitor market changes and take advantage of the opportunity presented by lower financing interest rates to actively optimize its debt structure by replacing the high-interest borrowings.

Share of Results of Associates

In 2024, the profits from the Group's share of results of associates was RMB551,145,000, representing an increase of RMB46,290,000, or 9.17%, as compared to the previous year. The growth was primarily benefited from the increase in electricity sold from coal-fired power operations, along with a decrease in unit fuel costs, such as the average unit price of coal, which enhanced the profitability from coal-fired power operations and helped offset the decline in profits from wind power and photovoltaic power generation.

Share of Results of Joint Ventures

In 2024, the profits from the Group's share of results of joint ventures was RMB181,455,000, representing a decrease of RMB19,839,000, or 9.86%, as compared to the previous year. The decline in profits was primarily due to a reduction in electricity sales from coal-fired power operations, driven by reduced demand in a specific region. While sales of electricity from wind power and photovoltaic power increased substantially, the related profits were insufficient to fully offset the drop in profits from coal-fired power operations.

Income Tax Expense

In 2024, the income tax expense of the Group was RMB1,470,790,000, representing an increase of RMB578,155,000, or 64.77%, as compared to the previous year. The increase was primarily attributed to the hydropower segment's turnaround from a loss to a profit year-on-year and rising profits from the thermal power, wind power and photovoltaic power segments.

Final Dividend

At the Board meeting held on 20 March 2025, the Board recommended the payment of a final dividend for the year ended 31 December 2024 of RMB0.162 (equivalent to HK$0.1754 at the exchange rate announced by the People's Bank of China on 20 March 2025) per ordinary share (2023: RMB0.132 per ordinary share), totaling RMB2,003,964,000 (equivalent to HK$2,169,724,000) (2023: RMB1,632,860,000), which is based on 12,370,150,983 shares in issue on 20 March 2025. This, combined with the special dividend of RMB0.05 per ordinary share distributed in celebration of the 20th anniversary of the Company's listing on the Hong Kong Stock Exchange, brought the total dividends for the year to RMB0.212 per ordinary share.

The dividend payout ratio for 2024, calculated as dividend declared for the year (excluding the one-off special dividend), divided by profit attributable to ordinary shareholders, was 60% (2023: 61%). The Board confirmed that the dividend decisions made in 2024 were in accordance with the Company's dividend policy, which mandates a minimum payout ratio of no less than of 50%, and the dividend payout ratio for 2024 remained relatively stable as compared to the previous year.

EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME ("FVTOCI")

As at 31 December 2024, the carrying amount of equity instruments at FVTOCI was RMB5,091,105,000, accounting for 1.50% of total assets, including listed equity securities of RMB3,331,389,000 and unlisted equity investments of RMB1,759,716,000.

Listed equity securities represent the equity interests in Shanghai Power held by the Group. As at 31 December 2024, the Group held 12.90% (31 December 2023: 12.90%) of the issued share capital of Shanghai Power, the A shares of which are listed on the Shanghai Stock Exchange. They were categorized as level 1 financial assets of fair value measurements, and their fair values increased by 8.39% as compared with RMB3,073,452,000 as at 31 December 2023.

Unlisted equity investments represent the Group's investment in equity of certain unlisted companies principally engaged in financial services, coal production and electricity trading services respectively. They were categorized as level 3 financial assets of fair value measurements, and their fair values increased by 4.32% from RMB1,686,892,000 as at 31 December 2023.

The valuation methods and key inputs used for measuring the fair values of the above level 3 financial assets were market approach, i.e. fair values of such equity instruments were estimated by calculating the appropriate value ratio based on market multiples derived from a set of comparable listed companies in the same or similar industries. Key inputs were (i) the market value of the said equity interests, (ii) price-to-book ratio (1.60-2.00) and price-earning ratio (9.70-12.60) of the comparable companies, and (iii) the discount for lack of marketability (29.69%-31.05%).

The fair value gain on equity instruments at FVTOCI (net of tax) for the year ended 31 December 2024 of RMB195,570,000 (2023: loss of RMB413,328,000) was recognized in the consolidated statement of comprehensive income.

MATERIAL ACQUISITIONS AND DISPOSALS

On 30 September 2024, the Company received the Notice of Proposed Plan for Major Asset Restructuring Matters (the "Notice") from SPIC. SPIC proposed the transfer of the Company's controlling interests in its subsidiaries primarily engaged in hydropower business, including Wu Ling Power and Changzhou Hydropower, to Yuanda Environmental (a company listed on the Shanghai Stock Exchange), so as to subscribe for its allotment of new shares plus cash consideration (the "Proposed Asset Restructuring"). If the Proposed Asset Restructuring is executed, the Company is expected to become the direct controlling shareholder of Yuanda Environmental and the Company is expected to maintain its control over Wu Ling Power and Changzhou Hydropower through Yuanda Environmental.

To capitalize on the opportunities presented by the Notice, on 18 October 2024, the Company, Hunan Xiangtou International Investment Limited* (湖南湘投國際投資有限公司) ("Xiangtou International") and Yuanda Environmental entered into Restructuring Framework Agreement I, pursuant to which the Company and Xiangtou International intended to transfer all their respective shareholding in Wu Ling Power to Yuanda Environmental in exchange for the new shares issued by Yuanda Environmental plus cash consideration. At the same time, Guangxi Company, a wholly-owned subsidiary of the Company, and Yuanda Environmental entered into Restructuring Framework Agreement II, pursuant to which Guangxi Company intended to transfer its 64.93% shareholding in Changzhou Hydropower to Yuanda Environmental in exchange for the new shares issued by Yuanda Environmental plus cash consideration. Prior to the implementation of the Proposed Asset Restructuring, Wu Ling Power and Changzhou Hydropower will undergo Proposed Asset Pre-Restructuring. Details of which were set out in the "Event after the Reporting Period" section below.

To unleash the advantages of "two joint operations" (兩個聯營) industrial models of "coal plus coal-fired power" and "coal-fired power plus new energy power", on 6 December 2024, the Company, Huainan Mining and Pingwei Power (a 60%-owned subsidiary of the Company) entered into the Capital Injection Agreement. Pursuant to the Capital Injection Agreement, Huainan Mining agreed to acquire 11% equity interest of Pingwei Power at a consideration of RMB152,823,808.16 (equivalent to approximately HK$166,113,000) through an injection into the registered capital of Pingwei Power. The Completion of this transaction took place on 30 December 2024. Upon completion, the Company's equity interest in Pingwei Power was diluted from 60% to 49%. As a result, Pingwei Power has ceased to be a subsidiary of the Company and has become an associate of the Company.

Save as disclosed above, the Group did not have any other material acquisitions and disposals during the year under review.

EVENTS AFTER THE REPORTING PERIOD

Prior to implementation of the Proposed Asset Restructuring, Wu Ling Power and Changzhou Hydropower will undergo Proposed Asset Pre-Restructuring. The Proposed Asset Pre-Restructuring consisted of three parts: (1) external acquisitions by Wu Ling Power; (2) formation of joint ventures; and (3) intragroup reorganization. On 17 January 2025, Wu Ling Power and each of the relevant sellers (being SPIC Associates and Beijing Xinying) entered into the Wu Ling External Acquisitions Agreements. On the same day, Wu Ling Power also entered into a sale and purchase agreement with Hubei Diantou to conditionally acquire 100% equity interest in Lanshanxian Zhuoyue New Energy Development Co., Ltd* (藍山縣卓越新能源開發有限公司) ("Lanshanxian Zhuoyue"). For further details on the Wu Ling External Acquisitions Agreements, acquisition of Lanshanxian Zhuoyue and matters in relation to the formation of joint ventures and intragroup reorganization, please refer to the announcement of the Company published on 17 January 2025. The transaction is currently in progress. The Company will timely publish updates regarding this transaction as and when appropriate.

Wu Ling Power successfully completed a debt refinancing after the end of the period, the details of which can be found in the section headed "Sci-Tech Note" under "Significant Financing" below.

LIQUIDITY, CASH FLOWS AND FINANCIAL RESOURCES

CASH AND CASH EQUIVALENTS

6,073,616 RMB'000

Compared with 2023

5.83% ↑

As at 31 December 2024, cash and cash equivalents of the Group were RMB6,073,616,000 (31 December 2023: RMB5,738,815,000). Current assets amounted to RMB51,638,373,000 (31 December 2023: RMB45,642,151,000), current liabilities amounted to RMB93,182,359,000 (31 December 2023: RMB75,170,626,000) and current ratio was 0.55 (31 December 2023: 0.61).

As a result of the Clean Energy Acquisitions, on 17 August 2023, the Company entered into a supplemental agreement to the financial services framework agreement dated 6 May 2022 with SPIC Financial to revise the annual cap for the related financial services. Following the revision, the annual cap in respect of the maximum daily balance of deposit (including accrued interests) placed by the Group with SPIC Financial was increased to RMB9.0 billion, while other principal terms remained unchanged. Pursuant to the financial services framework agreement and its supplemental agreement, SPIC Financial will continue to provide the Group with deposit services, settlement services, loan services and other financial services approved by the National Financial Regulatory Administration on a non-exclusive basis. The financial services framework agreement and its supplemental agreement will expire on 7 June 2025. The Company proposes to renew the financial services framework agreement and will seek its independent shareholders' approval. The Company will timely publish updates on the renewal of the financial services framework agreement as and when appropriate.

For the period between 1 January 2024 and 31 December 2024, the maximum daily balance of deposit (including accrued interests) placed by the Group with SPIC Financial was approximately RMB8.99 billion (31 December 2023: approximately RMB8.97 billion), which did not exceed the annual cap of RMB9 billion.

Pursuant to the aforementioned financial services framework agreement and its supplemental agreement, SPIC Financial provides the Group with an internal treasury management platform, a cross-border fund allocation platform and other financial services through its own financial resources, including the business information system and cross-border fund allocation channels. These platforms enable real-time monitoring of account balances, as well as income and expenditure, thereby safeguarding against funding risks. At the same time, they facilitate flexible and efficient fund allocation across borders, which gives rise to more flexible capital flow at home and abroad, broadens financing channels for domestic subsidiaries and reduces uncertainties in inbound and outbound capital flows due to changes in foreign exchange regulatory policies.

During the year under review, the Group recorded a net increase in cash and cash equivalents of RMB334,817,000 (2023: net increase of RMB1,511,664,000). For the year ended 31 December 2024:

- net cash generated from operating activities amounted to RMB10,621,363,000 (2023: RMB9,903,018,000). The increase was mainly attributable to the year-on-year rise in operating profit.

- net cash used in investing activities amounted to RMB35,172,389,000 (2023: RMB26,843,571,000). The increase in cash used was mainly attributable to the deferred effect of payments of consideration payable for acquisition of subsidiaries in prior years, and the year-on-year increase in payments for property, plant and equipment, and prepayments for construction of power plants.

- net cash generated from financing activities amounted to RMB24,885,843,000 (2023: RMB18,452,217,000). The increase was mainly attributable to the year-on-year rise in net borrowings. However, such increase was partially offset by the redemption of perpetual debts and the payment of special dividends during the year.

The financial resources of the Group were mainly derived from cash inflow generated from operating activities, debt instruments, borrowings from banks and related parties, and project financing.

DEBTS

As at 31 December 2024, total debts of the Group amounted to RMB197,360,970,000 (31 December 2023: RMB168,714,840,000). Over 99% of the Group's total debts are denominated in RMB.

As at 31 December 2024, the Group's gearing ratio, calculated as net debt (being total debts less cash and cash equivalents) divided by total capital (being total equity plus net debt), was approximately 64% (31 December 2023: approximately 63%). The Group's gearing ratio slightly increased due to new debts arising from financing activities, as outlined in the "Liquidity, Cash Flows, and Financial Resources" section above.

As at 31 December 2024, the amount of borrowings granted by SPIC Financial was approximately RMB11.03 billion (31 December 2023: approximately RMB8.24 billion).

DEBTS

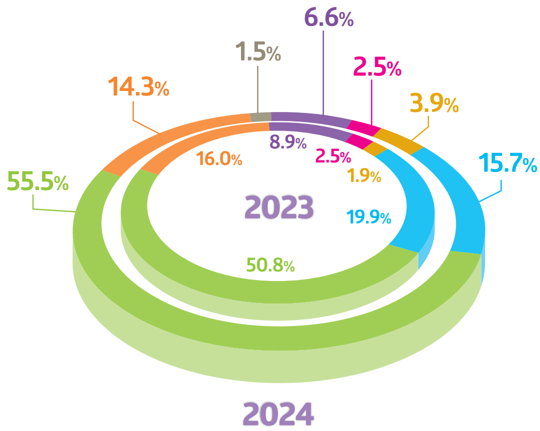
197,360,970 RMB'000

Compared with 2023

16.98%

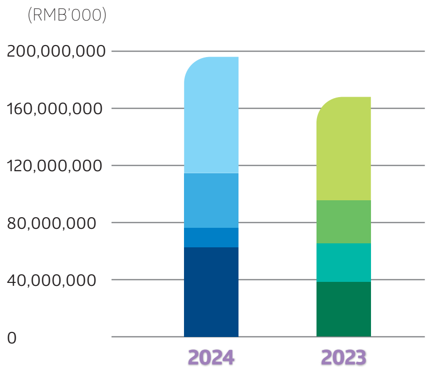
The details of the Group's debt as at 31 December 2024 and 2023 are set out as follows:

	2024 RMB'000	2023 RMB'000
Bank borrowings, secured	**30,928,332**	33,517,405
Bank borrowings, unsecured	**109,594,817**	85,763,239
Borrowings from related parties	**28,283,619**	27,024,008
Corporate bonds	**3,000,000**	–
Medium-term notes, short-term notes and super & short-term commercial papers issued by the Company	**12,900,000**	15,000,000
Lease liabilities	**4,966,485**	4,132,592
Other borrowings	**7,687,717**	3,277,596
	197,360,970	168,714,840



The due dates of the above debts are as follows:

	2024 RMB'000	2023 RMB'000
Within one year	**62,308,910**	37,867,799
Between one and two years	**14,149,426**	27,253,931
Between two and five years	**38,371,129**	30,965,101
Over five years	**82,531,505**	72,628,009
	197,360,970	168,714,840



Among the above debts, approximately RMB63,916,901,000 (31 December 2023: approximately RMB48,169,746,000) are subject to fixed interest rates, and the remaining debts denominated in RMB are subject to adjustment based on the relevant rules of the People's Bank of China and bearing interest rates ranged from 1.00% to 4.95% (2023: ranged from 1.60% to 5.10%) per annum.

ASSET IMPAIRMENT

When there is any indication of asset impairment, the Group will conduct an impairment test on the assets to assess whether an impairment has occurred.

In 2024, the Group recognized an impairment of property, plant and equipment totaling RMB265,262,000 (31 December 2023: RMB66,964,000). The impairment was primarily due to the cancellation of development quotas for a photovoltaic power generation project during its construction phase and the impairment of scrap photovoltaic panels resulting from the demolition of a photovoltaic power generation project, both driven by changes in local and environmental policies. Additionally, the Group recognized an impairment of accounts receivable and other receivables amounting to RMB228,494,000 (31 December 2023: reversal of impairment of RMB2,328,000). The impairment was primarily due to the limited recoverability of certain recognized electricity tariff subsidies as a result of changes in local practices and policies on subsidies distribution.

SIGNIFICANT FINANCING

Issuance of Debt Financing Instruments

The Company has obtained approval from the China Securities Regulatory Commission (中國證券監督管理委員會) for the public issuance of corporate bonds onshore of the PRC and to be listed on the Shanghai Stock Exchange, with an aggregate amount of not exceeding RMB3 billion and an effective registration period of 2 years which could be issued in tranches. The Company issued (i) the first tranche of the corporate bonds in a principal amount of RMB2 billion at the interest rate of 2.67% per annum and a maturity period of 3 years; and (ii) the second tranche of the corporate bonds in a principal amount of RMB1 billion at the interest rate of 2.39% per annum and a maturity period of 3 years, in March and April 2024, respectively.

Green Notes

Under the current registration with the NAFMII for issuing debt financing instruments, the Company issued (i) the first tranche of (sustainability-linked) green medium-term note in a principal amount of RMB2 billion at the interest rate of 2.12% per annum and a maturity period of 3 years, which is the first commercial note issued in the China's bond market that linked its coupon rate with the issuer's China Certified Emission Reductions (國家核證自願減排量) performance target; (ii) the second tranche of green medium-term note in a principal amount of RMB1.5 billion at the interest rate of 2.58% per annum and a maturity period of 10 years; and (iii) the third tranche of green medium-term note (Carbon Neutrality Bond) in a principal amount of RMB1 billion at the interest rate of 2.28% per annum and a maturity period of 5 years, in April, June and October 2024, respectively.

Sci-Tech Note

Wu Ling Power has obtained a "Notification on Acceptance of Registration" from the NAFMII, confirming the acceptance of its application for issuance of asset guaranteed debt financing instrument (the Sci-Tech Note) (資產擔保債務融資工具 (科創票據)) in the PRC by tranches in an aggregate amount of RMB1 billion with an effective registration period of two years from August 2024. On 3 September 2024, Wu Ling Power issued its first tranche of the Sci-Tech Note, with a principal amount of RMB400 million, an interest rate of 1.97% per annum, and a maturity period of 181 days ("2024-first-tranche of the Sci-Tech Note"). Upon the maturity of this Sci-Tech Note, Wu Ling Power issued another tranche of the Sci-Tech Note, with a principal amount of RMB400 million, an interest rate of 1.90% per annum and a maturity period of 240 days, for the purpose of repaying the 2024-first-tranche of the Sci-Tech Note on 27 February 2025.

The proceeds from the above debt instruments were fully applied towards the repayment of the existing borrowings and the replenishment of working capital for daily operations.

SHARE INCENTIVE SCHEME

The Company adopted the Share Incentive Scheme upon the approval by its shareholders at an extraordinary general meeting held on 15 June 2022. Under the Share Incentive Scheme, the Company granted a total of 103,180,000 share options in two tranches in July 2022. All the aforesaid grantees were employees of the Company or its controlled subsidiaries. As at 1 January 2024, there were 93,060,000 shares options granted but not yet lapsed or canceled. There were 34,394,800 share options lapsed during the year under review. Consequently, the Company had 58,665,200 share options outstanding under the Share Incentive Scheme as at 31 December 2024. Taking into account the leaving of grantees and based on the revised estimates of the number of share options that will lapse in the future, the Company recognized share-based payment expenses of RMB19,283,000 (2023: RMB7,422,000) during the year under review.

CAPITAL EXPENDITURE

In 2024, the total capital expenditure of the Group was RMB28,212,560,000 (2023: RMB30,313,575,000). Among them, the capital expenditure for clean energy segments (hydropower, wind power, photovoltaic power and energy storage) was RMB24,583,792,000 (2023: RMB24,677,137,000), which was mainly applied for the engineering construction of new power plants and power stations, and the asset purchases related to the energy storage business; whereas the capital expenditure for thermal power segment was RMB2,872,444,000 (2023: RMB4,636,413,000), which was mainly applied for the engineering construction of new power generating units and technical upgrade for the existing power generating units. These expenditures were mainly funded by project financing, debt instruments, funds generated from business operations and borrowings from related parties.

PLEDGE OF ASSETS

As at 31 December 2024, certain bank borrowings, borrowings from related parties and other borrowings (31 December 2023: certain bank borrowings and other borrowings) totaling RMB1,546,617,000 (31 December 2023: RMB1,235,982,000) were secured by certain property, plant and equipment with a net book value of RMB632,581,000 (31 December 2023: RMB2,235,221,000). In addition, certain bank borrowings, other borrowings and lease liabilities totaling RMB31,911,780,000 (31 December 2023: RMB33,517,642,000) were secured by the rights on certain accounts receivable amounted to RMB9,576,998,000 (31 December 2023: RMB7,530,108,000).

CONTINGENT LIABILITIES

As at 31 December 2024, the Group had no material contingent liabilities.

REVIEW OF MAJOR POLICIES

Expanding the market-based mechanism

In February 2024, the NDRC issued the "Regulatory Measures for Fully Guaranteed Purchase of Electricity Generated from Renewable Energy (《全額保障性收購可再生能源電量監管辦法》)" (the "New Measures"), which officially took effect on 1 April 2024, and the "Regulatory Measures for Full Purchase of Electricity Generated from Renewable Energy by Power Grid Companies (《電網企業全額收購可再生能源電量監管辦法》)", which took effect from 1 September 2007, was repealed at the same time. Pursuant to the New Measures, the on-grid electricity generated by renewable energy power generation projects are classified into two categories, namely guaranteed purchase electricity and market trading electricity. The State planned purchase is positioned as guaranteed consumption, which aims at guiding the relevant participants in the electricity market to proactively consume green electricity through the market, instead of relying on the traditional mode of passive consumption of green electricity by power grid companies.

With the wind-down of full purchase of electricity by power grid companies, some new energy power generation companies faced consumption issues and needed to generate revenue from surplus electricity through market trading. In this regard, China issued the New Rules (as defined below) to provide new energy power generation companies with the opportunity to participate in market trading. In April 2024, the NDRC issued the "Basic Rules for the Operation of the Electricity Market (《電力市場運行基本規則》)" (the "New Rules"), which took effect on 1 July 2024. The New Rules aims to establish a national unified trading system for the electricity market that breaks down cross-provincial and cross-regional trade barriers and promotes the balance of electricity nationwide. Following the implementation of the New Rules, power generation companies were able to flexibly adjust their production strategies to cater to market demand, thereby enhancing the efficiency and economic benefits of power generation and opening up new channels for power consumption.

In November 2024, the NEA issued the "Blue Paper on the National Unified Electricity Market Development Plan (《全國統一電力市場發展規劃藍皮書》)" (the "Blue Paper"). The Blue Paper specified the timetable and roadmap for the development of the national unified electricity market. By 2025, it is expected that the initial construction of the national unified electricity market will be completed for the standardization of basic trading rules and technical standards across the country. By 2029, it is planned that the national unified electricity market will be fully established to promote the fairness and standardization of basic market rules and market supervision. By 2035, the national unified electricity market will be further optimized to support the full establishment of a high-level socialist market economy.

Promoting green power consumption

The power grid system is the core aspect of the efficient transmission and consumption of new energy. With the large-scale grid connection of new energy, the demand for the construction of ancillary power grids has increased significantly. In May 2024, the NEA issued the "Circular on Making Effective Efforts in New Energy Consumption to Ensure the High-quality Development of New Energy (《關於做好新能源消納工作保障新能源高質量發展的通知》)" (the "Development Circular"), which highlighted that the power generation capacity had far exceeded the local demand for electricity in certain areas with uneven distribution of new energy consumption capacity. To this end, the Development Circular calls for breaking down barriers between provinces, prohibiting restrictions on cross-provincial new energy transactions and proposing measures such as accelerating the exploration of the establishment of regional power markets to further optimize the resource allocation capability.

In promoting the consumption of new energy, the green certificate system is considered to be an important tool to safeguard the consumption of electricity from renewable energy sources. It is also one of the most crucial approaches to support the green and low-carbon transformation of society and achieve the Dual Carbon Goals. In August 2024, the NEA promulgated the "Rules for Issuance and Trading of Green Power Certificate for Renewable Energy (《可再生能源綠色電力證書核發和交易規則》)", which further standardized the issuance and trading of green certificates, and set out the specific requirements for the issuance, trading and transfer, validity period, information management and supervision of green certificates. These measures are of great practical significance in expanding the scale of green certificate trading and helping to boost green electricity consumption across society.

Accelerating the Green Transformation of Coal-fired Power Generation

In July 2024, the NEA published the "Action Plan for the Low-carbon Transformation of Coal-fired Power Generation (2024–2027) (《煤電低碳化改造建設行動方案(2024–2027年)》)" (the "Action Plan") with the goal of transforming a number of low-carbon coal-fired power generation projects by 2027. Through the application of low-carbon power generation technologies in the relevant projects, the carbon emissions per unit of electricity will be reduced by approximately 50% as compared with 2023, so that it will be close to the emission level of natural gas power generating units. The Action Plan also proposed various support measures, including increasing government investment subsidies and encouraging eligible projects to be financed by way of, among others, real estate investment trusts (REITs), green bonds or green credits and will help broaden the path of low-carbon transformation for coal-fired power generation and support the clean and low-carbon transformation of coal-fired power generation projects.

In August 2024, the "Energy Law of the People's Republic of China (《中華人民共和國能源法》)" (the "Energy Law") was passed at the 12th meeting of the 14th Standing Committee of the National People's Congress and came into effect on 1 January 2025. The Energy Law integrated multiple energy types and transformation objectives under the same framework. From a legal perspective, it specified the direction and path of transformation and development in the energy sector, and determined the positioning and development priority of each energy type. In terms of electricity generation, the Energy Law proposed to rationalize the development of coal-fired power generation, so that it can be further transformed to serve a supporting and regulating role and better cater to the demand for regulation of the power system. At the power grid level, the Energy Law specified that grid-source coordination should be strengthened by promoting the intelligent transformation of power grid infrastructure and the construction of smart microgrids, so as to improve the power grid's capacity to accept, allocate and regulate renewable energy.

As the power reform continues, the increase in inter-provincial trading volume will benefit provinces with abundant new energy resources, where more high-quality green power resources can be externally distributed from these provinces to increase the consumption of green power. On the other hand, it is expected that the entry of new energy into the market may impose pressure on green power tariffs in most provinces in the short term, and undermine the overall profitability of the industry. However, in the long run, clearer price signals will help define the investment scope of the industry and guide its rational and healthy development in a more precise manner.

In addition, the market-oriented development of electricity purchase and power generation, especially the spot market, will reflect more clearly the supply and demand of power at different times and places. This will have a positive impact on more adjustable power sources, such as thermal power and large-scale hydropower. For green power with weaker regulation capabilities, the tariffs will face significant pressure. However, the price advantage of green power will also attract more users, thus increasing its consumption level. Looking ahead, China Power will continue to rationalize the allocation of different types of power sources to cope with the changing market environment.

RISK MANAGEMENT

Risk management provides strong support and basic guarantee for the high-quality and sustainable development of the Group. The Group has implemented all-rounded risk management and has established a systematic and comprehensive risk management mechanism and internal control system. Furthermore, the Group has established a comprehensive risk management structure covering the governing body, the management and internal audit, which promotes risk management responsibilities to all employees and the entire business system, thereby effectively enhancing the corporate risk prevention and control capabilities and safeguarding the corporate governance in compliance with the laws in all aspects.

The Group also has a Risk Management Committee and a Strategic and Sustainable Development Committee, which are accountable to the Board and assist the Board in providing leadership, direction and oversight with regard to the overall risk management and sustainable development strategy, risk appetite and tolerance and risk management framework of the Group, including risk policies, processes and controls. The Group also has an internal audit department in place for the execution and implementation of risk management measures.

Foreign Exchange Risks

The Group principally operates its businesses in Mainland China with most of its transactions settled in RMB. Apart from certain bank borrowings, borrowings from related parties as well as cash and cash equivalents, the Group's assets and liabilities are mainly denominated in RMB. The Group held borrowings denominated in Japanese Yen ("JPY") and United States Dollars ("USD") during the Year. Volatility of RMB exchange rate against JPY and USD may increase the exchange risks of the Group, thus affecting its financial position and operating results. As at 31 December 2024, the Group's borrowings denominated in foreign currencies amounted to RMB906,805,000 (31 December 2023: RMB926,998,000), which accounted for only 0.46% (31 December 2023: 0.55%) of the total debts of the Group, representing relatively low foreign exchange risk exposure.

The Group will continue to keep track of the movements of exchange rates and, if necessary, take responsive measures to avoid excessive foreign exchange risks.

Funding Risks

With the Group's strengthened efforts in developing all kinds of new energy and innovative technology projects, funding adequacy has become an important issue for the Group. The financing market is affected by a number of factors such as the liquidity of the lending market, interest rates and the economic environment, which in turn may also affect the effectiveness and costs of the Group's borrowing. Financing in the form of perpetual debt instruments has significantly increased the financial resources available to the Group. In addition, the Group has always leveraged its capability of accessing Mainland China and overseas markets to optimize its funding sources in all aspects, increase its credit facilities and lower its financing costs. Moreover, the financial services framework agreement with SPIC Financial also facilitates the mitigation of funding risks.

As at 31 December 2024, the Group had sufficient available unutilized financing facilities amounting to RMB50,774,060,000 (31 December 2023: RMB42,848,259,000). The Group will refinance and restructure the existing loan terms when appropriate to safeguard against funding risks. As the Group will be able to meet its liabilities as and when they fall due within the next twelve months, the annual results and consolidated financial statements therefore have been prepared on a going concern basis.

Risks of Policy Changes

The electricity reform will further accelerate the pace of new energy's full participation in the power market. The proportion of new energy in the market will be on the rise and electricity tariffs may face greater downward adjustment pressure. The Group will strengthen the review of the market conditions and the analysis of economic activities, closely monitor key indicators such as electricity volume and tariffs, and optimize the priority and structure of power generation to strive for opportunities to generate electricity and promote electricity sales. In addition, it will continue to optimize various types of power sources to flexibly respond to the changing market environment.

SOCIAL AND ENVIRONMENTAL GOVERNANCE

Operational Safety

The Group has set the goal of "zero fatality and zero accident" and strived to enhance the production safety management capability of its management personnel. Focusing on the two main strategies of "strengthening supervision while putting safety standards in place and reinforcing the foundation before expanding construction", the Group has taken a multi-pronged approach to achieve steady improvement in production safety standards. During the year under review, the Company organized thematic training on the dual prevention mechanism to guide emerging businesses and newly established units to build up the dual prevention system. By doing so, it strengthened the professional theoretical knowledge and dual prevention capabilities of frontline personnel of basic units. The Group also organized training on the theme of solid wastes, promoted full-cycle environmental protection compliance for new energy projects, and enhanced the development and reserve of safety and environmental protection talents in the field of new energy. While nurturing a strong culture of production safety, the Group raised the safety awareness of employees. In addition, the Company conducted supervisory inspections on safety and environmental protection at its power plants and carried out corrective actions. Apart from that, it launched special inspections and organized targeted investigations on the prevention of falls and electric shocks, safety management of contractors, management of dangerous major construction works, centralized cable lines, machinery and equipment.

During the year under review, the Company continued to improve and upgrade its working mechanism of production safety contact points. It formulated and published the "Plan for Production Safety Contact Points of China Power for 2024 (《中國電力2024年度安全生產聯繫點方案》)", the "Plan for Building An Intrinsic Safety Enterprise of China Power (《中國電力本質安全企業建設方案》)" and the "Implementation Rule for the Comprehensive Evaluation on Safety, Quality and Environmental Protection Management (《安全品質環保管理綜合評價實施細則(2024年)》)", which helped the management of the Company to conduct in-depth supervision at the frontline and provided guidelines for solving critical safety and environmental protection issues. The Company also promoted the development of intrinsic safety and improved the level of safety production management at basic units based on the four fundamental elements of intrinsic safety, namely "people, materials, environment and management". According to the different installed capacities of generating units and difficulties in management, we compiled and published the "Implementation Plan for Safety Guarantee Fund of China Power (《中國電力安全保證金實施方案》)", which gives full play to the role of rewards and punishments as incentives for safe production, and promotes the effective implementation of the safety responsibility system through vertical collaboration and horizontal synergy.

During the year under review, the Group continued to improve the conditions for operation in strict compliance with the "Production Safety Law of the People's Republic of China (《中華人民共和國安全生產法》)", the "Prevention and Control of Occupational Diseases Law of the People's Republic of China (《中華人民共和國職業病防治法》)" and other laws and regulations relating to safety and hygiene. It equipped its employees with work equipment and labor protective gears in line with safety standards and arranged various training programs on safety knowledge and safety skills as well as emergency training and drills.

In order to further enhance its core competitiveness and promote sustainable development, the Group has established the "three standards" Quality, Occupational Health and Safety, and Environment ("QHSE") management system in compliance with international standards, which maintained stable implementation and played a significant role in enhancing management and facilitating its transformational development.

In 2024, there had been no material accidents in relation to employees, facilities and environmental protection or environmental emergencies of the Group.

During the year under review, all operating power plants over which the Group has operational control complied with relevant local production safety regulations. No fines or charges were imposed on the Group due to violation of regulations.

Human Resources

The Group has placed great emphasis on the establishment of the performance appraisal, rewarding and punishment mechanism for all employees. It adheres to the talent development strategy and attaches importance to the growth of staff. It determines the emoluments of its directors and employees based on their respective performance, working experience, duties of the position, the remuneration system of the Company's parent company and prevailing market conditions. In addition, the Group has implemented an incentive policy that links emoluments with overall business performance. It has built a sustainable employee training system to offer them a broad space and platform for career development and realizing self-worth.

The Company adopted a share incentive scheme on 15 June 2022 with an objective to effectively attract, motivate and retain core backbone employees of the Company to support the Company's strategic transformation and long-term development. The Group has also attached great importance to the learning and training of employees and the communication and exchange between employees in different positions. It has improved the professional and technical capabilities and overall competence of its employees on an ongoing basis, so as to meet the needs of its continuously expanding businesses.

As at 31 December 2024, the Group had a total of 14,776 (2023: 14,254) full-time employees.

During the year under review, all business units over which the Group has operational control complied with the local labor laws. No fines or charges were imposed on the Group due to violation of regulations.

Stakeholder Engagement

The Group has been actively responding to the local policy requirements of the places where it operates by supporting local communities in terms of green development and environmental protection, providing reliable electricity to cope with challenges arising from extreme weather such as flooding, typhoon and cold wave, and establishing sound cooperation relationship with governments, universities and enterprises in areas including energy, technology and talents development.

Climate Change

The Group deeply recognizes the real challenges and material risks brought about by climate change. It assumes the mission of promoting the transformation of the power and energy industries and the development of clean energy. We take proactive actions to address climate change as an integral part of our corporate strategy, operations and governance structure, and we are fully committed to achieving our sustainable development goals.

In recent years, the Group has been dedicated to the promotion and application of clean energy. It has enhanced its core competitiveness on all fronts by optimizing the operational efficiency of its power generation business and implementing carbon reduction and efficiency measures. For traditional coal-fired power generation units, we have been phasing out outdated capacity in an orderly manner and actively carrying out energy-saving and environmental protection upgrades. At the same time, we have adopted a "dual-wheel drive" strategic model with clean and low-carbon energy and strategic emerging industries at the core of our development to further consolidate our market-leading position in the clean energy business. By doing so, we are making substantial contributions to the Dual Carbon Goals and sustainable development requirements.

The Group pays high regard to ESG related work and continues to enhance the transparency in climate risk management and opportunity identification. In the past year, our efforts were widely recognized with the following achievements:

- Shortlisted as one of the "Top 100 ESG Pioneers Among Listed Companies in China (2024)";

- Officially became a member of the UNGC and pledged to adhere to its ten principles in the four major areas of human rights, labor, environment and anti-corruption, which marked our strong commitment in ESG-related efforts;

- Won a number of ESG-related awards, including the "Outstanding ESG Rating Award" at the 7th Hong Kong ESG Reporting Awards (HERA), and the "2024 Green Development Annual Tribute Award-ESG Annual Action Breakthrough Pioneer" jointly presented by Phoenix Satellite TV, China Champions for Climate Action and the Rocky Mountain Institute.

By adopting the framework of the Task Force on Climate-related Financial Disclosures ("TCFD"), the Company systematically identified and analyzed climate-related risks and opportunities. The Company's **Sustainability Report 2024** highlighted, in details, the Group's efforts and outcomes in achieving sustainable growth. Based on the recommendation of the TCFD, we established a well-defined governance structure, formulated ESG strategies, identified climate-related risks and opportunities, and enhanced our response to climate change through the following measures:

- Formulated the climate action checklist;

- Conducted analysis on climate scenarios and assessed potential financial impacts;

- Formulated climate-related goals, including the emission of carbon dioxide and the emission intensity of air pollutants.

Moreover, we compiled the "Carbon Emissions Peak Action Plan" in early 2024 to further incorporate the Dual Carbon Goals into our overall corporate strategy. We also included "climate actions" as one of the key aspects of our ESG strategy to comprehensively plan the path for the implementation of climate targets.

In April 2024, the Hong Kong Stock Exchange published conclusions to its consultation document on the enhancement of climate-related disclosures under its ESG framework. It was announced that, with effect from 1 January 2025, Scope 3 greenhouse gas emissions disclosure became mandatory for issuers included in the Hang Seng Composite LargeCap Index, with the remainder adopting a "comply or explain" approach to disclosure. The disclosure requirement under the consultation conclusions is highly consistent with the IFRS Sustainability Disclosure Standards. As a leading green and low-carbon energy provider in China, the Company has been actively enhancing the scope and quality of its environmental disclosure to comply with the new requirements. We have taken the following measures:

- Adoption of IT solutions to optimize the environmental reporting mechanism;
- Recruiting talents with professional experience to enable more professional reporting;
- In accordance with the GHG Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard, the Group's business activities along the value chain were analyzed against the 15 categories of emissions under the GHG Protocol;
- Leveraging internal and external resources (including engaging external consultants where necessary) to ensure compliance with the new requirements in 2025.

Through the above initiatives, the Group will continue to lead the industry in achieving the dual goals of clean energy and sustainable growth.

Energy Saving and Emissions Reduction

The Group has always placed a great emphasis on environmental protection from the perspective of sustainable corporate development, vigorously promoting energy saving and emissions reduction, conscientiously fulfilling its social responsibilities and actively responding to global climate change.

In 2024, the net coal consumption rate of the Group was 298.06g/kWh, representing a slight decrease of 0.66g/kWh compared to the previous year. The Group will continue to optimize the management of operating indicators, undertake energy-saving technological transformation of generating units and develop the heat supply market, with a view to improving equipment performance and enhancing the overall energy efficiency of generating units.

In 2024, the operational ratio of desulphurization facilities for the coal-fired power generating units of the Group was 100% (2023: 100%), and the efficiency ratio of desulphurization reached 99.40% (2023: 99.46%); while the operational ratio of denitration facilities was 100% (2023: 100%) and the efficiency ratio of denitration reached 88.31% (2023: 89.21%).

During the year under review, the environmental protection indicators for coal-fired power generating units were as follows:

EMISSION RATE OF SULPHUR DIOXIDE

0.068 g/kWh

Compared with 2023

0.001 g/kWh ↑

SO_2

EMISSION RATE OF NITROGEN OXIDE

0.135 g/kWh

Compared with 2023

0.002 g/kWh ↓

NO_x

EMISSION RATE OF FLUE GAS AND DUSTS

0.008 g/kWh

Same level as 2023

The Group has always been closely following the environmental protection policies, continuing to carry out governance on its pollutants and strictly implementing the requirements of various national and local environmental protection policies. During the year under review, the Group carried out transformations for enhancement of environmental emission standards and comprehensive governance on environmental protection. It has completed the transformation for capacity expansion of the desulphurization system of the no.2 furnace of Shangqiu Thermal Power and the transformation for enhancement of the flue gas purification standards of Bazhou Environmental. The phasal heightening of the ash field of Pu'an Power Plant has entered the construction phase of operation period, and the key projects such as closure and transformation of the coal yard and zero discharge of desulfurization wastewater of Pingwei Power have been commenced. In addition, it has completed the energy-saving transformation of the turbine side high-pressure drainage system of no.5 and no.6 generating units of Pingwei Power, and the frequency conversion transformation of circulating water pumps of no.2 generating unit B of Pu'an Power Plant, which reduced the coal consumption for power supply and power consumption rate of the plants. At the same time, through the Science and Technology Information and Emerging Industries Center (科技信息與新興產業中心) of the Company, the Group has improved the construction of a data middle office in relation to the environmental protection segment of the thermal power industry, thereby achieving real-time monitoring and trend analysis of the environmental protection data of the thermal power generating units, and ensuring that the environmental protection data are true, accurate, complete and effective.

During the year under review, all the power plants over which the Group has operational control complied with the relevant local environmental protection regulations. No fines or charges were imposed on the Group due to violation of regulations.

RELATIONSHIPS WITH CUSTOMERS AND SUPPLIERS

We regard customers and suppliers as very important stakeholders. We are committed to offering high-quality services to customers and highly recognize the importance of our business relationship which is built on trust. The Group has been maintaining good communication with them and hence established effective and enduring cooperation relationship with mutual trust to understand their expectation of us more fully, so that we can join hands to achieve our sustainability goals, which lays the foundation for our long-term success. During the year ended 31 December 2024, there were no significant disputes with customers and suppliers.

Relationship with customers

The Group is an independent power producer. Because of the special nature of electricity production and sales, its major customers are regional and provincial power grid companies, power users and electricity sales companies. The Group has been maintaining long-term and good customer relationships with the power grid companies in various places where its power plants are located. During the year under review, the aggregate turnover attributable to the Group's five largest customers (local power grid companies) accounted for 50.70% of the Group's total turnover.

In 2024, adhering to the customer-centric principle, the Group strived to provide reliable and eco-friendly energy products and services, and enhanced its competitiveness through collaborations to add value to customers. Leveraging the opportunities brought by the market-oriented reform, the Group has established direct connections with power users, built market awareness with a focus on users, understood their needs, and developed and provided them with value-added services. It has also provided training for employees to continuously enhance service standards for users by fully taking care of customers' expectations and giving them our prompt response. The Group strengthened cooperation with major customers and offered low-carbon products and services with higher value. On the basis of securing the existing key customers, it continued to expand its business clientele. At the same time, the Group has actively participated in market-oriented direct electricity transactions, established and invested in electricity sales and distribution companies and electricity trading centers, expanded the user base through electricity sales companies as the platform to reach market users, and developed integrated intelligent energy and other projects.

Relationship with suppliers

The Group's major suppliers are coal production and sales enterprises, while its coal-fired power plants purchase the majority of coal from neighboring coal production enterprises primarily under long-term contracts. As procurement management is an integral part of the Group's operations, the Group has always emphasized the importance of maintaining long-term and good relationship with major suppliers in order to ensure efficient coal procurement. During the year under review, the aggregate purchases from the Group's five largest suppliers (for production materials such as coal and consumables) accounted for approximately 47.90% of the Group's total purchases. The Group will continue to explore different procurement channels to ensure the stability of coal supply and prices.

The Group strives to establish fair, just and stable mid-to-long-term strategic relationships with suppliers. Adhering to the highest ethical standards, it strictly honors the contractual agreements, respects and treats each supplier equally to achieve a win-win situation. The Group has formulated a stringent and standardized supplier selection and management system, established a supplier review team and conducted strict reviews according to the integrity, business ethics, quality assurance, punctuality of supply, price reasonableness and other criteria, and did not give priority to price. As a result, it can select more competent and reputable suppliers that are committed to sustainable development, and join hands with them to maintain a healthy and orderly market environment.

In recent years, the Group has given full play to its scale advantages of centralized procurement with the production equipment and other relevant materials procured centrally by a subsidiary, which will help to establish a stable supply chain.

The Group also incorporates concepts and requirements of social responsibilities in supplier management, and explicitly stipulates that the materials shall meet the relevant national environmental protection laws and standards while signing procurement contracts. The Group encourages suppliers to adopt the same values and principles with us, thereby preventing excessive pollutant emissions at source.

OUTLOOK FOR 2025

China's energy and electricity demand continued to grow at a fast pace, demonstrating the high potential of national economic development. Since 2020, the growth rate of power demand has steadily outpaced that of gross domestic product (GDP). In 2024, the national total electricity consumption reached 9.85 trillion kWh, representing a year-on-year growth of 6.8%, which was higher than its year-on-year GDP growth of 5%. This reflected China's rapid progress in electrification, particularly in the popularization of EVs and the rapid development of AI technology.

In response to the growing power demand and in order to achieve the Dual Carbon Goals, the installed capacity of new energy power generation in China is expected to continue to grow at a rapid pace. By the end of 2024, the installed capacity of new energy power generation, including wind power, solar power and biomass power, has reached 1.45 billion kW, surpassing that of thermal power generation for the first time, and marking an important milestone in China's energy mix transition.

The increasing incorporation of power generated by new energy has put forward new requirements for the power grid system, but also created a vast room for development in terms of technological innovation and industrial upgrade. It is expected that the ability of the power grid system to incorporate green power will be further strengthened by fulfilling the flexible interaction of load and storage between the power sources and the power grid in the coming future.

The year 2025 marks the conclusion of the "14th Five-Year" plan, which is also a year for deployment of the next five-year plan and a critical time in the Company's strategic transformation. During this period of uncertainties and opportunities, the Company will actively adapt to market changes, take decisive actions to identify and seize opportunities, and enhance overall management efficiency, all the while remaining steadfast in its commitment to excellence in a bid to consolidate the Company's position as the flagship listed company of SPIC. To pursue this vision, we will focus on the following tasks:

Staying committed to high-quality development: We will optimize the categorization and regional distribution of power sources, putting focused efforts in further exploring large-scale bases and offshore wind power projects. We will also formulate region-specific development strategies and investment criteria, and strictly review and control the bases for return rates. Moreover, by upholding the requirements for infrastructure management under the principles of "In-depth, Stringent, Meticulous and Quality", we will promote project construction with high standards and ensure that all milestone targets will be attained, so as to create competitive advantages for the future.

Implementing quality and efficiency enhancement measures for existing projects: We will accelerate the disposal and revitalization of inefficient assets to improve the overall asset quality and rate of return from the Group's development projects. More efforts will be made to improve the operating quality and efficiency of new energy projects, strengthen our power sales initiatives and put AI into pilot use for intelligent decision-making and price quotation, thereby well positioning ourselves for spot transactions upon new energy's full participation in the market.

Strengthening management of market capitalization: We will implement the "Several Opinions on Improving and Strengthening the Management of Market Value of Listed Companies Controlled by Central Enterprises" of the State-owned Assets Supervision and Administration Commission of the State Council, such as carrying out high-quality mergers, acquisitions and reorganizations, introducing long-term and strategic capital as and when appropriate to enhance the transparency of corporate governance, as well as strengthening our investor relations management to ensure the accuracy and timeliness of our public information disclosure with a view to boosting investor confidence.

Empowering development with technological innovation: We will press on with our innovative development tasks and strengthen technological research and development in aspects such as new energy, low-carbon transformation of coal-fired power, green power transportation, clean heating supply and integrated intelligent energy, in an effort to enhance the synergy among various power sources and maximize market consumption of our energy generation capacity.

In the course of establishing the Company as a world-class green and low-carbon energy provider, we are facing numerous challenges ahead. We believe with perseverance and persistence, we are well positioned to accomplish our goals. Looking forward, the Company will continue to enhance the quality of its development and the standard of its operation, stay firmly committed to the strategic path of balanced development, and strive to turn a new chapter of its the high-quality development.

Investor Relations and Frequently Asked Questions

INVESTOR RELATIONS

The Company, the Board and management always prioritize investor relation activities and well acknowledge that investor relations is one of the key strategic management actions which could enhance mutual understanding between investors and the Company, upgrade the level of corporate governance, transparency and strategic credibility and create value for shareholders. Since the listing of the Company, we have strived to excel in investor relations work and maintain sufficient communications with investors. We are convinced that reporting to shareholders and establishing good investor relations are important responsibilities of the Board and management.

The Company has been proactively organizing and participating in various types of investor relation activities to communicate with investors regularly and share with them the strategic plans of the Company. By engaging in in-depth communications with investors regarding public information, investors can gain a comprehensive understanding of the status of production and operations of various business segments, corporate governance, dedication towards environmental protection and fulfillment of social responsibilities of the Company. The Chairman of the Board, the Directors and members of management have actively participated in a variety of investor relations activities to maintain direct communication with investors.

Furthermore, the Company places great emphasis on the feedback from investors, and ensures their feedback can reach the Board and management through effective channels, thereby allowing us to continuously improve our operations, development strategies and corporate governance.

Press Conferences for Annual and Interim Results

In March and August 2024, the Company organized press conferences immediately following the publication of its 2023 annual results and 2024 interim results, respectively. Over 230 shareholders, potential investors, securities analysts and fund managers, in aggregate, attended the press conferences. The Directors and members of management actively communicated with the participants to explain in detail the operating conditions, development strategies, corporate governance and sustainability goals of the Company and actively sought investors' support for the future development plans of the Company.

General Meeting

Last year, the annual general meeting of the Company was held by way of virtual meeting on 6 June 2024. The Directors and members of management together with the external independent auditor attended the annual general meeting and answered enquiries from online shareholders and investors. All ordinary resolutions proposed at the meeting were voted and passed by the shareholders.

The annual general meeting for this year has been proposed to be held on 5 June 2025 by way of virtual meeting via online platform.

Roadshows

In 2024, we launched a number of on-site roadshows in Beijing, Shanghai, Shenzhen and Hong Kong as well as multiple online roadshows through video or telephone conference to announce the results of the Company and to promote the strategies, sustainability goals and operating achievements of the Company. The Directors, members of management and the investor relations team have participated in the roadshows to effectively communicate and exchange with investors and potential investors, thereby enhancing the good interactive relationship between the Company and investors, and effectively attracted the attention of potential investors.

In 2024, the Company met with a total of over 1,300 securities analysts and fund managers through roadshows, which promoted sufficient communications between the Company and investors effectively.

Investor Forums

In 2024, the investor relations team was invited to participate in investment summits held by domestic and overseas investment institutions to maintain close communication with investors and present the Company's strategic plans, sustainable development layout, financial performance and corporate governance capabilities to the market, and was highly recognized by the attendees.

On 18 July 2024, Mr. HE Xi, the Chairman of the Board, attended the "Hong Kong Green and Sustainable Finance Development Forum" held in Hong Kong and delivered a keynote speech to share the practical experience of China Power in the successful transformation from a "traditional thermal power" enterprise to a clean energy enterprise as the first company in China to engage in the clean utilization of coal and the development of new energy power generation.

Regular Meetings with Investors

The Company is pleased to communicate with every investor. Apart from attending major investor activities regularly, its management makes their best efforts to make appointments to meet with individual investors or investor groups from time to time, and arranges meetings earnestly.

Awards

In December 2024, the Company was invited for the first time to participate in the China Listed Company Reputation Award organized by the National Business Daily and won the "Listed Company with the Highest Growth in the New Energy Industry Award", which fully demonstrated the leading position of the Company in the new energy sector and the recognition of its corporate strategy and business achievements by the capital market.

In December 2024, the Company received the "2024 Golden Hong Kong Stock Award" and the "Best IR Team Award" at the 9th Zhitong Finance Capital Market Annual Conference for its outstanding performance in terms of growth in annual results, corporate governance, return on capital and investor relations management.

Shareholders and Investors Enquiries

The contact information for shareholders and investors enquiries are set out in the section headed "Useful Information for Investors" at the end of this annual report.

FREQUENTLY ASKED QUESTIONS

1. What are the Company's development strategies?

According to the "Outline of the New Development Strategy" of the Company announced in October 2021, the Company has taken "Lower Carbon Empower Better Life" as its mission, aiming to achieve the vision of becoming a "World-class Green and Low-carbon Energy Provider". The Company will stay committed to green, innovative and high-quality development with a focus on promoting sustainable and rapid development of clean and low carbon energy such as photovoltaic power, wind power, hydropower, geothermal energy and biomass energy. Proactive efforts have been made to nurture emerging industries of green energy, including energy storage, green power transportation and integrated intelligent energy, optimize and reduce existing coal-fired power assets comprehensively, as well as increase the proportion of clean energy installed capacity at a faster pace so as to realize the "dual wheel drive" of clean and low carbon energy and emerging industries of green energy, thereby building a new energy ecosystem to facilitate the green and low carbon transformation of the economy and the society.

2. Does the Company have any plans to acquire assets from its parent companies?

The Company will capitalize on the support from its parent companies to continue to acquire clean energy assets and projects from independent third parties and its parent companies, as and when appropriate, and at the same time identify other quality clean energy assets and projects for development with a view to creating more value for its shareholders and to achieve the goals under its new development strategy.

3. What is the Company's dividend plan?

The Company announced its revised dividend policy in January 2019, which increased the amount of dividends from not less than 25% of the profit attributable to ordinary shareholders of the Company to not less than 50% of the profit attributable to ordinary shareholders of the Company. The Company will strictly implement the dividend policy, and determine the amount of dividends to be distributed based on actual operating performance for a given year.

4. What is the Company's view on electricity supply and demand in 2025?

For 2025, the China Electricity Council predicts the national power consumption to grow steadily by approximately 6% year-on-year. China's newly installed capacity will maintain rapid growth and the increase in conventional power supply is expected to be basically in line with the rise in electricity load. The proportion of installed capacity from new energy power generation will continue to grow, and the uncertainty of wind, solar resources and water inflow will heighten the risk of electricity generation and supply in local areas during certain periods.

5. How is the Company's ESG development?

The Directors and management attach great importance to ESG and believe that ESG is of utmost importance to the future development of the Company. During the year, the Company has been fully recognized by mainstream international ESG rating agencies, capital markets, consultancy firms and authoritative media. In 2024, the Company's ESG rating was upgraded to "BBB" by MSCI. In the S&P Global Corporate Sustainability Assessment, its score was also improved significantly and reached the leading level in China's power generation industry. Moreover, the Company was selected as the "2024 Excellent Cases of Sustainable Development Practices of Listed Companies", the "Excellent Case in ESG and Green Development" and an excellent case at the "Ernst & Young Sustainability Excellence Awards 2024", which demonstrated its outstanding performance in the area of ESG. The Company will continue to optimize the ESG system and effectively respond to the concerns of diverse stakeholders through active information disclosure and proactive communication.

6. What is the impact of the major assets restructuring project with Yuanda Environmental on the Company?

On 30 September 2024, the Company received an asset restructuring proposal from SPIC for the proposed subscription of the new shares to be allotted by Yuanda Environmental, in consideration of the controlling interests in certain subsidiaries of the Company which are principally engaged in hydropower business, namely Wu Ling Power and Changzhou Hydropower ("Proposed Asset Restructuring"). To follow up on the Proposed Asset Restructuring, the Company entered into two restructuring framework agreements with Yuanda Environmental on 18 October 2024, details of which are set out in the announcement of the same date. Prior to implementing the Proposed Asset Restructuring, the Company will carry out the Asset Pre-Restructuring of Wu Ling Power and Changzhou Hydropower as the target companies ("Proposed Asset Pre-Restructuring"), which included: (i) the external acquisitions by Wu Ling Power; (ii) the formation of joint ventures; and (iii) the intra-group reorganization. In relation to the external acquisitions by Wu Ling Power, the Company entered into the Wu Ling External Acquisitions Agreement with each of the relevant vendors respectively on 17 January 2025, details of which are set out in the announcement of the same date. If the Proposed Asset Pre-Restructuring and Proposed Asset Restructuring are implemented, the Company will become the controlling shareholder of Yuanda Environmental and the Company will continue to control Wu Ling Power and Changzhou Hydropower through Yuanda Environmental.

The Proposed Asset Restructuring will be conducive to expanding the scale of the Company's new energy business and integrating regional new energy assets. It can further strengthen the integration and professional management of assets, expand the potential for business development, and enhance the profitability of the Company. In addition, the Proposed Asset Restructuring will help create a structure of a red chip company controlling an A-share company, give full play to the role as the connecting hub of the capital markets in Mainland China and Hong Kong, broaden and diversify financing channels, and support high-quality development. For updates on the Proposed Asset Pre-Restructuring and the Proposed Asset Restructuring, the Company will timely publish the progress and details of the relevant transactions on its official website and the HKEXnews website.

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE REPORT

CORPORATE STRATEGY — VISION AND MISSION

The Company's vision is to be **the world's leading green and low carbon energy provider** by 2035. Our mission and purpose is "**Lower Carbon Empower Better Life**" and in order to achieve our mission, the Board formulated the strategic plans and goals for the Company's future development aptly dubbed "**CP Vision 2035**" (中國電力願景2035).

In accordance with CP Vision 2035, the Company will stay committed to green, innovative and high-quality development with a focus on promoting sustainable and rapid development of clean and low-carbon energy such as photovoltaic power, wind power, hydropower, geothermal energy, biomass energy, etc. Proactive efforts have been made to nurture emerging industries of green energy, including energy storage, green power transportation and integrated intelligent energy, as well as to increase the proportion of clean energy installed capacity at a faster pace. We forge ahead with the **"dual-wheel drive" transformation of "clean and low-carbon energy" and "emerging industries of green energy"**, thereby developing a new ecology of energy and serving the transition of the economy and the society towards a green and low-carbon world in full swing.

Strategic Positioning

- "Core Business Transformation": Transform from a traditional power generation enterprise into a green and low-carbon energy provider.
- "Three-in-One" Business Positioning: An enterprise that integrates the role of "clean and low-carbon energy producer, green energy technology service provider and dual-carbon ecosystem integrator".
- "Double-leading Enterprise" Growth Positioning: Progressing from a leading enterprise in China towards a leading enterprise in the world.

Strategic Pathway

- Becoming a leading green and low-carbon energy provider in China by 2025.
- Progressing towards a "**World-class Green and Low-carbon Energy Provider**" by 2030.
- Becoming a "**World-class Green and Low-carbon Energy Provider**" by 2035.

CORPORATE CULTURE AND VALUES

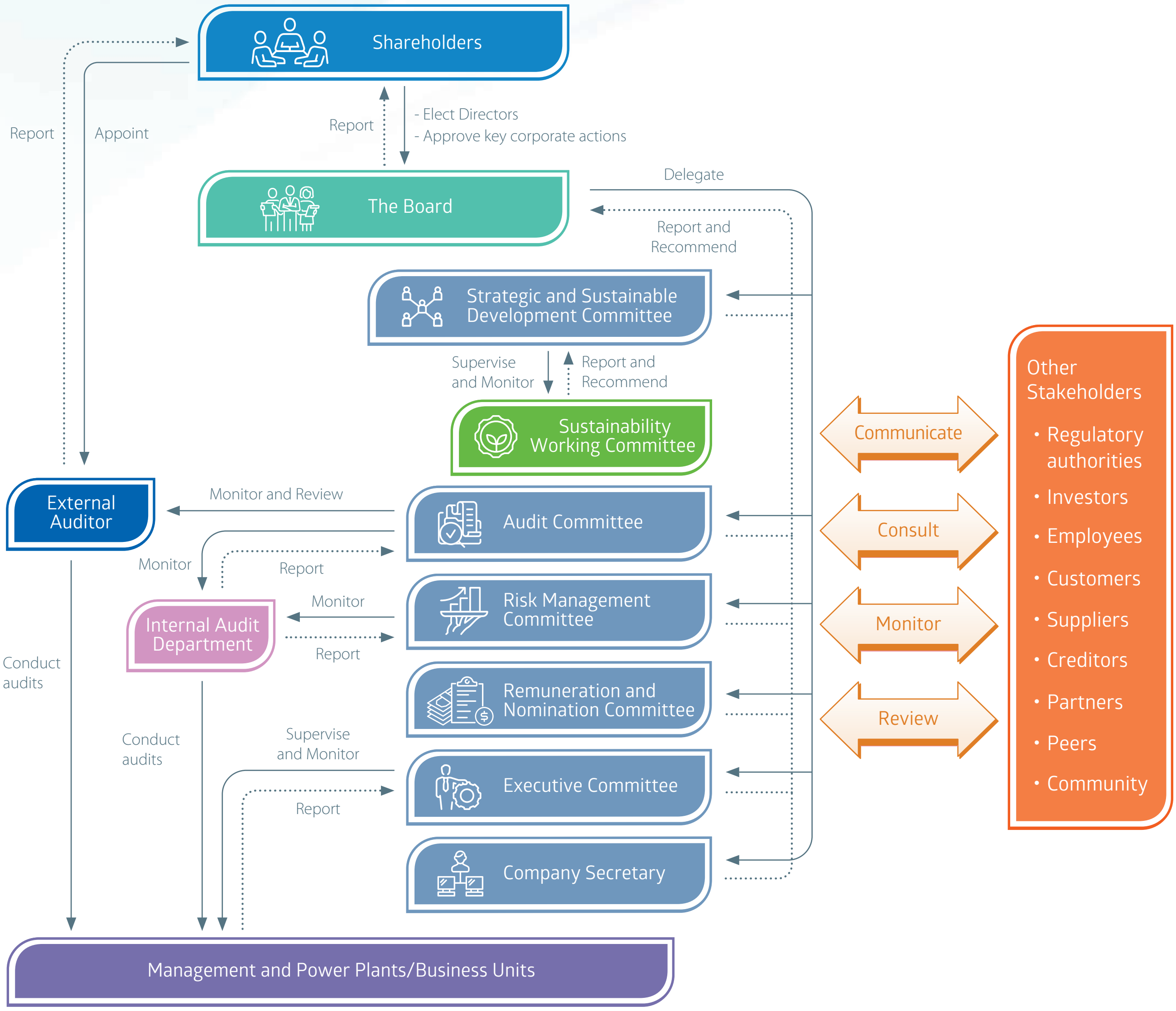
At China Power, we pursue the core sustainable development philosophy of "**Green-empowerment, Intelligent Innovation, Mutual Achievement**". Based on the foundation of this philosophy, we advocate a corporate culture of innovation, dedication, integrity, caring, harmony and value creation. We operate our business lawfully, ethically and responsibly while actively undertake social responsibilities, and promote coordinated and sustainable development of the economy, society and environment.

We adopt a top-down approach with the Board setting the tone and infuse the ideology throughout the organization, with management at various levels responsible for communicating the Board's vision to employees at all levels, and ensure that the Board's vision is reflected in the Company's business strategies, business models and operating practices, as well as the approach to risks.

The Board holds Directors and management accountable for implementing the Company's culture and values while employees at all levels are held accountable for their actions which conflict with the Company's culture and values.

GOVERNANCE FRAMEWORK

Set out below is our corporate governance framework:



CORPORATE GOVERNANCE PRACTICES

The Board recognizes that good corporate governance is vital to the healthy and sustainable development of the Group, and the Board is committed to high standards of corporate governance. Through continuing exploration and practice, the Company has formed a standardized governance structure and formulated a comprehensive range of policies and procedures designed to ensure that it is well managed, with effective oversight and internal controls. The Board and management always follow good governance principles to manage the Group's businesses effectively, treat all stakeholders fairly and strive for the long-term, stable and growing return for shareholders.

Throughout the year ended 31 December 2024, the Company has strictly complied with all the current applicable code provisions of the CG Code.

The Hong Kong Stock Exchange published the consultation conclusions on review of the Corporate Governance Code and related Listing Rules in December 2024. The proposed amendments will come into effect on 1 July 2025 except for certain rules in relation to independent non-executive directors, which will follow a two-phased implementation over a six-year transition period for the nine-year cap on their serving tenures; and a three-year transitional period for independent non-executive directors concurrently holding more than six listed issuer directorships. While the Company has already substantially adopted the suggested practices for its own good corporate governance, such as regular board evaluations and disclosure of board skills matrix, it will assess the impact of these requirements and adhere to the disclosure guidance to be published by The Hong Kong Stock Exchange.

THE BOARD

Board Composition

As at the date of this annual report, the Board comprises a total of nine Directors, as follows:

Executive Directors	Non-executive Directors	Independent non-executive Directors
Mr. HE Xi *(Chairman of the Board)* Mr. GAO Ping *(President, the chief executive of the Company)*	Mr. HU Jiandong Mr. ZHOU Jie Ms. HUANG Qinghua Mr. CHEN Pengjun	Mr. LI Fang Mr. YAU Ka Chi Mr. HUI Hon Chung, Stanley

Profiles, roles and functions of the Directors are set out in the section headed "Directors and Senior Management Profiles" in this annual report, and the latest list of Directors and their respective role and function are also published on the websites of the Company and the Hong Kong Stock Exchange.

The Company appointed two experienced Directors, Mr. HU Jiandong and Mr. CHEN Pengjun, to join the Board in November 2024, aiming to enhance the skill diversity of the Board. With their appointment as non-executive Directors, the current Board composition reflects a more diverse mix of experience, gender, capabilities, skills and expertise in different fields that are suitable for and relevant to the Company's businesses. Please refer to the "Board Skills Matrix" set out below.

Board Independence

Pursuant to Rules 3.10 and 3.10A of the Listing Rules, the board of directors of a listed issuer is required to have a minimum of three independent non-executive directors, and of which the independent non-executive directors must account for at least one-third of the total number of the board members. In compliance with the relevant requirements, the Company's board of directors currently has seven non-executive directors (including three independent non-executive directors) with the number of independent non-executive directors accounting for one-third of our Board members. They are assisting the Board to make more effective independent judgment, to make decisions in an objective and professional manner, and to assist the management in formulating the Company's development strategies. Additionally, they ensure that the preparation of financial and other mandatory reports by the Board are compiled strictly in accordance with relevant regulations and standards in order to protect the interests of the shareholders and the Company as a whole.

Both the Audit Committee and the Remuneration and Nomination Committee comprise all independent non-executive Directors, and both committees are chaired by an independent non-executive Director. Independent non-executive Directors are entitled to directors' fees reflecting their membership of the Board committees and additional fees for attendance of meetings. None of these Directors receives remuneration based on performance of the Group, and none of them are entitled to any incentive scheme of the Group.

The Company has confirmed with each of the independent non-executive Directors if there is any subsequent change of circumstances which may affect their independence as regards to each of the factors referred to under Rule 3.13 of the Listing Rules during the year. Each of the independent non-executive Directors has provided written confirmation to the Company confirming that there has been no matter needs to be brought to the attention of the Company and the Hong Kong Stock Exchange which may affect their independence. Having regard to the confirmation as well as the actual contribution that each of the independent non-executive Directors has made, the Board concluded that each of the independent non-executive Directors to be independent.

The Company has a vigorous nomination policy for selection, appointment and re-election procedures and process for Directors. There is no relationship (including financial, business, family or other material/relevant relationship) between the board members, or between the Chairman of the Board and the President (chief executive) of the Company.

The Board has put in place a mechanism for Directors to seek additional independent professional advice in the discharge of their duties to ensure that independent views and inputs are available to the Board.

Board Diversity

The Company acknowledges that gender and other aspects of diversity are important drivers of the Board's effectiveness that is positively associated with the financial performance of the Company, more effective decision making and better risk management. The Board is satisfied that all present Directors are well experienced and having progressive thinking in leading the Group.

The Board adopted a Board Diversity Policy in August 2013 and reviewed the implementation and effectiveness of the policy annually. As to gender diversity of the Board, the initial target of appointing at least one female director was achieved in 2023. It is the intention of the Board to increase the female director ratio to 30% by 2030. The Remuneration and Nomination Committee has adopted measures to ensure the appropriate gender diversity mix of the Board.

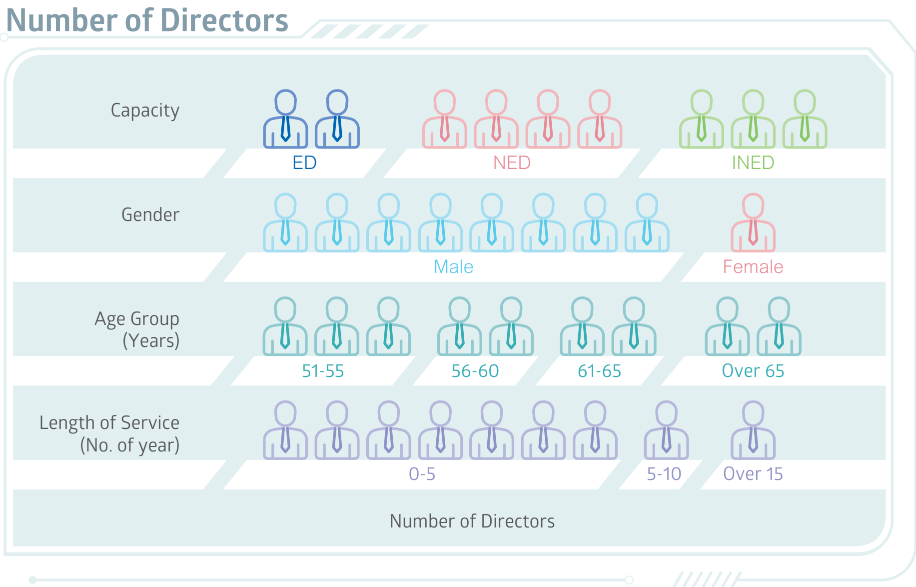
The Board Diversity Policy of the Company is summarized as follows:

- for identifying suitably qualified candidates to become Board members, it should be based on a number of diverse aspects, including Board members with different background, skills, regional and industry experience, gender and other qualities, that are in balanced and complementary with each other, creating synergy, and enabling the Board to function effectively as a whole.

- when reviewing and assessing the composition of the Board, it should be based on the Company's own business position and management needs from time to time, considering a number of factors, including but not limited to, the above-mentioned background, skills, regional and industry experience, and other factors in order to achieve a reasonable structure that allows the Board to function efficiently.

The Board Diversity Policy is reviewed periodically to ensure it remains in-line with the Company's culture and values.

The diversity mix of the Board is summarized in the following chart:



Remarks:
ED - Executive Director
NED - Non-executive Director
INED - Independent non-executive Director

Board Skills Matrix

The table below sets out the diverse mix of skills and expertise of the Board that are most relevant to Company's strategy, governance and business and to enabling the Board to effectively discharge its duties and responsibilities in attaining its strategic objectives and achieving sustainable and balanced development for the Group.

Expertise	Skills that are relevant to China Power	No. of Directors (Full Board of 9)
Strategic planning and governance	Leadership experience of board/board committees and governance essential to setting strategic direction of the Company and overseeing implementation of the Company's strategic goals and sustainability targets	9
Corporate Administration	Provide insights and practical executive experience for managing the Company's business and operations	7
Electric power industry experience	Provide insights on the power industry development, emerging energy trends and market dynamics to enhance competitiveness and capitalize strategic opportunities	5
Global market experience	Provide insights on global economic landscape for exploring potential partnerships, mergers and acquisitions to expand market presence	6
Other listed board experience	Bring in valuable experience as board and board committee member of other listed companies	6
Risk and Compliance	Facilitate overseeing and advising on the implementation of risk management, internal controls and all other regulatory compliance that are fundamental to good corporate governance	9

Expertise	Skills that are relevant to China Power	No. of Directors (Full Board of 9)
Professional		8
— Accounting and Finance	Provide expert opinion and advisory from different fields of profession	4
— Legal		2
— Engineering		2

Board's Role

The Board is the highest decision-making and managing body of the Company. Having regard to the best interests of the Company and its shareholders, the Board provides leadership and guidance to the Group's activities. The Board, led by the Chairman, is responsible for, among other things:

- promoting the Group's long-term sustainable development and success, thus delivering value to shareholders;
- establishing and approving strategies and objectives of the Group and ensuring that they align with the Company's culture and values;
- approving and monitoring business plans for achieving the Group's objectives;
- approving major investments, mergers and acquisitions, and other material transactions;
- overseeing the Group's risk management and internal control systems;
- overseeing the Group's corporate governance arrangements;
- overseeing the Group's ESG strategies and development;
- supervising and administrating the operation and financial position of the Group;
- approving result announcements, periodic reports and other disclosures as required in accordance with applicable laws and regulations and the Listing Rules;
- approving appointment of Directors and senior management personnel; and
- promoting engagement with shareholders of the Company and other stakeholders.

Directly under the Board, there are Board committees that are specifically formed to carry out the above different functions.

Board Committees

At present, there are five committees under the Board, namely (1) Audit Committee, (2) Risk Management Committee, (3) Remuneration and Nomination Committee; (4) Strategic and Sustainable Development Committee; and (5) Executive Committee to implement internal supervision and control on each relevant aspects of the Group. In addition, the Sustainability Working Committee is a sub-committee of the Strategic and Sustainable Development Committee established to assist with the formulation and implementation of sustainability-related policies of the Group.

For further information on the Board committees and their work done in 2024, please refer to the separate reports from each of the Board committees set out in this annual report.

Board Evaluation

The Company acknowledges that regular Board performance evaluations can help building a high-performing Board, which is equipped with the necessary capabilities to anticipate, prepare for and overcome future challenges.

The Board concurs that board evaluation is useful to enhance Directors' accountability and provide valuable feedback for improving Board effectiveness, maximizing strengths, highlighting areas for further development and evaluating whether the Board is adhering to the Company's culture and values.

The Board and its committees are committed to regular evaluation of their effectiveness annually, thus to ensure that the Board and management are on the same page, and that the Board, being the prominent authority of the Company, its performance is actually leading the Company on the right track towards its long-term goals.

For year 2024, the Board performance evaluation took the form of a questionnaire, which was prepared by the Company Secretary, with inputs from third party stakeholders. The content of the questionnaire will be refined from time to time to ensure that the questions are relevant to the present socioeconomic environment, as well as reflecting on issues identified in previous performance evaluations.

The questionnaire covered the following key areas:

- Role, Responsibility and Operation of the Board;
- Composition of the Board and Governance Structure;
- Function of Board committees;
- Conduct and Procedures of Board Meetings; and
- Assessment on ESG governance.

Based on the feedback from the Directors, the Board evaluation revealed that they considered and were satisfied with the Board's performance in the following aspects, including

(i) leading the Company towards meeting its strategic goals;

(ii) practices in compliance with the CG Code, the Listing Rules and other laws, rules and regulations applicable to the Company;

(iii) a right mix of talents inside the Board (skills, experience and competencies etc.);

(iv) functioning of the existing Board committees in assisting the Board with governance of the Company;

(v) identification, discussion, and resolution of key issues of the Group;

(vi) effective communication between the Board and the management of local business units; and

(vii) keeping up with current knowledge of the Group's key new business segments and their development.

The Board evaluation also identified a number of issues that require improvement to enhance the effectiveness of the Board, including (i) gender diversity of the Remuneration and Nomination Committee; (ii) communication with independent external professional advisory parties for decision-making; (iii) communication with the shareholders and market participants on dissemination of corporate information; and (iv) comparison with other companies in the same industry on ESG governance. As discussed with the Board, the Directors have made constructive suggestions to the management, summarized as follows:

	Findings from the evaluation	Recommendations for action
1.	Improving gender diversity of the Remuneration and Nomination Committee which is currently comprised members of solely male Directors.	To appoint a female Director to serve as a member of the Remuneration and Nomination Committee in 2025, as required under the proposed amendments to the CG Code that will be effective from 1 July 2025.
2.	Timely communication with independent external professional advisory parties on key corporate transactions for sound decision-making.	To arrange independent external professional advisory parties (e.g. auditors, lawyers, valuers and financial advisors) to attend meetings with the Board in order to give sufficient understanding and attention to risks, challenges, regulatory compliance and other major issues arising from key corporate transactions in a timely manner.
3.	Direct communication with the shareholders and market participants on dissemination of corporate information.	To arrange more frequent meetings with shareholders and market participants for better information transparency in terms of understanding the Company's operations, corporate decisions and ESG practices so as to strengthen investors' confidence.
4.	Benchmarking comparison with other companies in the same industry on ESG governance.	To prepare annual performance comparison of comparable listed companies engaging in power and energy sector on ESG governance, and serve to benchmark our own performance with the industry level and strive to enhance our own standards above the average.

At the same time, all independent non-executive Directors have reviewed the performance of the Chairman of the Board and were satisfied with his performance.

Taken into consideration of the above recommendations, the Directors and together with the management have committed to take appropriate actions to further improve the Board's effectiveness.

DIRECTORS' APPOINTMENT, RESPONSIBILITIES, DELEGATION AND RELEVANT PROCEEDINGS

Appointment and Rotation of Directors

In accordance with the Company's articles of association, one-third of the Directors (including non-executive Directors with fixed term of three years) shall retire from office by rotation and be re-elected by shareholders at the annual general meetings. In addition, any new appointment to the Board is subject to re-appointment by shareholders at the upcoming general meeting. Every Director (including non-executive Directors), whether or not appointed for a specific term, should be subject to retirement by rotation at least once every three years.

If an independent non-executive Director serves more than nine years, his/her further appointment should be subject to a separate resolution to be approved by shareholders. The documents attached to shareholders accompanying that resolution should include the process used for identifying the individual and why the Board believes the individual should be elected and the reasons why it considers the individual to be independent. If the proposed independent non-executive director will be holding their seventh (or more) listed company directorship, why the Board believes the individual would still be able to devote sufficient time to the Board; the perspectives, skills and experience that the individual can bring the Board; and how the individual contributes to diversity of the Board.

The Company has in place a Nomination Policy setting out the selection and recommendation criteria and the appropriate procedures to be adopted when considering nomination and appointment of suitable candidates for directorship to the Board. Please refer to the section headed "Nomination Policy" in the Remuneration and Nomination Committee Report in this annual report.

Directors Induction

Every newly appointed Directors will receive a comprehensive, formal and tailored induction on the first occasion of his/her appointment, so as to ensure that he/she has a proper understanding of the operations and business of the Company, and he/she is fully aware of his/her responsibilities under the Hong Kong Companies Ordinance and Common Law, the Listing Rules, the applicable rules and other regulatory requirements, and especially the governance policies of the Company.

All Directors are required to disclose to the Company their offices held in public companies or organizations and other significant commitments. Every Director should ensure that he/she can give sufficient time and attention to the Company's affairs, and make contributions to the Company that commensurate with their role and responsibilities.

All Directors have been given the Guidelines on Directors' Duties and Working Guidelines for the Board of the Company and various guides for directors published by the Hong Kong Stock Exchange and Securities and Futures Commission. The Company Secretary continuously updates and keeps the Directors apprised on the latest laws, rules and regulations regarding their duties and responsibilities.

Overview
Business Review and Analysis
Corporate Governance
Financial Information
Other Information

Directors' Continuous Development

Directors' training is an ongoing process to ensure that their contribution to the Board remains informed and relevant. The Company encourages all Directors to participate in appropriate training programs to develop and refresh their knowledge and skills. During the year under review, all members of the Board have provided their records of training to the Company Secretary for record. Their trainings included attending seminars, webinars and discussion forums, reading briefings and updated materials on specific topics including current legislative rules and regulations, directors' responsibilities, corporate governance and ESG matters, updates on power industry developments, etc.

Directors' Securities Transactions

The Company has adopted a set of Code of Conduct for Securities Transactions by Directors ("Code of Conduct"), the terms of which are not less exacting than the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules. Having made specific inquiries to all Directors, all Directors confirmed that they have complied with the Code of Conduct throughout the year 2024.

Directors' Insurance

The Company has arranged appropriate insurance cover on Directors' and officers' liabilities in respect of legal actions against its Directors and senior management arising out of corporate activities.

Chairman and President (chief executive)

The division of responsibilities between the Chairman and the President (chief executive) has been clearly established and set out in writing. Under C.2.1 of the CG Code, the role of the chairman and the chief executive should be separate to ensure a balance of power and authority. During the year ended 31 December 2024, the Company strictly complied with C.2.1 of the CG Code. The roles of the Chairman and the President of the Company are separate and are currently assumed by Mr. HE Xi and Mr. GAO Ping, respectively.

Chairman

The Chairman provides leadership for the Board and is responsible for ensuring that all Directors promptly receive adequate information, which must be complete and reliable, and that Directors are properly briefed on issues arising at the Board meetings. He affirms the Board is working effectively and discharging its responsibilities. He also ensures good corporate governance practices and procedures are established, and appropriate steps are taken to provide effective communication with shareholders and those views of shareholders are communicated to the Board.

The Chairman encourages all Directors to make a full and active contribution to the Board's affairs and take the lead to ensure that it acts in the best interests of the Company. He encourages Directors with different views to voice their concerns, allow sufficient time for discussion of issues and ensure that Board decisions fairly reflect the Board consensus. He promotes a culture of openness and debate by facilitating the effective contribution of non-executive Directors in particular and ensuring constructive relations between executive and non-executive Directors.

President (chief executive)

The President is the chief executive of the Company who has delegated authority from and is accountable to the Board. The President is responsible for managing the Group's business, implementation of strategies, initiatives and directives set by the Board and coordinating overall business plans and budgets approved by the Board and making day-to-day operational decisions.

Delegation by the Board

The Board delegates certain management and operational functions to the Executive Committee and the management, and reviews such arrangements periodically to ensure that they remain appropriate to the Group's needs.

The management has overall responsibility for the Group's daily operations. The Board has established clear responsibilities and authorities for management to ensure daily operational efficiency. It acts within the authority approved by the Board to fulfill the day-to-day management responsibilities and makes timely decisions. With regard to matters beyond its authority, the management will report to the Executive Committee or the Board in a timely manner in accordance with the relevant working guidelines.

Conduct of Board Proceedings and Supply of and Access to Information

Throughout the year under review, arrangements were in place to ensure all Directors were given an opportunity to include matters in the agenda for regular Board meetings. Notice of at least fourteen days was given for a regular Board meeting to give all Directors an opportunity to attend. For all other Board meetings, reasonable notice was also given.

Full Board or committee papers were sent to all Directors at least three days before the intended date of a Board meeting or a committee meeting. Management had supplied the Board and its committees with adequate information and explanations so as to enable them to make an informed assessment of the financial and other information put before the Board and its committees for approval. Management was also invited to join the Board or Board committee meetings where appropriate.

For meetings of the Board, if a Director has a conflict of interest in a matter to be considered by the Board which the Board has determined to be material, the matter must be dealt with by a physical Board meeting rather than a written resolution. Independent non-executive Directors who, and whose close associates, have no material interest in the transaction shall be present at that Board meeting. Any Director who has a conflict of interest must abstain from voting.

During the year under review, minutes of the Board meetings and meetings of Board committees were recorded in detail the matters considered and decisions reached at the meetings. Draft and final versions of minutes were sent to all Directors for their comments within a reasonable time after the Board or Board committee meetings were held. Minutes of the meetings are always kept by our Company Secretary, and the Board and committee members may inspect the documents and minutes of the Board and Board committees at any reasonable time by giving reasonable notice.

At all time, where necessary, the Directors can seek separate independent professional advice at the Company's expenses so as to discharge his/her duties to the Company. All the Directors are also entitled to have access to timely information in relation to our business and make further enquiries where necessary, and they have separate and independent access to senior management of the Company.

BOARD AND BOARD COMMITTEES' MEETINGS

The following table sets out the meetings held in 2024.

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Board											
					AGM						
		N	C						I	I	N
B		B			B	B	B	B	B		B
Board Committees											
		AC					AC				
		RNC					RNC				
		RMC					RMC				
SSDC		SSDC				SSDC					

Board

B: Board

C: Chairman and all independent non-executive Directors

I: All independent non-executive Directors attended the meeting. Management was invited to provide a briefing on a specific topic or transaction.

N: All non-executive Directors and independent non-executive Directors attended the meeting. Management was invited to provide a briefing on a specific topic or transaction.

AGM: Annual General Meeting

Board Committees

AC: Audit Committee

RNC: Remuneration and Nomination Committee

RMC: Risk Management Committee

SSDC: Strategic and Sustainable Development Committee

In addition to the above Board and Board Committees' meetings, three symposiums for non-executive Directors and independent non-executive Directors were held during the year 2024. One symposium aimed to foster open dialogue with the local management of a key business segment of the Group, while the other two focused on updating independent non-executive Directors about the current developments in the power industry in the PRC. Attendance at these symposiums was entirely optional; however, participation was high, and the feedback from the non-executive Directors and independent non-executive Directors was positive.

DIRECTORS' ATTENDANCE RECORD

The attendance records of the Directors at Board meetings, Board committees' meetings and shareholders' meetings are as follows:

Directors	Board	Audit Committee	Risk Management Committee	Remuneration and Nomination Committee	Strategic and Sustainable Development Committee	Annual General Meeting
Executive Directors:						
HE Xi *(Chairman of the Board, Risk Management Committee and Strategic and Sustainable Development Committee)*	9/9	–	2/2	–	3/3	1/1
GAO Ping *(President and chief executive)*	7/8	–	2/2	–	2/3	1/1
Non-executive Directors:						
HU Jiandong[(1)]	2/2	–	–	–	–	–
ZHOU Jie	10/10	–	–	–	3/3	1/1
HUANG Qinghua	9/10	–	–	–	–	1/1
CHEN Pengjun[(1)]	1/2	–	–	–	–	–
Independent Non-executive Directors:						
LI Fang *(Chairman of the Remuneration and Nomination Committee)*	13/13	2/2	2/2	2/2	3/3	1/1
YAU Ka Chi *(Chairman of the Audit Committee)*	13/13	2/2	2/2	2/2	3/3	1/1
HUI Hon Chung, Stanley	12/13	2/2	2/2	2/2	–	1/1

Note:

(1) Mr. HU Jiandong and Mr. CHEN Pengjun were appointed as non-executive Directors with effect from 18 November 2024.

EXECUTIVE COMMITTEE

The Company established the Executive Committee in 2008. As a committee under the Board, the Executive Committee conducts its work under the guidance of the Board and reports to the Board pursuant to the "Working Guidelines for the Executive Committee" approved by the Board. The chairman of the Executive Committee is served by Mr. HE Xi, the executive Director and the Chairman of the Board. The members of the committee include the executive Directors and all the vice presidents of the Company. It has been delegated with the responsibilities to ensure the effective direction and control of the business and to deliver the Group's long-term strategies and goals. It advises the Board in formulating policies in relation to the Group's business operations, monitors the performance and compliance issues of the business, and supervises the management to implement the Board resolutions.

The Executive Committee acts as a bridge for communication and connection between the Board and the management, and plays a crucial role in enhancing the quality of corporate governance as well as strengthening the management efficiency of the Group. It ensures that the Board can timely hear the voices of the operation and management staff and acts timely in respect of material operation affairs of the Group. It meets on a regular basis to review the Group's activities and discuss management and operational issues.

The Executive Committee held 28 meetings during 2024. The executive Directors, the vice presidents and the senior management of the Company attended the meetings.

COMPANY SECRETARY

Ms. CHEUNG Siu Lan, secretary of the Company, is an employee of the Company, appointed by the Board, and responsible to the Board. The Company Secretary is responsible for ensuring that the activities of the Board are conducted efficiently and effectively, and the procedures and all applicable laws and regulations are followed. She also supports and facilitates the training and professional development of Directors.

The Company Secretary reports to the Chairman and the Board, provides advice on corporate governance and corporate transactions, and assists the Board in discharging its obligations to shareholders pursuant to the Listing Rules. All Directors may call upon her for advice and assistance at any time in respect to their duties and the effective operation of the Board and the Board committees.

During the year under review, Ms. CHEUNG has attended relevant professional seminars/webinars to update her skills and knowledge. She has complied with the Listing Rules to take no less than 15 hours of relevant professional training in a financial year.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

The Board recognizes the growing importance of ESG with the market, shareholders, investors and stakeholders placing increased weighting on the ESG performance of a company. In light of this trend, the Board has decided that it should be proactive in the development and oversight of the Company's ESG strategy.

The Company has established a comprehensive organizational structure for sustainable development, in which we count on the Sustainability Working Committee to carry out sustainable development matters of the Group, and to report to the Strategic and Sustainable Development Committee and the Board in a timely manner, thereby further promoting the Group's practices for sustainable development.

The Group conducts climate risk assessment exercise with reference to the Task Force on Climate-related Financial Disclosures ("TCFD"), recommendations, identifying some of the most material physical and transitional risks, their implications and corresponding mitigation measures. We have been continuously monitoring and disclosing the environmental and climate-related metrics to facilitate a transparent communication with our stakeholders.

On 19 April 2024, the Hong Kong Stock Exchange released the Consultation Conclusions on the Enhancement of Climate-related Disclosures under the Environmental, Social, and Governance Framework. The new requirements align with IFRS S2 Climate-related Disclosures to the maximum extent possible. Issuers within the Hang Seng Composite Large Cap Index are required to disclose scope 3 greenhouse gas emissions on a mandatory basis, effective from 1 January 2025. For other issuers, disclosure will follow a comply-and-explain basis.

As one of the leading green and low-carbon energy providers in China, the Company is strongly committed to enhancing the extent and quality of its environmental disclosures. Efforts, including IT-support solutions and recruitment of experienced talents, are underway to improve our environmental reporting mechanism in order to meet the new disclosure requirements. Preliminary work has been conducted to map our value chain business activities against the 15 categories of greenhouse gas emissions outlined in the GHG Protocol's Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Additionally, the Group is leveraging both internal and external resources, including external consultants where applicable, for effectively complying with the new disclosure requirements in 2025.

During the year 2024, the Board had reviewed, discussed and approved the Sustainability Report 2023 of the Company as reported by the Strategic and Sustainable Development Committee. The Board had ensured all new investment and acquisitions approved last year were in line with the Company's ESG strategy and ESG-related targets of the Company. The Board's statement and its engagement in relation to the ESG matters of last year are set out in the Company's **Sustainability Report 2024**.

For further information of our ESG strategy, governance approach, management of climate-related risks and progress towards our ESG-related targets, please refer to the full version of the **Sustainability Report 2024** of the Company as published on the websites of the Company and the Hong Kong Stock Exchange.

AUDIT, INTERNAL CONTROL AND RISK MANAGEMENT

Financial Reporting

Directors acknowledge their responsibility for preparing the financial statements on a going concern basis, with supporting assumptions or qualifications as necessary. The Company's financial statements are prepared in accordance with the Listing Rules, Hong Kong Companies Ordinance and also the accounting principles and practices generally accepted in Hong Kong. Appropriate accounting policies are selected and applied consistently; judgments and estimates made are prudent and reasonable.

During the year 2024, all Directors have been given the latest information and briefings about the financial position, changes in the business and the development of the Group on a regular basis. "Letter to the Shareholders" from the Chairman of the Board in this annual report contains a summary of the Group's performance in this financial year and how the Group will preserve value over the long term and our strategies for delivering the Company's objectives. The Directors ensured a balanced, clear and understandable assessment of the Group's performance, position and prospects in annual reports, interim reports, inside information announcements and other disclosures required under the Listing Rules and other statutory requirements.

Risk Management and Internal Control Systems

The Board puts particular emphasis on risk management and strengthening internal control system. In respect of organizational structure, the Company has set up the Strategic and Sustainable Development Committee, the Audit Committee, the Risk Management Committee, the Remuneration and Nomination Committee and the Executive Committee, and there is also a Sustainability Working Committee under the Strategic and Sustainable Development Committee. The principles of the internal control framework of the Company are to strengthen the Company's internal monitoring and control in accordance with the requirements of the Hong Kong Stock Exchange, continuously improve the Company's corporate governance structure, build up corporate integrity culture, establish an effective control system, continuously assess the competence of the internal control system and the efficiency of the management through auditing, risk assessments and internal assessments, review identified risk exposures and ensure the effective running of the control system.

The Company has established an Internal Audit Department that has been ensuring the independence of its organization, staffing and work, which is crucial to the Company's internal controls. In order to actively create a sound internal control environment, the Internal Audit Department provides internal control assessment reports to the management on a regular as well as ad hoc basis. It also reports to the Audit Committee, the Risk Management Committee and the Board at least twice a year on internal control and risk management matters. To minimize risks faced by the Company, the Internal Audit Department evaluates and reviews the Company's internal control processes to avoid risks and provide a solid foundation for building up an effective internal control system.

The Company has also established an Audit Center with the objectives of standardizing and information-digitalizing internal audit and risk management, the Audit Center provides systematic support to the internal audit and control team, and provides relevant personnel training for the development of the Group.

The Company has comprehensive internal control systems in place, including regulations such as the "Management Regulations for Internal Control", "Rules for Management Authorization", "Management Measures for Employees' Rewards and Punishments", "Management Measures for Conflicts of Interests", "Standards for Internal Control", "Risk Management Regulations" and "Working Measures for Internal Audit".

While taking into full account the risk management framework requirements of The Committee of Sponsoring Organizations of the Treadway Commission (the "COSO"), the promoter of the National Commission on Fraudulent Financial Reporting, and risk management guidelines set out by the Hong Kong Institute of Certified Public Accountants, the internal control system of the Company also learns from the experience of outstanding management companies and takes into consideration our actual situation and business characteristics in formulating the control framework for assessing the efficiency and competence of the internal control system, which provide a reasonable assurance to ensure the effectiveness of the Company's operating activities, reliability of its financial reports and compliance of laws and regulations.

Effectiveness of Risk Management and Internal Control Systems

The Board through the Audit Committee and Risk Management Committee has reviewed the efficiency of the internal control system of the Group in aspects such as financial controls, operational controls, regulatory compliance and risk management. The head of the Internal Audit Department provides the "Annual Confirmation of the Effectiveness of the Risk Management and Internal Control Systems", which is counter-signed by the Risk Management Committee, to the Board. The Directors believe that the risk management and internal control systems are efficient and adequate, and controls the risks that might have impacts on the Company in achieving its goals effectively.

For the year ended 31 December 2024, the Company has strictly complied with the relevant provisions of the CG Code regarding risk management and internal control. During the year under review, our Internal Audit Department carried out major works in relevant respects, which included the following:

- **Comprehensive internal audit coverage**

  In respect of internal audit for the year, we formulated a comprehensive coverage plan. During the year under review, (i) we organized a total of 14 internal audits, covering such aspects as financial revenue and expenditure, construction projects and economic responsibilities, and conducted 1 special audit involving 195 new energy projects, in which we put forward various management advice and risk alerts to assist the relevant units to enhance their risk management standards; (ii) We also optimized the rectification supervision mechanism and established mechanisms for, among others, special meetings, on-site supervision and close tracking on key issues to ensure full utilization of the audit findings, and ensure general enforcement of the accountability for audit and rectification; and (iii) In addition, we promoted the application of the "digital and intelligent audit system" and reviewed the problems or risks raised by the audit model in a timely manner, thereby enhancing the quality and efficiency of audit.

- **Strengthening risk management continuously**

  In respect of risk management, we formulated a "company-specific policy" checklist for prevention and control of major risks to implement precise risk prevention and control measures. Meanwhile, we prepared and reviewed the risk assessment reports in strict compliance with the relevant requirements, ensuring that comprehensive and effective risk alerts are available for reference by decision makers. We also issued the job-specific risk management manual that closely integrates job responsibilities with risk prevention and control, encouraging our staff to take initiatives in ensuring risk prevention at work.

- **Enhancing internal control assessment**

  We carried out internal control assessment on the following special topics: (i) the risk and internal control and management and reorganization of the newly acquired companies; (ii) the corporate governance, decision-making process and internal control of the "coal-and-power joint-operation" companies, as well as the well-defined authorities and responsibilities of the joint ventures or cooperating partners; (iii) the establishment and implementation of internal control design system of the newly established companies; and (iv) the establishment and implementation of internal control mechanism in high-risk areas (e.g. investment management, fund management and procurement management, inclusive of transactions with connected parties).

- **Optimizing post-investment evaluation**

  During the year 2024, we carried out post-investment evaluation for 15 investment projects, deployed and promoted the rectification for evaluation findings and deficiencies, and set up ledgers for tracking the effectiveness of post-evaluation to improve the result reporting mechanism. In addition, we summarized the status of the audit findings for projects in 2023 and reported them to all subsidiaries and business units in the Group's internal systems, so as to ensure the optimal use of the evaluation findings, and hence enhance the verification, decision-making, and internal control system development and operation standards for investment projects.

- **Reviewing the continuing connected transactions**

  The Internal Audit Department also established a docking mechanism for reporting on continuing connected transactions for major provincial subsidiaries that are newly consolidated into the Group and took appropriate measures to review the implementation of the Group's existing continuing connected transactions on a quarterly basis. For the year ended 31 December 2024, each of the relevant companies of the Group had strictly monitored the agreed prices and terms of the various continuing connected transactions in the actual course of business operations, hence none of the transactions exceeded the relevant annual caps as disclosed.

Inside Information

The Company adopted its own Inside Information Management Policy setting out the procedures and internal controls for handling and dissemination of inside information in August 2013 with reference to the "Guidelines on Disclosure of Inside Information" issued by the Securities and Futures Commission in June 2012.

In response to evolving corporate governance standards and to ensure the proper management of sensitive information, the Company conducted a comprehensive review and update of our Inside Information Management Policy in 2024. The revised policy is designed to enhance our vigilance in handling sensitive information responsibly and in compliance with the latest regulatory, legal, and ethical standards. Furthermore, the topic of inside information continues to be a vital component of our annual internal training for senior management, addressing ongoing disclosure obligations under the Securities and Futures Ordinance and the Listing Rules.

External Auditor's Remuneration and its Related Matters

The Company appointed Ernst & Young as the Company's auditor (the "Auditor"). The Audit Committee is responsible for making recommendations to the Board on the appointment, re-appointment and removal of the Auditor, and to approve the remuneration and terms of engagement of the Auditor, and any questions of its resignation or dismissal.

For the year ended 31 December 2024, the Audit Committee reviewed and monitored the Auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards. Details of the works performed by the Audit Committee in 2024 are set out in the Audit Committee Report in this annual report.

For the year ended 31 December 2024, the fees payable by the Company to the Auditor in respect of audit services, audit related services and non-audit services provided were as follows:

	RMB'000
Audit services	10,600
Audit related services@:	7,240
Non-audit services:	
· Tax service	811
· Others^	2,375

@ It comprised substantially the provision of audit related services for Wu Ling Power's acquisition of certain clean energy project companies under the Proposed Asset Pre-Restructuring.

^ It comprised substantially the provision of financial and taxation due diligence services related to the acquisition of Yuanda Environmental under the Proposed Asset Restructuring.

For details of the Proposed Asset Pre-Restructuring and Proposed Asset Restructuring, please refer to the Company's announcements dated 30 September 2024, 18 October 2024 and 17 January 2025.

WHISTLEBLOWING AND ANTI-CORRUPTION

Whistleblowing Policy

To ensure that the Company's culture and values are adhere to and for good corporate governance practices, in order to help detect and deter misconduct and malpractices, the Board approved the launching of the Whistleblowing Policy in April 2012, for employees and those who deal with the Group, including customers and suppliers, and other stakeholders to raise concerns about the practices of the Group, in a secure and confidential manner.

In 2024, we undertook a comprehensive review and update of our Whistleblowing Policy to reinforce our dedication to good corporate governance practices. The enhancements reflect our commitment to protecting whistleblowers and fostering an environment where unethical behavior can be timely reported without fear of retaliation. The Internal Audit Department of the Group is tasked with managing any complaints received and investigating any improprieties. Findings are reported to the Audit Committee, which is responsible for determining any necessary follow-up actions.

Anti-corruption Policies

The Board and management of the Company are committed to anti-corruption and ethical business practices. As such, the Company has formulated a series of anti-corruption policies since 2005 which are in compliance with the prevailing anti-corruption laws and regulations where our business operations and units are located. Anti-corruption seminars are mandatorily organized on a regular basis annually to educate our management and employees across the Group of the relevant laws and regulations and the measures the Company adopted to fight against corruption so as to foster our corporate culture of honesty and integrity.

For further information of our works done in respect of anti-corruption, please refer to the **Sustainability Report 2024** of the Company as published on the websites of the Company and the Hong Kong Stock Exchange.

ENGAGEMENT WITH WORKFORCE

The Board believes that employees are the most important resource for the sustainable development of the Company and to achieve its long-term goals, therefore, the Group has policies and mechanisms in place to ensure that the values and interests of employees align with that of the Company. Furthermore, there are channels for employees at all levels to provide feedback to management and the Board, thereby allowing the Board to be keep apprised of the expectations of employees and formulate appropriate policies to retain talented employees as well as attract talented individuals to join our Group.

Recruitment and Retention

The Group recruits fresh graduates, experienced professionals and other specialists to support its strategic development. At the same time, the Company promotes opportunities for internal career advancement for its employees. We offer competitive remuneration packages to employees at all levels and bonus tied to an employee's performance with reference to a specific set of key performance indicators (KPIs).

Staff Development

The Group is committed to the continuous development of competence and ethical behavior of all employees. This provides a win-win situation for the Group and its employees, which on one hand, furthers the professional development of employees, and on the other hand, brings value to the Group by way of having a competent workforce.

We offer a wide range of learning resources for employees to support staff learning and development. To start with, all new joiners are provided with comprehensive induction training covering various aspects, such as the Group's business, culture, values, history, corporate governance, anti-corruption, etc. Furthermore, we also offer job-specific training to employees depending on their position and job responsibilities, as well as education subsidies to eligible employees to pursue professional or academic qualifications and/or acquire job-related knowledge.

Staff Engagement Platform

The Company collaborated with Tencent Group to develop a tailor-made social communication mobile app named "Diantouyi" (電投壹) for our staff. This app facilitates two-way communication between employees and management in a more informal setting. The app includes various features that enables employees to receive news, participate in online training, access Group information, communicate with management and provide feedback, etc.

Incentive Schemes

To encourage management and employees to adhere to the Company's strategic goals, values and culture, the Board adopted various incentive schemes to award management and employees who had contributed to achieving the Company's strategic goals or had made positive impacts in promoting the Company's culture and values. Most notably, the Company adopted the Share Incentive Scheme, which was approved by shareholders of the Company at the general meeting held on 15 June 2022, the purpose of which is to award employees with outstanding contribution to the further development of the Group and align its interests with the Group by way of equity ownership in the Company. For further information of the aforementioned share incentive scheme, please refer to the section headed "Share Incentive Scheme" in the Report of the Board of Directors in this annual report.

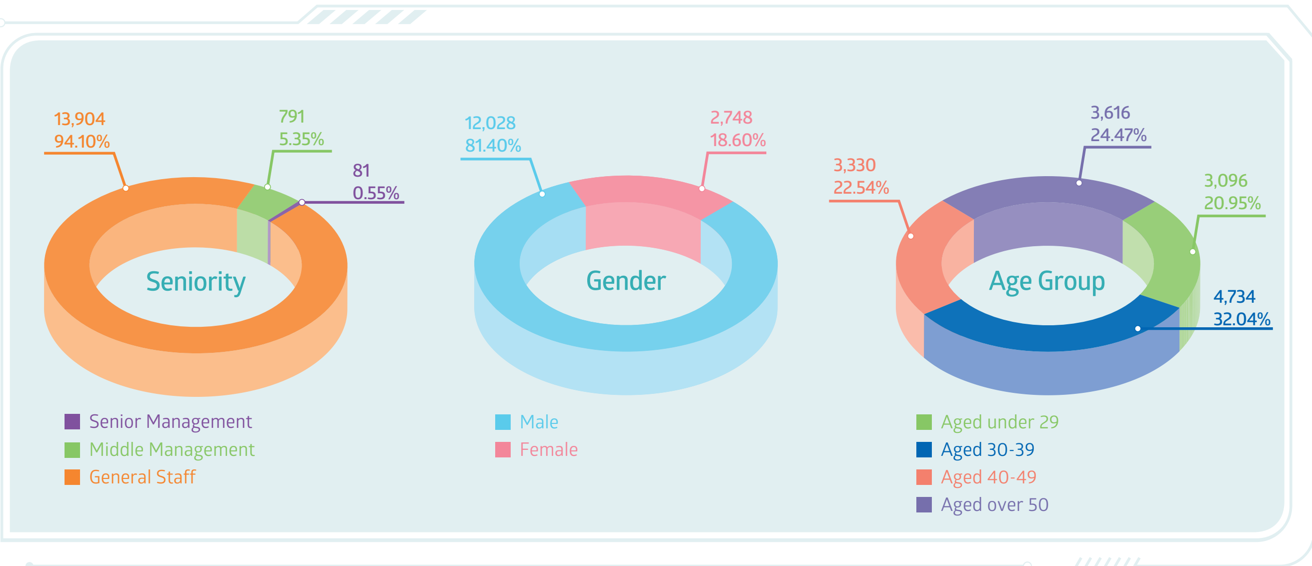
Workforce Diversity

The Board has eight male directors and one female director as at 31 December 2024, the current male-to-female ratio of the Board is 8:1.

As at 31 December 2024, the Group had 14,776 employees, among which, 12,028 are male and 2,748 are female, i.e. a male-to-female ratio of approximately 8:2. Due to the inherent nature of the industry which the Group operates in, which involves intensive labour, it is historically a male dominated industry, and therefore the female employees of the Group is relatively low compared to other industries. However, if we focus on employees engaged in managerial and administrative work, including senior management and administrative executives, which is less labour intensive, the male-to-female ratio improved to approximately 7:3, reflecting a gender equality principle generally adhered by the Group.

The Company has implemented a series of policies to ensure that both male and female employees within the organization are treated equally in all aspects of their work.

The diversity mix of employees of the Group are summarized in the following chart:



More details on the Group's workforce diversity are set out in the Company's **Sustainability Report 2024**.

ENGAGEMENT WITH SHAREHOLDERS

The Company maintains a corporate website at www.chinapower.hk where important and updated information about the Group's activities and corporate matters such as annual and interim reports, trading updates such as electricity sold of the Company, business development and operations, corporate governance practices and other information are available for review by shareholders and other stakeholders. When announcements are made through the Hong Kong Stock Exchange, the same information is made available on the Company's website simultaneously.

Investor Relations

Apart from the annual general meeting held in 2024, the Board held various meetings with shareholders, investors and potential investors on other occasions to communicate with them on the Company's strategies, goals and development direction, and to allow investors to provide us with feedback on areas which they believe improvement is needed from an investor's perspective. The Board values the feedback received and designates relevant management to formulate plans for improvement.

The Company also holds regular press conferences and meetings with financial analysts and investors, during which the Company's management will directly provide relevant information and data to the media, financial analysts, fund managers and investors, as well as answer their enquiries in a prompt, complete and accurate manner. The Company's website is updated continuously, providing up-to-date information regarding every aspect of the Company to investors and the public.

The Company has a Capital Markets & Investor Relations Department, which takes charge of the Company's relationship with investors and shareholders by providing information and services to them, promptly replying to their enquiries, and maintaining channels of active and timely communication with them.

Shareholders Communication Policy

In March 2012, the Board adopted a Shareholders Communication Policy of the Company which aims to set out the provisions with the objective of ensuring that the shareholders and potential investors are provided with ready, equal and timely access to balanced and understandable information about the Company, in order to enable shareholders to exercise their rights in an informed manner, and to allow shareholders and potential investors to engage actively with the Company. Summary of the Shareholders Communication Policy is as follows:

- The Board shall maintain an on-going dialogue with shareholders and the investment community, and will regularly review this policy to ensure its effectiveness.

- Information shall be communicated to shareholders and the investment community mainly through the Company's financial reports (interim and annual reports), briefings for results and significant matters, and annual general meetings and other general meetings that may be convened, maintenance of communication with investment market and media, as well as making available all the Company's disclosures, corporate communications and other corporate publications on a timely manner.

The channels for the shareholders to communicate their views to the Board are set out in the section headed "Shareholders' Rights" below. The Shareholders Communication Policy of the Company is posted on the Company's website under the "Corporate Governance Information" section.

The Chairman of the Board attended and chaired the Company's annual general meeting and general meeting held on 6 June 2024 (the "AGM"), together with other Directors and the external independent auditor and answered questions from shareholders and investors at meetings. All resolutions proposed were duly passed by shareholders' voting at the AGM.

Based on the Company's shareholders engagement works carried out during the year, the Directors believe that the implementation of the Shareholders Communication Policy is effective and adequate. For further details, please refer to the section headed "Investor Relations and Frequently Asked Questions" in this annual report.

Dividend Policy

In January 2019, the Company has adopted a new Dividend Policy which aims to set out the provisions with the objective of providing stable dividends to shareholders.

The Company may declare and distribute annual cash dividends to its shareholders in an amount representing not less than 50% of the profit attributable to ordinary shareholders of the Company in any financial year, subject to the criteria set out in the Dividend Policy. In addition to cash, the dividends may be paid up in the form of the Company's shares, by the distribution of specific assets of any kind or by distribution of any form.

A decision to declare or to pay any dividends, and the amount of dividends, will be based on the recommendation of the Board after taking into consideration of, inter alia, the following factors:

(i) The financial results and financial condition of the Group;

(ii) The Group's actual and future operations and liquidity position;

(iii) The Group's expected working capital requirements, capital expenditure requirements and future expansion plans;

(iv) The Group's debt-to-equity ratio, return on equity and committed financial covenants;

(v) The retained earnings and distributable reserves of the Company and each of the members of the Group;

(vi) The general economic conditions, the national policies for energy and related industries, and other internal or external factors that may have an impact on the business or financial performance and position of the Company;

(vii) The shareholders' and the investors' expectation and industry's norm; and

(viii) Any other factors that the Board deems appropriate.

The Company shall prioritize payment of cash dividends to its shareholders. Such declaration and payment of dividends shall be determined at the sole discretion of the Board and subject to all applicable requirements under the Hong Kong Company Ordinance and the articles of association of the Company.

SHAREHOLDERS' RIGHTS

Procedures for Shareholders to Convene General Meeting

Shareholders are entitled to have right to request the Company to convene a general meeting pursuant to Part 12 of the Hong Kong Companies Ordinance. The procedures are as follows:

1. The Directors are required to call a general meeting if the Company has received requests to do so from the Shareholders representing at least 5% of the total voting rights of all the members having a right to vote at general meetings.

2. A request –

   (a) must state the general nature of the business to be dealt with at the general meeting; and

   (b) may include the text of a resolution that may properly be moved and is intended to be moved at the general meeting.

3. Requests may consist of several documents in like form that –

   (a) may be sent to the Company in hard copy form or in electronic form; and

   (b) must be authenticated by the person or persons making it.

4. Directors must call a general meeting with 21 days after the date on which they become subject to the requirement, and must be held on a date not more than 28 days after the date of the notice convening the general meeting.

5. If the requests received by the Company identify a resolution that may properly be moved and is intended to be moved at the general meeting, the notice of the general meeting must include notice of the resolution.

6. If the resolution is to be proposed as a special resolution, the Directors are to be regarded as not having duly called the general meeting unless the notice of the general meeting includes the text of the resolution and specifies the intention to propose the resolution as a special resolution.

Notice and Voting of General Meetings

Sufficient notice of shareholders meeting and the procedures for voting conduction will be given to the shareholders prior to every general meeting. Save as provided under the Listing Rules, resolutions put to vote at the general meetings of the Company (other than procedural matters) are taken by poll. Procedures regarding the conduct of the poll are explained to the shareholders at the commencement of each general meeting, and questions from shareholders regarding the voting procedures are answered. The poll results are posted on the respective websites of the Company and the Hong Kong Stock Exchange on the same day of the poll.

Procedures for Shareholders Sending Enquiries to the Board

Shareholders should direct their questions about their shareholdings to the Company's registrar and whose details are as follows:

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17/F., Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong
Tel: (852) 2862 8628
Fax: (852) 2865 0990

The Company Secretary and the Capital Markets & Investor Relations Department of the Company also handle both telephone and written enquiries from shareholders from time to time. Shareholders' enquiries and concerns will be forwarded to the Board and/or relevant Board committees of the Company, where appropriate, to answer the shareholders' questions. For shareholders and investors' enquiries, the contact information is set out in the section headed "Useful Information for Investors" in this annual report.

Other Procedures for Shareholders' Proposals

The details of the following procedures are available at the Company's website www.chinapower.hk under the "Corporate Governance" section for review.

- Procedures for shareholders making proposals at general meetings
- Procedures for shareholders to nominate a person to stand for election as a Director

Constitutional Documents

The Company's constitutional documents have been posted on the Company's website www.chinapower.hk under the "Corporate Governance" section. During the year under review, there was no change in the Company's articles of association.

Important Shareholders Dates

The important shareholders dates in the coming financial year are set out in the section headed "Useful Information for Investors" in this annual report.

RISK MANAGEMENT PHILOSOPHY

The Board acknowledges that risk management provides strong support and basic guarantee for the high-quality and sustainable development of the Group. The Board regards risk management as proactive measures for creating corporate efficiencies, and thus it vigorously promotes risk management responsibilities of the Board, management and all staff members as well as its entire business system.

The Board has established a risk management structure by adopting the "Three Lines Model" for the Group which was published and updated by the Institute of Internal Auditors (the "IIA"), under which the Group has integrated risk management with its strategic goals and has formed its risk management practice to be "Comprehensive, Focused, Dynamic and Continuous".

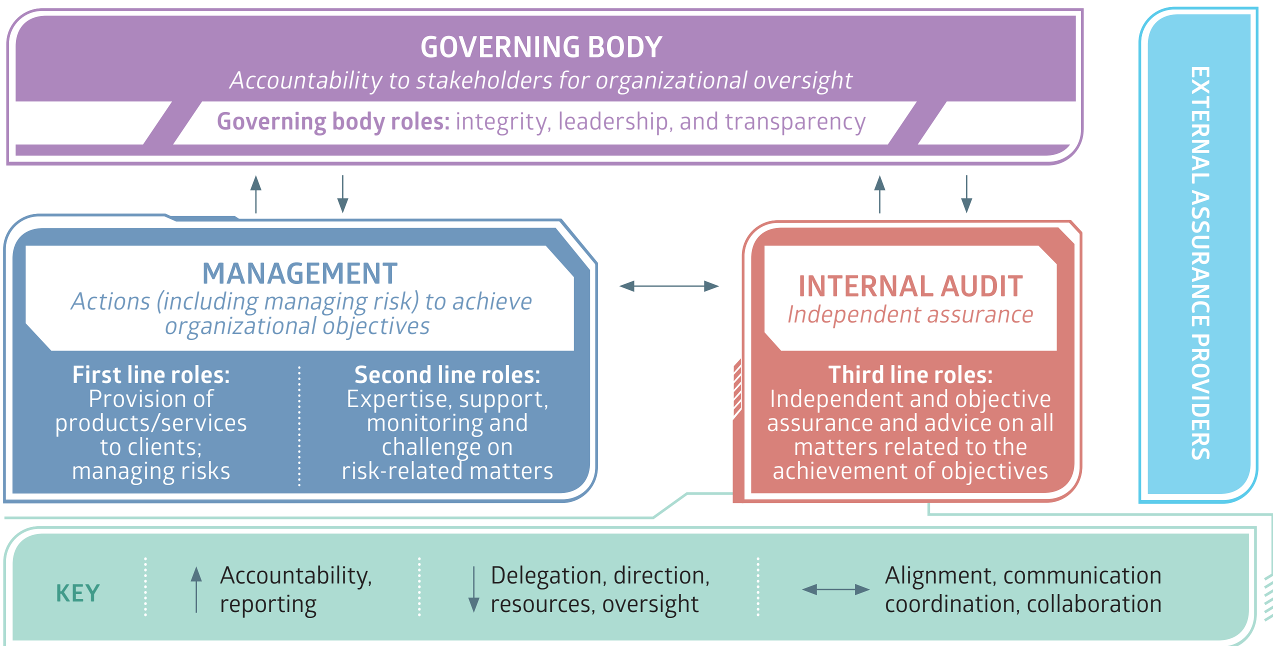
At the strategic level, the Board regularly studies and clarifies the comprehensive risk indicator system in monitoring material risks associated with the Group's businesses through the Risk Management Committee. At the operational level, the Group has also taken a dynamic approach to set up key risk checkpoints based on the internal and external changes of the Group, implemented major risk prevention in all aspects and ensured management bears their responsibilities in relation to dynamic monitoring of ongoing risk management and control during daily operating activities. The Board plays a leading role for building a "Prudent, Progressive and Responsible" risk management culture of the Group.

RISK MANAGEMENT COMMITTEE

The Risk Management Committee is delegated by the Board with responsibilities to oversee the Group's overall risk management structure and to advise the Board on the Group's risk-related issues. The Risk Management Committee is also responsible for approving the Group's risk management policies and assessing the effectiveness of the Group's risk controls. For details of the key work performed by the Risk Management Committee during the year 2024, please refer to the Risk Management Committee Report set out in this annual report.

RISK MANAGEMENT FRAMEWORK

Based on the standards regarding the risk management framework of the Committee of Sponsoring Organizations of the Treadway Commission (including standards being updated from time to time) and the latest ISO31000 Risk Management Guidelines for internal control and risk management, the Group has established a risk management framework closely following the "Three Lines Model" published and updated by the IIA.



Source: The IIA's Three Lines Model — An update of the Three Lines of Defense (July 2020)

An important feature of the updated new Three Lines Model is the shift of the emphasis from value protection and risk reduction to value creation and contribution to the achievement of strategic objectives. This perspective suggests a more proactive role for risk management in identifying opportunities in emerging risks to be seized and exploited for potential future growth and for business decision-making. The Board believes the updated model will better facilitate the Group's strategic development in attaining its corporate goals.

The Three Lines Model is more principle-based with greater focus on the importance and role of governance and clarity of roles and responsibilities. It is supported through three components:

1. Governing body (the board and its sub-committees) which is responsible and accountable for the stakeholders.

2. Management (the first and second line roles) which is responsible for actions to manage risk and achieve organizational objectives.

3. Internal audit (the third line roles) which is responsible for providing independent assurance.

The roles of three lines are as follows.

First line	**Business risk management** — This group provides control self-assessment during the course of business activities. Each of the operational departments and business units, as well as personnel holding the respective business position, shall be the first response unit for handling matters within their terms of reference for risk identification and management.
Second line	**Supervision and support for risk management** — This group provides the policies, framework, tools, techniques, and support to enable risk management and compliance in the first line. They include the departments responsible for the functions of internal audit, legal affairs, compliance, finance, human resources, information technology, safety and environmental protection monitoring, shall assist the front-line business departments to assume joint responsibilities for overseeing, inspecting and evaluating the effectiveness of those works relating to the implementation of risk management.
Third line	**Independent assurance** — The internal audit function that sits outside the risk management processes of the first two lines. Its main roles are to ensure that the first two lines are operating effectively and to advise on all matters relating to the achievement of objectives. The Group's Internal Audit Department and Supervision Department shall be responsible for auditing the results of the risk management works and issuing an independent audit report and supervisory report.

As a general practice, the Group as a whole, in collaboration with all business departments, continued to carry out scheduled annual major risk prevention and mitigation works and risk assessment, prevention and control for major decision-making so as to ensure the management of major risks through coordination of joint management and joint prevention, and to continuously integrate risk management awareness and concepts into the business operation. In addition, the Group's Audit Center located in Suzhou, Jiangsu Province has made use of the centralized big data to commence audit projects, thereby optimizing the Group's risk management network.

RISK MANAGEMENT MECHANISMS AND PROCEDURES

Having concluded from the practical experience for a long period, the Group has developed a set of risk management mechanisms and procedures that operates steadily, which mainly comprises (i) comprehensive risk management, (ii) targeted risk management for major investment projects, and (iii) specific risk management targeting key risk areas.

(i) The procedures of comprehensive risk management are as follows:

Phase 1	**Formulating risk management policies, strategies and risk assessment standards** — The Board shall determine risk policies in respect of the Group's governance, culture and development strategies, and shall take these policies into consideration when determining its business targets. The Risk Management Committee shall be entrusted by the Board to determine the risk management strategy of the Group, while the Group's Internal Audit Department shall establish common risk assessment standards and set up the risk score sheet for the Group.
Phase 2	**Comprehensively collecting first-hand information for risk management and risk identification** — Each department/business unit shall extensively and continuously collect internal and external information in relation to risks of the Group and risk management thereof and identify potential risks that may have an impact on the key processes of their operations.
Phase 3	**Conducting risk assessment and establishing comprehensive risk management ledger** — Each department/business unit shall assess and score risks identified along with their impact on the business and the likelihood of their occurrence. All risks of the Group and its subordinated units shall be recorded in the risk management ledger.
Phase 4	**Risk follow up treatment as well as tracking and update of risk management ledger on a quarterly basis** — Based on the assessment, each department/business unit shall propose measures for monitoring and treatment of risk identified and determine the responsible person for the risk. All this information shall be fully recorded in the risk management ledger and updated on a quarterly basis to ensure risks are controllable.
Phase 5	**Risk reporting and monitoring** — Each department/business unit shall monitor their own risk mitigating works and summarize and report the comprehensive risk management condition to the Risk Management Committee bi-annually, so that it can keep abreast of the distribution and changes of comprehensive risks on a continuous basis, evaluate the effectiveness of the risk management works and recommend measures for improvement. The Risk Management Committee submits the Risk Management Report and the Safety and Environmental Protection Risk Management Report to the Board annually.

(ii) The risk management procedures targeting major investment projects are as follows:

Project Initiation and Feasibility Study Stage	Business departments and all supporting departments for risk management shall conduct work such as feasibility study and due diligence for their investment projects, so as to fully identify and assess the risks of the investment projects and the risk cost thereof, and put forward strategies and measures against material risks.
Investment Decision Stage	Before making investment decisions, the relevant departments shall prepare the risk assessment report for specific projects based on the feasibility study and the due diligence report with a view to disclosing the risks of the investment project and the impact of the risk factors, and recommend preventive measures.
Construction Stage	The relevant departments shall conduct risk analysis on the conditions for commencement of construction, including analysis on compliance risks relating to aspects such as land, environment and energy conservation, technical risks relating to the construction design plan and risks relating to construction management, etc. Construction work will only be commenced after establishing feasible responsive measures and passing the compliance evaluations.
Management through closed-loop tracking	A closed-loop tracking mechanism will be implemented for the risk analysis and evaluation conclusion for each of the above stages to ensure all risks are controllable and under control.

(iii) The specific risk management procedures targeting key risk areas are as follows:

Identification and selection of key risk areas	The management shall hold regular meetings to identify new, non-traditional and typical risks arising in the course of strategic development of the Company, and commence specific risk assessment on such area.
Commencement of specific risk investigation, research and assessment	Prior to the assessment, the functional departments shall collect data, determine risk checkpoints, verify and identify risks on-site and discuss with the business management departments (brainstorming). The identified risks shall be quantified and a risk management ledger shall be established according to risk level. Responsive measures shall be formulated against such risks based on the risk strategy.
Compilation of risk assessment report and put forward management advice	The risks assessed and responsive measures thereof shall be submitted to the relevant business management department for consideration and review. The relevant business management department shall put forward management advice for responsive measures relating to high-and mid-level risks, formulate risk assessment and management report upon discussion with the functional departments, and provide guidance to the responsible business unit to commence its risk management works.
Management through closed-loop tracking	Risk checkpoints identified through the specific risk assessment shall be included in the risk management ledger. Through the integration of specific monitoring and dynamic monitoring, comprehensive tracking and prevention of risks shall be in place, and various requirements relating to risk management and control shall be incorporated into corporate management and corporate procedures.

(iv) Other regular risk management procedures

Information system security	The Group shall conduct specific risk assessments in such areas as network security, financial sharing system, and information confidentiality on an ongoing basis and put forward detailed management advice from time to time, thereby ensuring the risks are controllable and under control. Meanwhile, it shall continue to develop the information platform for compliance management. Information technology shall be used to manage the compliance review and assurance procedures for decision-making, contract execution, procurement and capital management.
Risk management responsibility appraisal	The Group shall require all business units to establish a comprehensive risk management responsibility system and fulfill their risk prevention and mitigation responsibilities. The Group shall incorporate all risk control requirements into its management and operation procedures while including risk management responsibilities as a factor in annual performance appraisal, with the aim of raising the risk prevention awareness of all business units and encouraging them to plan for and implement risk prevention measures proactively.

During 2024, the Group continued to focus on the strategic vision of becoming a "**World-class Green and Low-carbon Energy Provider**" and the mission of "**Lower Carbon Empower Better Life**". Coupled with the risk assessments based on the changes in recent and mid- to long-term internal and external conditions, the Risk Management Committee, as agreed with the management and approved by the Board, identified and confirmed six major risks of the Group. These risks included innovation risks, financial risks, market risks, new energy business investment and operational risks, construction project risks, and human resources risks. Details of the relevant major risks are as follows:

Description of Risks	Key Response Measures
No. 1 — Innovation risks	
Risk of insufficient innovation and development capability: Due to the fierce external competitive environment of certain emerging industries, the failure of the management team to take agile actions to capture or respond to market demands, and insufficient core competitiveness of potential newly developed products posed challenges to the innovation-driven development.	• Compile industry dynamics reports, conduct market and competitor analysis, and understand industry trends and customer needs. • Based on market and user feedback, adjust corporate strategies in a timely manner, and continuously enhance product features and user experience. • Assign management personnel with extensive experience to assist the management teams involving the emerging industries to improve the management mechanism, so as to enhance their market responsiveness and decision-making efficiency. • Cooperate with higher education institutions, research institutes and other enterprises to promote the exchange of technology and knowledge and strengthen research on tackling technological challenges.

Description of Risks	Key Response Measures
Technological innovation risk: Technological innovation involves new technologies or theories, causing risks of application failure, loss of funds or reputational damage.	Strictly control the conditions for the initiation of scientific research and development projects, conduct in-depth validation and testing of projects, and review their feasibility and innovation to reduce the risk of project failure and optimize the allocation of resources. Strengthen the management of scientific research and development processes, establish a monthly tracking mechanism, prepare an implementation report, and rectify problems in a timely manner. Timely dispose of or stop the loss from scientific research and development projects that fail to be commercialized or are loss-making for a long period of time.
No.2 — Financial risks	
High gearing ratio: The rates of return of certain new energy investment projects fell short of expectations and negatively impacted the gearing ratio. In addition, the Group rapidly expanded the overall scale of its new energy projects through mergers and acquisitions for cash consideration, which also accelerated the rise in the gearing ratio.	Promote the recovery of the profitability and cash flow of investment projects through management means, such as adopting the "Plan-Budget-Assessment-Incentive" (JYKJ) and "Dual Benchmark and Dual Incentive" (SDSJ) mechanisms throughout the entire cycle of projects. Introduce strategic investors through various forms of capital injection such as debt-to-equity conversion, REITs and issuance of preferred shares. Conduct thorough due diligence prior to mergers and acquisitions to ensure the financial soundness of the target companies. Include additional relevant protection clauses in the terms of the merger and acquisition transaction agreements, e.g. the transferor will be responsible for compensating for losses if the target companies' clean energy subsidies are withdrawn or reduced.

Description of Risks	Key Response Measures
Cash flow risk: The unification and marketization of the electricity market resulted in the fall in tariffs for new energy, which coupled with the increase in investment and the slow recovery of clean energy subsidies, have led to cash flow shortage and increased operating pressure.	• Actively communicate with the government to fully understand the new energy subsidy policy and promote the collection of subsidies, so as to improve cash flow. • Flexibly adjust the investment strategy and asset structure according to market changes, and prioritize investment in power generation projects with faster returns and stable tariff recovery. • Conduct regular forecasts of cash flow, such as tracking and updating the Company's interest-bearing liabilities on a monthly basis, paying attention to the ratio of long-term and short-term loans, identifying potential risks of shortage of funds in advance, and formulating corresponding countermeasures. • Enhance cost control and optimize operational efficiency to reduce overall expenses, such as commencing coal-and-power joint-operation projects to stabilize fuel costs.
Impairment risk: The unification and marketization of the electricity market have also widened the discrepancy between the actual tariffs and the projected tariff at the initiation of new energy projects. Moreover, the regional electricity market between provinces has not yet matured, which limited the consumption of green electricity and resulted in continued losses from clean energy projects. In addition, the power production quota of certain clean energy projects were withdrawn or reduced due to changes in local policies, and the cost of the invested projects could not be recovered as a result, which in turn led to asset impairments. Failure to timely identify impairment indicators also hindered the treatment of impairment in a timely manner, thereby causing overestimations of the carrying value of assets and earnings.	• At the project initiation stage, conduct a comprehensive cost-benefit analysis and adopt a scenario analysis approach. By considering different market and policy scenarios, the financial performance of the projects is assessed under various situations to formulate more resilient investment strategies. • Regularly assess the impact of local policy changes on the projects and make timely adjustments to project planning and operation strategies. • Establish a financial risk early warning system, identify and respond to potential impairment indicators in a timely manner, and conduct impairment tests regularly to ensure compliance of accounting treatments with relevant standards.

Description of Risks	Key Response Measures
No. 3 — Market risks	
Electricity value risk: As the scope and scale of the electricity spot market, green electricity and green certificate trading market are gradually expanding, the value of the Group's electricity is uncertain.	• Conduct annual medium- and long-term trading properly to stabilize the overall transaction volume and price throughout the year. Strengthen the response to the spot market to increase spot trading level and market returns. • Conduct trend analysis of the green power and green certificate trading markets to enhance the sensitivity to market changes and improve the rationality and accuracy of spot trading decisions.
Fuel procurement risk: Coal price mechanism under long-term contracts may pose challenges on the implementation, which could increase the difficulty of achieving cost reduction and control.	• Stabilize the long-term cooperation with existing key coal enterprises and develop coal-and-power joint-operation to enhance the fulfillment rate of long-term contracts. • Strengthen market analysis, seize the market opportunities brought about by the lower prices, and control procurement costs through staggered procurement, storage in low seasons and consumption in peak seasons, and securing long-term supply in advance.
No.4 — New energy business investment and operational risks	
Investment risk: The income generated from investment projects in the new energy sector is primarily influenced by electricity prices and consumption, which are significantly affected by fluctuations in the electricity market. The implementation of power restriction policies has led to a decrease in the volume of electricity connected to the grid. Additionally, adjustments to electricity pricing policies have caused market-trading-tariff to decline. The risks associated with power restrictions and falling tariffs have not been fully evaluated, resulting in potential investment and operational risks.	• Strictly control the project costs before investment decisions are made, keeping enough margins for risk control to mitigate and control the investment risk. • Enhance the preliminary work of projects to ensure that issues such as land, power connection and consumption are resolved before investment decisions are made. At the same time, the conditions of power connection and market consumption are fully substantiated, and power storage and distribution, participation in market trading and time-based tariff adjustment are considered in advance. • Track the progress of key projects on an ongoing basis, report the development progress monthly, and resolve difficult issues with the quarterly coordination meetings. • Proactively study national policies, pay close attention to market changes, and make timely adjustments to project development strategies according to the situation.

Description of Risks	Key Response Measures
Risk of changes in industrial policies: Adjustments to the government policies on subsidizing clean energy may adversely affect the Group's production and operation.	Closely monitor technological changes in the market and industrial chain, and reduce reliance on subsidy policies by upgrading the level of project management. Achieve grid parity for photovoltaic and wind power projects and reduce the cost gap between new energy power generation and fuel power generation.
No.5 — Construction project risks	
Construction quality risk: Inadequate quality control, supervision as well as inspection and acceptance during the project construction and testing stage can result in potential quality problems in construction projects. In addition, new energy projects under construction acquired by the Group through mergers and acquisitions are also subject to construction quality risks upon handover.	Supervise the project unit to establish and optimize the quality control system, and hire a qualified supervision company for monitoring and timely rectification of the problems identified to ensure that the construction quality meets the standards. Prior to mergers and acquisitions, conduct comprehensive due diligence, pay special attention to the quality of work, construction progress and compliance of projects under construction, and ensure that all relevant documents and certificates are complete. Set quality inspection and acceptance standards, and ensure that the projects comply with relevant laws, regulations and industry standards at the time of handover. Specify the legal responsibilities of all parties during the handover of the project, including the liability for defects in the quality of works and breach of contract, and ensure that there are legal grounds for recourse.
Construction safety risk: Certain projects are not fully staffed with safety management personnel, and the relevant management system is not effectively implemented, resulting in inadequate safety management.	Optimize the safety management system, formulate special precautionary measures for dangerous project operations, carry out regular safety drills, and improve the emergency response capability to ensure that production safety is controllable and under control.

Description of Risks	Key Response Measures
Construction bidding and tendering risk: In the process of construction bidding and tendering, the lack of a strict approval process and insufficient review of contractors' technical qualifications can increase the risks of construction safety and quality.	Strengthen the review of bidders' qualifications, standardize bidding and tendering documents and procedures, and improve process supervision to ensure the compliance of the bidding and tendering process with laws, regulations and project requirements.
No. 6 — Human resources risks	
Shortage of talents to guide power trading: Newly commissioned new energy projects lack personnel with sufficient knowledge and capability for trading green power, green certificate and provision of ancillary trading service, leading to failure in catching electricity sales during high tariff periods.	Recruit and train specialized traders to enhance their capacity in green power, green certificate and ancillary trading services. Develop real-time monitoring and data analysis systems to capitalize on the market dynamics and high tariff periods in a timely manner.

For details about the risks and opportunities related to climate change and the environment that pose to the Group, please refer to the **Sustainability Report 2024** of the Company, which is available on the websites of the Company and the Hong Kong Stock Exchange.

MEMBERS

The members of the Audit Committee comprise entirely of independent non-executive Directors of the Board, as follows:

Chairman:	YAU Ka Chi	Independent non-executive Director
Members:	LI Fang HUI Hon Chung, Stanley	Independent non-executive Director Independent non-executive Director
Secretary:	CHEUNG Siu Lan	Company Secretary

For the purpose of reinforcing independence, all members of the Audit Committee have appropriate professional qualifications, accounting or related financial management experience referred to in the Listing Rules.

DUTIES AND FUNCTIONS

The Company established the Audit Committee on 24 August 2004 with written terms of reference in compliance with the Listing Rules and provisions of the CG Code. The primary duties and functions of the Audit Committee set out in its terms of reference include, inter alia, the following:

- To communicate with the internal auditor and determine annual internal audit plans, discuss internal audit procedures with the internal auditor at least once every six months, review and monitor the internal control system, internal audit functions and effects of annual internal audit plans.

- To make proposals to the Board on the appointment, re-appointment and removal of the external auditor, review and monitor the independence, objectivity and audit procedures effectiveness of the external auditor in accordance with the relevant standards issued by the Hong Kong Institute of Certified Public Accountants, formulate and implement the engagement policy on the provision of non-audit services by the external auditor.

- To review financial information of the Company.

- To supervise the financial reporting system and internal control system including the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function, and their training programs and budget.

- To conduct any inspection authorized by the Board based on its terms of reference, in that case, the committee is entitled to solicit any necessary information from any employees while who have been instructed to assist the committee to satisfy any of its requirements.

ACCOUNTABILITY

The Audit Committee is accountable to the Board. The chairman of the committee reports to the Board at Board meetings in which the annual financial results and the interim financial results are considered, which would include various key issues identified and discussed during the course of reviewing the annual financial results and the interim financial results.

TERMS OF REFERENCE

The latest version of the terms of reference of the Audit Committee was adopted on 1 January 2019 and has been posted on the websites of the Company and the Hong Kong Stock Exchange.

WORK HIGHLIGHTS 2024

The Audit Committee held two meetings during 2024 with an attendance rate of 100%. Key work performed by the Audit Committee during the year include:

- reviewed the annual financial statements and Corporate Governance Report for the year ended 31 December 2023 and the interim financial statements for the six months ended 30 June 2024, including the major accounting issues raised by the external auditor;

- reviewed and approved the internal Inside Information Management Policy and Whistleblowing Policy of the Company which updated to align with the best market practices with emphases on the critical importance of transparency, accountability and responsible information management;

- reviewed and approved the audit plan and audit strategy submitted by the external auditor for the year ended 31 December 2024;

- reviewed the internal control reports prepared by the Company's Internal Audit Department relating to the Company's internal audit plan and internal control system;

- reviewed the continuing connected transactions of the Company;

- considered and approved the terms of engagement and remuneration of the external auditor for its provision of audit, audit related and permitted non-audit related services; and

- reviewed the internal and independent audit results and discussed matters relating to audit, internal control system and financial reporting, including the adequacy of resources, staff qualifications and experience of the Company's accounting, internal audit and financial reporting functions, together with the senior management, internal and external auditors of the Company.

REVIEW OF CONTINUING CONNECTED TRANSACTIONS

The Audit Committee has reviewed the continuing connected transactions entered by the Group during the year 2024 (as set out in the following schedule annexed to this report) and confirmed that the transactions have been entered into:

(1) in the ordinary and usual course of business of the Company;

(2) on normal commercial terms and no less favourable than those available to or from independent third parties; and

(3) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the Company and its shareholders as a whole.

The external Company's auditor was engaged to report on the Group's continuing connected transactions in accordance with 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 (Revised) "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The external auditor has issued his unqualified letter containing his findings and conclusions in respect of the continuing connected transactions disclosed above in accordance with Rule 14A.56 of the Listing Rules.

Save as disclosed, no contracts of significance to which the Company, its subsidiaries, its holding companies, associates or joint ventures was a party subsisted at any time during the year or at the end of the year.

RELATED PARTIES TRANSACTIONS

During the year 2024, those related party transactions listed under Note 48 to the Consolidated Financial Statements which were connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules include:

- (a)(iii) Income from provision of other services (entrusted management services) to CPI Holding and companies controlled by SPIC
- (a)(iii) Sales of energy storage equipment to companies controlled by SPIC
- (b)(i) Purchase of coal, coal by-products and spare parts from companies controlled by SPIC and non-controlling shareholders
- (b)(ii) Construction costs and other services fees to companies controlled by SPIC and non-controlling shareholders

The Company has complied with the disclosure requirements in accordance with the relevant Listing Rules.

LOOKING FORWARD TO 2025

The Group is set to navigate significant changes driven by advancing regulatory demand for higher standards of corporate governance practices in 2025. The Hong Kong Stock Exchange issued the Consultation Conclusions on review of the Corporate Governance Code and related Listing Rules in December 2024, the proposed amendments will mostly come into effect on 1 July 2025. In addition, The Hong Kong Institute of Certified Public Accountants (HKICPA) also published the new HKFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and HKFRS S2 Climate-related Disclosures ("HKFRS Sustainability Disclosure Standards" or "HKFRS SDS") in December 2024. The HKFRS SDS are fully aligned with the IFRS Sustainability Disclosure Standards (ISSB Standards), with an effective date of 1 August 2025, which will require us to enhance our ESG disclosures considerably. These developments will demand the Audit Committee to maintain strong oversight of risk management, internal controls, financial reporting, and regulatory compliance. Furthermore, specific to the Company's power generation industry, ongoing electricity tariff reforms in the PRC are likely to introduce market volatility, which could potentially affect the profitability of our new energy projects and might increase the risk of asset impairments. To address these challenges, the Audit Committee will further strengthen our internal control systems, uphold the integrity of the Group's financial reporting system and continue to safeguard the Group's overall financial health.

YAU Ka Chi
Chairman, Audit Committee

Hong Kong, 18 March 2025

Overview
Business Review and Analysis
Corporate Governance
Financial Information
Other Information

CONNECTED TRANSACTIONS ENTERED BY THE GROUP

Connected Transactions

Transaction Date	Party within the Group	Connected Party of the Group	The Agreement/ Transaction	Consideration (RMB)
(A) Deemed Disposal of a Subsidiary				
6 December 2024	The Company (as the Seller of Pingwei Power)	Huainan Mining (as the Buyer of Pingwei Power)	Deemed disposal of 11% equity interest in Pingwei Power to Huainan Mining	152,823,808.16
(B) Battery Energy Storage System ("BESS") Equipment Sale and Purchase Contract				
15 April 2024	Xinyuan Smart Storage (as the Seller)	Shandong Ludian (as the Buyer, an indirect subsidiary of SPIC)	Sales of BESS equipment	381,807,090
(C) Property Transfer Agreement				
21 May 2024	Shentou Power II (as the Transferee)	Shentou Industry Company (as the Transferor, an indirect subsidiary of SPIC)	Purchase of Property	52,156,900
(D) EPC Contracting Agreements[1]				
26 February 2024	Lingyun New Energy (as the Employer)	Shanghai Heyun (as the Contractor, an indirect subsidiary of SPIC)	EPC Contracting Agreement	70,580,000

Nature, Purpose and Description of the Transaction

Huainan Mining agreed to acquire 11% equity interest of Pingwei Power by way of injection to the registered capital of Pingwei Power. Immediately after completion, the Company's equity interest in Pingwei Power was diluted from 60% to 49%. Pingwei Power ceased to be a subsidiary of the Company and became an associate of the Company.

The amount of the capital injection was calculated using the formula: (A) ÷ (B) × (C)

A. Appraised value of entire equity interest of Pingwei Power based on the Asset Appraisal Report prepared by an Independent Appraiser as at 31 December 2023 (being RMB680,760,600);

B. Registered capital of Pingwei Power before completion of deemed disposal (being RMB841,600,000); and

C. Increase in the registered capital of Pingwei Power (being RMB188,930,612.24).

The Atacama Project involved the development of an energy storage system with a planned installed capacity of 110MW/220MWh located in Tierra Amarilla, Province of Copiapo, Atacama Region, Chile.

Xinyuan Smart Storage agreed to supply the equipment, components and related services for the Atacama Project. This included battery storage cabin and equipment within the cabin, power conversion system, energy management system, spare parts, installation, commissioning, performance evaluation, trial operation, as well as after-sales services.

The consideration outlined in the BESS Equipment Sale and Purchase Contract aligned with prevailing market rates or offered more favorable terms than those secured by other companies for similar sales of energy storage system equipment, components, and ancillary services.

Shentou Power II agreed to purchase two residential buildings, Nos. 46 and 47, located at Shendian Ecological Park, Shuocheng District, Shuozhou City, Shanxi Province, the PRC, from Shentou Industry Company.

The consideration was determined after arm's length negotiations between the Transferee and the Transferor having taken into account, among others, the appraised market value of the properties based on the valuation report prepared by an independent property valuer, using the market approach as at 29 February 2024.

The Feihe Project involved the development of a distributed photovoltaic power generation project covering four locations in the Feihe Ranch, with a planned installed capacity of 18.92MW in Qiqihar, Heilongjiang Province, the PRC.

The Contractor agreed to provide design, equipment procurement, construction and installation, as well as other technical support services in relation to the Feihe Project.

Transaction Date	Party within the Group	Connected Party of the Group	The Agreement/ Transaction	Consideration (RMB)
2 August 2024	Haiwei Wind Power (as the Employer)	Shandong Institute (as the Contractor, an indirect subsidiary of SPIC)	Pre-development and technical consultancy agreement	29,940,000
12 September 2024	Haiwei Wind Power (as the Employer)	Shandong Institute (as the Contractor, an indirect subsidiary of SPIC)	EPC Contracting Agreement	1,142,870,000
19 December 2024	Pingwei II (as the Employer)	Yuanda Waterworks (as the Contractor, an associate of SPIC)	EPC Contracting Agreement I	23,265,600
19 December 2024	Pingwei III (as the Employer)	Yuanda Waterworks (as the Contractor, an associate of SPIC)	EPC Contracting Agreement II	56,536,900
(E) Variation to the terms of the AR Transfer Agreement (Pursuant to Rule 14A.35 of the Listing Rules)				
16 November 2024	Project Companies (the transferors of their receivables to participate in the ABN Transaction, subsidiaries of the Company)	SPIC (the transferee and the initiating entity of the ABN Transaction)	Supplemental agreement to the AR Transfer Agreement dated 17 November 2021	650,000

Note:

(1) All of the above EPC contracting agreements have been entered into by an open market tendering process or mixed selection procedure, comprising of the comparing quotations obtained for similar projects located in close proximity in the market during the most recent period, as well as adhering to the internal procurement management policies in evaluating and choosing the most suitable contractor), and the contracting fees are payable by installments.

Details of the above transactions are set out in the Company's announcements of their respective dates as stated above.

Nature, Purpose and Description of the Transaction
An Offshore Wind Power Generation Project undertaken by Haiwei Wind Power involving the development and construction of an offshore wind power plant with a planned installed capacity of 450MW in Shandong Province, the PRC. The Contractor agreed to provide comprehensive pre-development and technical consultancy services for the Offshore Wind Power Generation Project. This included the preparation of project feasibility and engineering surveying reports, coordination with government authorities and submission of necessary documentation to secure relevant regulatory approvals.
An Offshore Wind Power Generation Project undertaken by Haiwei Wind Power involving the development and construction of an offshore wind power plant with a planned installed capacity of 450MW in Shandong Province, the PRC. The Contractor agreed to provide a comprehensive range of services for the Offshore Wind Power Generation Project. This included survey design, auxiliary equipment and material procurement, construction installation and engineering implementation, commissioning, completion certificate, training, performance quality assurance and follow-up services throughout the entire warranty period of the Offshore Wind Power Generation Project.
A project undertaken by the Contractor to upgrade Pingwei II's wastewater treatment facilities. The Contractor has agreed to provide equipment procurement, transportation, installation and engineering implementation, commissioning, completion certification, other technical support services and follow-up services for the wastewater treatment facilities upgrade of Pingwei II.
A project undertaken by the Contractor to upgrade Pingwei III's wastewater treatment facilities. The Contractor has agreed to provide design, equipment procurement, transportation, construction installation and engineering implementation, commissioning, completion certification, training, other technical support services and follow-up services for the wastewater treatment facilities upgrade of Pingwei III.
The Project Companies and SPIC entered into a supplemental agreement to the AR Transfer Agreement, the parties agreed to adjust the Trust Term to 72 months or 6 years (i.e. an extension of another 36 months or 3 years' period (the "Revised Trust Term")). The maturity of the Trust was adjusted according to the Revised Trust Term simultaneously. The Project Companies shall pay an arrangement fee of approximately RMB650,000 as remuneration to the Trust for providing the trust services during the Revised Trust Term. The arrangement fee was and remained at least the prevailing market rate or better than the fees charged by the trustee of the Trust to other parties for similar trust services. It was also comparable to the quotations obtained by the Company in the market.

Continuing Connected Transactions

Date and Name of the Agreement	Party within the Group	Connected Party of the Group	Term	Annual Cap for 2024 (RMB)
(A) Service Agreements				
1 April 2023 Entrusted Management Framework Agreement	The Company (as the Managing Party)	CPI Holding, SPICOI and SPIC Green Energy (as the Entrusting Parties, subsidiaries of SPIC)	1 April 2023 to 31 December 2025	125,220,000
12 January 2024 Composite Services Framework Agreement	The Company (representing its subsidiaries, individually the "Employer" or collectively the "Employers")	SPIC (representing its subsidiaries, individually the "Service Provider" or collectively the "Service Providers")	1 January 2024 to 31 December 2026	350,000,000
6 May 2022 Financial Services Framework Agreement 17 August 2023 Supplemental Agreement to Financial Services Framework Agreement	The Company (as the Service Recipient, representing its subsidiaries)	SPIC Financial (as the Service Provider, a subsidiary of SPIC)	7 June 2022 to 6 June 2025	9,000,000,000 regarding the maximum daily balance of deposit (including accrued interest) placed by the Group with SPIC Financial) The above annual cap was revised from an original annual cap of 5,500,000,000 by the Supplemental Agreement to Financial Services Framework Agreement.
(B) Coal Supply Framework Agreements				
4 January 2023 Coal Supply Framework Agreement	The Company (representing its subsidiaries, collectively the "Purchasers")	Huainan Mining (as the Supplier, a substantial shareholder of subsidiaries of the Company)	1 January 2023 to 31 December 2025	10,025,000,000

Nature, Purpose and Description of the Transaction
The Company will provide planning, operating and managing services to Entrusted Companies that are either wholly or partly owned by the Entrusting Parties. The management fees payable by the Entrusting Parties to the Managing Party consist of (i) management costs that is based on the installed capacity of the power generating units under the Entrusted Companies; (ii) a fixed premium to cover the estimated onshore and offshore risks, respectively, depending on the location of the Entrusted Companies; and (iii) an assessment bonus.
The Service Providers will provide the Employers various services with respect to technical repair and maintenance and management for the power generating units and related power generation facilities, as well as daily operational supports for power plants and offices. The service fee payable shall be agreed by mutual agreement between the relevant Service Provider and Employer determined by and with reference to, among other things, the latest market quotations or tenders (at least two comparable transactions) for provision of the similar services from independent third parties with similar experience and service quality akin to that of the Service Providers in the same region.
SPIC Financial will provide the Group with deposit services on a non-exclusive basis. The interest rate applicable to the Group for its deposits with SPIC Financial during the same period shall not be lower than (i) the benchmark interest rate specified by the PBOC of the same type of deposits; (ii) the interest rate of same type of deposits obtained from other major commercial banks in the PRC to the Group (at least two quotes obtained); and (iii) the interest rate of same type of deposits placed by other members of the SPIC Group with SPIC Financial. In addition, the applicable interest rate for the amount of the Group's deposit in current account(s) that exceeds RMB100,000, the applicable interest rate to the Group will be 23 basis point higher than, and adjusted according to, the benchmark interest rate for agreements deposits (協定存款基準利率) as published by the PBOC from time to time.

Huainan Mining will supply coal to the Purchasers. The purchase price of coal shall be determined by both parties after arm's length negotiations with reference to (i) national industrial policies, and industry and market conditions; (ii) guidance promulgated by the National Development and Reform Commission of the PRC in relation to coal procurement prices; (iii) available data published on the website of 中國煤炭市場網 (China Coal Market*) at www.cctd.com.cn; (iv) the quality of the coal supplied (including the estimated calorific value of coal as required by different coal-fired power generating units); and (v) the quantity of coal supplied.

Date and Name of the Agreement	Party within the Group	Connected Party of the Group	Term	Annual Cap for 2024 (RMB)
(C) Continuing Connected Transactions (Pursuant to Rule 14A.60 of the Listing Rules after completion of acquisitions)				
26 October 2022 Entrusted Loan Agreement	Four subsidiaries of the Company (as the Lenders)	Eight subsidiaries of SPIC (as the Borrowers)	1 year to 3 years	404,980,000 *(Refers to the principal amount of the loan under the Entrusted Loan Agreement)*
31 October 2023 Loan Agreements	Jieyang Company, Beijing Company and two of its subsidiaries (as the Lenders)	Five indirect subsidiaries of SPIC (as Borrowers)	less than 1 year to 3 years	792,144,425 *(Refers to the total outstanding principal amount of the Loan as at 31 October 2023)*
31 October 2023 Bank Services Transactions with ABC Group	The Company and/or any members of the Group	Members of the ABC Group	Ranging from 1 year (including within 1 year) to 20 years	19,780,000,000 Maximum annual balance of loan services (including loans, finance leases, factoring and any other forms of borrowing, and accrued interest) involving the provision of security by the Group
31 October 2023 Bank Services Transactions with ABC Group	The Company and/or any members of the Group	Members of the ABC Group	Ranging from 1 year (including within 1 year) to 20 years	36,350,000,000 The maximum daily balance of deposit services provided to the Group (including accrued interest, settlement and other services fees charged)

As SPIC is the ultimate controlling shareholder of the Company and CPI Holding is the holding company of the Company and a wholly-owned subsidiary of SPIC, both SPIC and CPI Holding and their respective subsidiaries and associates are connected persons of the Company within the meaning of the Listing Rules. In addition, as ABC Financial and Huainan Mining are substantial shareholders of certain subsidiaries of the Company, ABC Financial and its associates (collectively the "ABC Group") and Huainan Mining are connected persons of the Company at the subsidiary level as defined in the Listing Rules. Therefore, all the above transactions constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Nature, Purpose and Description of the Transaction
The Lenders agreed to provide several loans to the Borrowers prior to completion of the acquisition of the Lenders by the Company with interest rates ranging from 2.20% to 3.65% per annum.
The Lenders agreed to provide several loans to the Borrowers prior to completion of the acquisition of the Lenders by the Company with interest rates ranging from 3.00% to 4.90% per annum.
The ABC Group will provide loan services to the Group on a non-exclusive basis. The interest rate and related fees for loans (including loans, finance leases, factoring and any other forms of borrowing) granted to the Group by ABC Group that involving the provision of security by the Group will not be higher than the interest rate and related fees (at least two quotes) offered by other major commercial banks to the Group for the same type of borrowing during the same period.
The ABC Group will provide the Group with deposit services on a non-exclusive basis. The interest rate applicable to the Group for its deposits with ABC Group during the same period will not be lower than (i) the benchmark interest rate specified by the PBOC for the same type of deposits in the PRC, or (ii) the interest rate for the same type of deposits (at least two quotes) offered by other major commercial banks.

Risk Management Committee Report

MEMBERS

Chairman:	HE Xi	Chairman of the Board and executive Director
Members:	GAO Ping	Executive Director and President
	LI Fang	Independent non-executive Director
	YAU Ka Chi	Independent non-executive Director
	HUI Hon Chung, Stanley	Independent non-executive Director
Secretary:	CHEUNG Siu Lan	Company Secretary

DUTIES AND FUNCTIONS

The Company established the Risk Management Committee on 23 March 2016 with written terms of reference in compliance with the Listing Rules and the CG Code provisions. The primary duties and functions of the Risk Management Committee set out in its terms of reference include, inter alia, the following:

- To review and recommend for the Board's approval the Group's overall risk management strategies and risk appetite/tolerance which shall take into account of the financial, operational, compliance and all the relevant risks faced by the Group and the prevailing and prospective market and economic conditions at least annually.
- To review and recommend for the Board's approval the Group's risk management framework, risk management system and corporate governance framework including their appropriateness, effectiveness and independence of risk management functions at least annually.
- To review reports from the management and to make recommendations to the Board on the Group's risk management policies which govern the identification, assessment, monitoring and reporting of the major risks faced by the Group.
- To oversee the implementation of risk management policies and the compliance with the respective statutory rules and regulations.
- To report any significant risk management issues to the Board and suggest solutions.

ACCOUNTABILITY

The Risk Management Committee is accountable to the Board and reports to the Board regularly on risks identified and make recommendations to mitigate such risks.

TERMS OF REFERENCE

The latest version of the terms of reference of the Risk Management Committee was adopted on 12 April 2023 and has been posted on the websites of the Company and the Hong Kong Stock Exchange.

WORK HIGHLIGHTS 2024

The Risk Management Committee held two meetings during 2024 with an attendance rate of 100%. Key work performed by the Risk Management Committee during the year include:

- reviewed and approved the Risk Management Report for the year 2023 and the first half of 2024, and the risk management plan for the year 2024 prepared by the Company's Internal Audit Department relating to the Group's risk management framework, effectiveness of the risk management system, the circumstances of specific risk management and the measures adopted for risk control and risk management policies which govern the identification, assessment, monitoring and reporting of the major risks faced by the Group;

- reviewed and approved the Safety and Environmental Protection Risk Management Report for the year 2023 and the first half of 2024; and

- reviewed and approved the adequacy of resources, qualifications and experience of the staff of the Company's risk management function.

The management's annual confirmation on the effectiveness of the Group's risk management and internal control systems for the year 2023 was reviewed and endorsed by the Risk Management Committee and the Audit Committee, respectively, and was reported to and approved by the Board in March 2024.

LOOKING FORWARD TO 2025

The Risk Management Committee will continue to monitor the major risks of the Group that identified on assessment of the changes in recent and mid- and long-term internal and external conditions faced by the Group, as well as conducting reviews on the adequacy of resources for designing, implementing and monitoring the risk management and internal control systems particularly the subsidiary level. Details of which are set out in the Risk Management Report in this annual report.

HE Xi
Chairman, Risk Management Committee

Hong Kong, 20 March 2025

Remuneration and Nomination Committee Report

MEMBERS

Chairman:	LI Fang	Independent non-executive Director
Members:	YAU Ka Chi HUI Hon Chung, Stanley	Independent non-executive Director Independent non-executive Director
Secretary:	CHEUNG Siu Lan	Company Secretary

DUTIES AND FUNCTIONS

The Company established the Remuneration and Nomination Committee on 24 August 2004 with written terms of reference in compliance with the Listing Rules and provisions of the CG Code. The primary duties and functions of the Remuneration and Nomination Committee set out in its terms of reference include, inter alia, the following:

Remuneration

- To make recommendations to the Board on the remuneration policy and structure for all Directors and senior management of the Company, and to make recommendations on the establishment of a formal and transparent procedure for formulating remuneration policy.

- To review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives.

- To make recommendations to the Board on the remuneration packages of individual executive Directors and senior management of the Company with reference to their experience, performance, duties and market conditions. This should include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment.

- To make recommendations to the Board on the remuneration of non-executive Directors.

Nomination

- To review the structure, size and composition (including the skills, gender, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy.

- To identify individuals suitably qualified to become Board members based on a range of diverse perspectives and select or make recommendations to the Board on the selection of individuals nominated for directorships.

- To make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the chairman and the chief executive.

- To assess the independence of independent non-executive Directors.

Nomination Policy

The Nomination Policy was approved by the Board and adopted by the Company with effect from 1 January 2019.

A. Selection Criteria

In evaluating and selecting any candidate for directorship, the following criteria should be considered:

(a) Character and integrity.

(b) Qualifications including professional qualifications, skills, knowledge, expertise and experience that are relevant to the Company's business and corporate strategy.

(c) Good records of accomplishments in present and prior positions.

(d) Potential contributions the candidate can bring to the Board in terms of diversity in its all aspects under the Company's Board diversity policy.

(e) Commitment of the candidate to devote sufficient time to effectively carry out his/her duties.

(f) Potential or actual conflicts of interest that may arise if the candidate is selected.

(g) Independence of the candidate.

B. Nomination Procedures and Process

1. Appointment of new Director

(a) Upon receipt of the proposal on appointment of new Director, the committee identifies or selects candidates, with or without assistance from external agencies or the Company, and evaluate such candidate based on the criteria as set out in this policy to determine whether such candidate is qualified for directorship.

(b) The committee may use any process it deems appropriate to evaluate the candidates, which may include personal interviews, background checks, presentations or written submissions by the candidates and third-party references.

(c) The committee should then recommend to the Board to appoint the appropriate candidate for directorship, as applicable, and provide to the Board with all the information required including information set out in the Listing Rules in relation to the candidates.

(d) The Board should deliberate and decide on the appointment based upon the recommendations of the committee.

2. *Re-election of Director*

   (a) The committee should review the overall contribution and service to the Company of the retiring Director and the level of participation and performance on the Board.

   (b) The committee should also review and determine whether the retiring Director continues to meet the criteria as set out in this policy. For the proposed re-appointment of a retiring independent non-executive Director, the committee will consider, among other factors, the independence criteria as set out in the Listing Rules.

   (c) The committee and/or the Board should then make recommendations to shareholders in respect of the proposed re-election of Director at the general meeting.

ACCOUNTABILITY

The Remuneration and Nomination Committee is accountable to the Board. The chairman of the committee reports to the Board regularly or as requested at Board meetings on the Company's matters relating to the remuneration and nomination of the Board members and senior management.

TERMS OF REFERENCE

The latest version of the terms of reference of the Remuneration and Nomination Committee was adopted on 16 August 2013 and have been posted on the websites of the Company and the Hong Kong Stock Exchange.

WORK HIGHLIGHTS 2024

The Remuneration and Nomination Committee held two meetings during 2024 with an attendance rate of 100%. Key work performed by the Remuneration and Nomination Committee during the year include:

- considered and approved the overall remuneration package of the Directors and senior management of the Company in 2023 with reference to the remuneration system of the parent companies;
- reviewed the term incentive reward plan for senior management for the period from 2021 to 2023;
- reviewed and approved the performance evaluation indicators of the senior management for the year 2024;
- considered the profile of the Directors who would retire from office by rotation and stand for re-election at the annual general meeting in accordance with the Company's articles of association and made recommendations to the Board;
- reviewed, considered and confirmed the appointment of Mr. HU Jiandong and Mr. CHEN Pengjun as the non-executive Directors of the Company, and made recommendations to the Board;
- reviewed, considered and confirmed the change of senior management during the year 2024 and made recommendations to the Board;
- reviewed the implementation of diversity at the Board level and across the entire workforce for the year 2023; and
- reviewed and considered the matters related to the Share Incentive Scheme adopted in May 2022.

Emoluments of executive Directors and chief executive

The emoluments of the executive Directors and the chief executive (President of the Company) are divided into fixed and variable portions. The fixed pay comprises the basic salary and other allowances, the variable pay comprises the discretionary bonus and share incentives which are linked to the individual as well as the Company's performance. The performance appraisal targets have been incorporated with the sustainability performance, e.g. the increased ratio of clean energy installed capacity to total installed capacity at the Company's level, and the contribution to any environmental, social and governance improvements that have been recognized or awarded by the local or central governments or professional institutions at the individual's level, during each appraisal year.

The Share Incentive Scheme was approved and adopted by shareholders on 15 June 2022, options under this scheme was granted to executive Directors and selected employees of the Company. Details of this scheme are set out in section headed "Share Incentive Scheme" in the Report of the Board of Directors in this annual report. Details of the emoluments for all the Directors and the senior management are set out in Note 14 to the Consolidated Financial Statements.

Remuneration of Senior Management

The remuneration of the members of the senior management by remuneration band for the year ended 31 December 2024 (which was reviewed, considered and confirmed by the Remuneration and Nomination Committee in early 2025) is set out below:

Remuneration band	Number of individuals	
(HK$)	Year 2024	Year 2023
0 to 1,000,000	11	9
1,000,001 to 1,500,000	3	1
1,500,001 to 2,000,000	2	0

LOOKING FORWARD TO 2025

The Remuneration and Nomination Committee will remain committed to ensuring that the Board and its respective committees will possess the appropriate skills mix, gender diversity, and independence necessary to promote good corporate governance and long-term success for the Company. The committee will also support the Company on regular evaluation of the performance of the Board according to the revised CG Code which will come into effect on 1 July 2025.

LI Fang
Chairman, Remuneration and Nomination Committee

Hong Kong, 18 March 2025

Strategic and Sustainable Development Committee Report

MEMBERS

Chairman:	HE Xi	Chairman of the Board and executive Director
Members:	GAO Ping	Executive Director and President
	ZHOU Jie	Non-executive Director
	LI Fang	Independent non-executive Director
	YAU Ka Chi	Independent non-executive Director
Secretary:	CHEUNG Siu Lan	Company Secretary

DUTIES AND FUNCTIONS

The Company established the Strategic and Sustainable Development Committee on 12 April 2023 with written terms of reference in compliance with the Listing Rules and provisions of the CG Code. The primary duties and functions of the Strategic and Sustainable Development Committee set out in its terms of reference include, inter alia, the following:

- To consider and formulate the medium and long-term plans and goals in relation to the strategic development of the Company for the Board's approval, and to review and supervise the implementation of the Company's strategic plans from time to time.
- To consider, review and make recommendations to the Board on the ESG objectives, strategies, targets and management policies for the sustainable development of the Group.
- To review and assess the adequacy and effectiveness of the management framework for ESG-related matters.
- To identify, determine, prioritize and assess ESG-related risks and opportunities, and advise on issues that will significantly affect the operations of the Group.
- To review and monitor the Group's ESG-related work and assess the Group's ESG performance against performance targets.
- To supervise the Sustainability Working Committee and monitor its works.
- To review the annual sustainability report of the Company and make recommendations to the Board for approval.

ACCOUNTABILITY

The Strategic and Sustainable Development Committee is accountable to the Board and shall assist the Board on formulating plans, policies and practices, and reviewing and assessing opportunities and risks related to the strategic and sustainable development of the Group. It will also advise the Board regarding the adequacy and effectiveness of the actions taken by the Group, based on its corporate sustainability plans, targets, strategies, priorities, policies and frameworks, and recommends improvements (if any).

TERMS OF REFERENCE

The latest version of the terms of reference of the Strategic and Sustainable Development Committee was adopted on 12 April 2023 and has been posted on the websites of the Company and the Hong Kong Stock Exchange.

WORK HIGHLIGHTS 2024

The Strategic and Sustainable Development Committee held three meetings during 2024 with a high attendance rate. Key work performed by the Strategic and Sustainable Development Committee during the year include:

- reviewed the Sustainability Report for the year ended 31 December 2023;
- reviewed the Carbon Peak Action Plan, which outlined the actionable pathways for the Company to reduce emissions, accelerate sustainable practices, and align operations with global climate objectives;
- reviewed the Company's decarbonization targets and climate commitments as outlined in the ESG Strategy, ESG Policies, and ESG Issues Management Framework; and
- reviewed and was satisfied with the adequacy of the Group's resources and budget allocated for achieving ESG-related targets and for ESG reporting.

SUSTAINABILITY WORKING COMMITTEE

Members

The supervisor of the Sustainability Working Committee is currently served by Mr. HE Xi, the executive Director and Chairman of the Board.

The members of the Sustainability Working Committee shall be appointed by the supervisor and the members shall include, but not limited to, the general managers or the heads of all the business and functional departments of the Company.

Duties and Functions

The Company established the Sustainability Working Committee on 27 August 2020. The Sustainability Working Committee now reports directly to the Strategic and Sustainable Development Committee and assists in providing leadership, direction and oversight with regard to policies formulation and practices implementation of sustainability-related matters of the Group. The primary duties and functions of the Sustainability Working Committee, as set out in its terms of reference, include, but are not limited to, the following:

- To lead and maintain sustainable growth and manage the sustainability risks and opportunities of the Group. To review and identify sustainability elements affecting or relevant to the Group's businesses or operations and make recommendations to the Board through the Strategic and Sustainable Development Committee for approval.
- To assist formulating the Group's sustainable development strategies, objectives and standards and provide them to the Board through the Strategic and Sustainable Development Committee for approval.
- To oversee the Group's implementation of policies, measures, duties and activities on sustainability matters to attain those goals and standards and to review and evaluate their effectiveness and provide to the Board through the Strategic and Sustainable Development Committee with confirmations and recommendations for improvement.
- To ensure the adequacy of resources, staff qualifications and experience, training programs and budget for implementation of sustainable development function.

Terms of References

The latest version of the terms of reference of the Sustainability Working Committee was adopted on 12 April 2023 and has been posted on the websites of the Company and the Hong Kong Stock Exchange.

Strategic and Sustainable Development Committee Report

FORWARD TO 2025

The Hong Kong Stock Exchange has announced its new environmental, social and governance (ESG) framework that closely align with the International Sustainability Standards Board's (ISSB) Climate-related Disclosures, which sets to take effect on 1 January 2025. In light of this development, a key priority for the committee in the forthcoming year will be to ensure compliance with these enhanced standards. The committee also recognizes these new requirements as an opportunity to enhance the Company's environmental reporting and disclosure practices. By implementing effective measures to capture real-time environmental data, the committee is confident that the Company will be better positioned to manage ESG risks effectively, thereby reinforcing its commitment to sustainable development.

HE Xi
Chairman, Strategic and Sustainable Development Committee

Hong Kong, 20 March 2025

Report of the Board of Directors

The Board hereby presents to the shareholders its report together with the audited consolidated financial statements of the Group for the year ended 31 December 2024 (the "Consolidated Financial Statements").

PRINCIPAL ACTIVITIES

The Group is principally engaged in generation and sales of electricity in Mainland China, including investment, development, operation and management of hydropower, wind power, photovoltaic power and thermal power plants, and provision of energy storage, green power transportation, and integrated intelligent energy solution services. Its businesses are located in various major grid regions of China. Particulars of the Company's principal subsidiaries are set out in Note 49 to the Consolidated Financial Statements.

RESULTS AND DISTRIBUTION

The results of the Group for the year ended 31 December 2024 are set out in the Consolidated Income Statement on page 148. The Board has recommended the payment of a final dividend of RMB0.162 (equivalent to HK$0.1754) per ordinary share for the year ended 31 December 2024, with a total amount of RMB2,003,964,000 (equivalent to HK$2,169,724,000).

BUSINESS REVIEW AND PERFORMANCE

Review of the Group's business and performance for the year ended 31 December 2024 are set out in this annual report as follows:

Aspects	In the section headed	Page
A fair review of the Group's business and analysis of financial position	· Letter to Shareholders · Management's Discussion and Analysis	26–28 42–62
A description of the principal risks and uncertainties facing the Group*	· Management's Discussion and Analysis · Risk Management Report · Note 45 to the Consolidated Financial Statements	62–65 103–112 230–239
The outlook of the Group's business	· Letter to Shareholders · Management's Discussion and Analysis	29–30 70–71
The Group's environmental policies and performance and compliance with the relevant laws and regulations that have a significant impact on the Group*	· Management's Discussion and Analysis	65–69
An account of the Group's key relationships with its stakeholders that have a significant impact on the Group*	· Management's Discussion and Analysis · Investor Relations and Frequently Asked Questions	69–70 72–73

* Details of these aspects were also included in the Company's **Sustainability Report 2024**, which has been published on the websites of the Company and the Hong Kong Stock Exchange.

CORPORATE GOVERNANCE

The principles and practices of the Group's corporate governance are set out in the section headed "Corporate Governance Report" in this annual report.

SUMMARY OF FINANCIAL INFORMATION

A summary of the published results, assets and liabilities of the Group for the last five financial years is set out in the section headed "Five-Year Financial and Operations Summary" in this annual report.

PROPERTY, PLANT AND EQUIPMENT

During the year, the additions and transfer from prepayment for property, plant and equipment of the Group amounted to RMB25,983,882,000, mainly representing general power assets. Details of the movements in property, plant and equipment of the Group and the Company during the year are set out in Note 15 to the Consolidated Financial Statements.

SHARE CAPITAL

As at 31 December 2024, the total number of ordinary shares of the Company amounted to 12,370,150,983. There was no movement in the number of ordinary shares of the Company during the year.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Company during the year ended 31 December 2024.

BANK LOANS, OTHER BORROWINGS AND EQUITY FINANCING INSTRUMENTS

Details of the bank loans, other borrowings and equity financing instruments of the Group during the year are set out in Notes 34, 36 and 38 to the Consolidated Financial Statements.

EQUITY-LINKED AGREEMENT

For the year ended 31 December 2024, the Company did not enter into any equity-linked agreement.

DISTRIBUTABLE RESERVES

As calculated in accordance with Sections 297 and 298 of the Hong Kong Companies Ordinance, as at 31 December 2024, the distributable reserve of the Company amounted to RMB4,116,147,000 (2023: RMB3,999,568,000).

Details of movements in the reserves of the Group and the Company during the year are set out in Notes 35 and 52 to the Consolidated Financial Statements respectively.

DIRECTORS

(A) Directors of the Company

The Directors during the year 2024 and up to the date of this annual report is set out below:

Executive Directors	
HE Xi	
GAO Ping	
Non-executive Directors	
HU Jiandong	(Appointed on 18 November 2024)
ZHOU Jie	
HUANG Qinghua	
CHEN Pengjun	(Appointed on 18 November 2024)
Independent Non-executive Directors	
LI Fang	
YAU Ka Chi	
HUI Hon Chung, Stanley	

Under the Company's articles of association and the Listing Rules, Directors are subject to retirement by rotation and re-election at the annual general meeting. In accordance with Articles 81 of the Company's articles of association, Mr. HU Jiandong and Mr. CHEN Pengjun, who were appointed in November 2024, will retire at the forthcoming annual general meeting. Additionally, in accordance with Articles 82 of the Company's articles of association, Mr. GAO Ping and Mr. YAU Ka Chi, will retire by rotation and, being eligible, offer themselves for re-election at the forthcoming annual general meeting. If the above Directors are re-elected, they will not enter into service contracts with the Company or any of its subsidiaries which are not determinable by the employing company within one year without payment of compensation other than statutory compensation.

As at 31 December 2024, none of the Directors had a service contract with the Company or any of its subsidiaries which was not determinable by the employing company within one year without payment of compensation other than statutory compensation.

The Company has confirmed with each of the independent non-executive Director that there is no change of circumstances which may affect their independence as regards each of the factors referred to in Rule 3.13 of the Listing Rules during the year. The Company considers all of its independent non-executive Directors are independent.

Biographical details of each of the present Directors are set out in the section headed "Directors and Senior Management Profiles" in this annual report, and details of Directors' emoluments are set out in Note 14 to the Consolidated Financial Statements.

(B) Directors of subsidiaries

The names of all directors who have served on the boards of the subsidiaries of the Company during the year ended 31 December 2024 or during the period from 1 January 2025 to the date of this annual report are available on the Company's website at www.chinapower.hk.

PERMITTED INDEMNITY

Pursuant to the Company's articles of association, subject to the Hong Kong Companies Ordinance, every Director of the Company shall be indemnified against any liability incurred by him/her in the execution and discharge of his/her duties or in relation thereto. The Company has taken out insurance against the liability and costs associated with defending any proceedings which may be brought against directors of the Group.

SHARE INCENTIVE SCHEME

The Share Incentive Scheme was approved and adopted by the shareholders of the Company at the extraordinary general meeting held on 15 June 2022.

The Company has used the Black-Scholes Option Pricing Model (the "Model") to assess the value of the share option as at the dates of grant. The Model is one of the commonly used models to estimate the fair value of a share option. The value of a share option varies with different variables of certain subjective assumptions. Any change in the variables so adopted may materially affect the estimation of the fair value of a share option. As such, the fair values calculated are inherently subjective and uncertain due to the assumptions made and the limitations of the valuation model used.

Pursuant to the Share Incentive Scheme, the share options were granted on 5 July 2022 and 20 July 2022, respectively. The fair value of these share options determined at the date of grant using the Model were HK$1.61 and HK$1.56 per share option, respectively.

During the year ended 31 December 2024, no share option was granted, and 34,394,800 share options were lapsed pursuant to the terms of the Share Incentive Scheme.

Up to 31 December 2024, the number of shares of the Company that may be issued in respect of share options granted but not yet lapsed or cancelled under the Share Incentive Scheme is 58,665,200, representing approximately 0.47% of the number of the existing issued shares of the Company. The number of share options available for grant under the Share Incentive Scheme as at 1 January 2024 and 31 December 2024 were 8,531,100 respectively, representing approximately 0.07% of the number of the existing issued shares of the Company.

As at 31 December 2024, the total grant date fair value of unexercised unvested share options amounted to approximately HK$93,842,900. Assuming that all share options outstanding as at 31 December 2024 were exercised, the Company would receive proceeds of approximately HK$283,739,100. For further information on the fair value of these share options, please refer to Note 33 to the Consolidated Financial Statements.

Movements of the share options granted under the Share Incentive Scheme for the year ended 31 December 2024 are as follows:

Name or Category of Grantees	Date of Grant	Exercise Price (HK$)	Closing Price on the date of grant (HK$)	Waiting Period	Exercise Period	As at 1 January 2024	Exercised during the year	Cancelled during the year	Lapsed during the year	As at 31 December 2024
Directors										
HE Xi	5 July 2022	4.82	4.69	5 July 2022– 4 July 2024	5 July 2024– 4 July 2025	363,000	–	–	(363,000)	–
		4.82	4.69	5 July 2022– 4 July 2025	5 July 2025– 4 July 2026	363,000	–	–	–	363,000
		4.82	4.69	5 July 2022– 4 July 2026	5 July 2026– 4 July 2027	374,000	–	–	–	374,000
						1,100,000			**(363,000)**	**737,000**
GAO Ping	5 July 2022	4.82	4.69	5 July 2022– 4 July 2024	5 July 2024– 4 July 2025	363,000	–	–	(363,000)	–
		4.82	4.69	5 July 2022– 4 July 2025	5 July 2025– 4 July 2026	363,000	–	–	–	363,000
		4.82	4.69	5 July 2022– 4 July 2026	5 July 2026– 4 July 2027	374,000	–	–	–	374,000
						1,100,000			**(363,000)**	**737,000**
Other Employees										
	5 July 2022	4.82	4.69	5 July 2022– 4 July 2024	5 July 2024– 4 July 2025	23,849,100	–	–	(23,849,100)	–
		4.82	4.69	5 July 2022– 4 July 2025	5 July 2025– 4 July 2026	23,849,100	–	–	(1,669,800)	22,179,300
		4.82	4.69	5 July 2022– 4 July 2026	5 July 2026– 4 July 2027	24,571,800	–	–	(1,720,400)	22,851,400
						72,270,000			**(27,239,300)**	**45,030,700**
	20 July 2022	4.90	4.65	20 July 2022– 19 July 2024	20 July 2024– 19 July 2025	6,134,700	–	–	(6,134,700)	–
		4.90	4.65	20 July 2022– 19 July 2025	20 July 2025– 19 July 2026	6,134,700	–	–	(145,200)	5,989,500
		4.90	4.65	20 July 2022– 19 July 2026	20 July 2026– 19 July 2027	6,320,600	–	–	(149,600)	6,171,000
						18,590,000			**(6,429,500)**	**12,160,500**
Total						**93,060,000**			**(34,394,800)**	**58,665,200**

Details of the movement in share options of the Company during the year ended 31 December 2024 are also set out in Note 33 to the Consolidated Financial Statements.

A summary of the Share Incentive Scheme is as follows:

Purposes of the Share Incentive Scheme	The Share Incentive Scheme aims at: (i) further improving the incentive mechanism of the Company in support of the transformation and development of the Company; (ii) fully motivating the Company's senior management, middle management and core business backbone personnel; and (iii) aligning the interest of the shareholders of the Company, the Company and the individual interest of the core backbone employees effectively, so that all parties will share a common concern for the long-term development of the Company.
Participants of the Share Incentive Scheme	The participants of the Share Incentive Scheme are: (i) Directors; (ii) senior management; (iii) backbone management; and (iv) technical and business personnel who has a direct impact on the Company's operating performance and sustainable development of the Company and its controlled subsidiaries.
Total number of shares available for issue under the Share Incentive Scheme and the percentage of the issued shares that it represents as at the date of this annual report	The total number of shares to be issued pursuant to the exercise of the share options granted under the Share Incentive Scheme shall not exceed 111,711,100 shares, representing 0.90% of the total issued share capital of the Company as at the date of this annual report.
Maximum entitlement of each participant	Unless approved by a resolution at a general meeting, the number of underlying shares in respect of the share options granted to a participant of the Share Incentive Scheme (including exercised and outstanding share options) during the effective period of the Share Incentive Scheme shall not in aggregate exceed 1% of the total issued share capital of the Company.
The basis of determining the exercise price of the share options granted under the Share Incentive Scheme	The exercise price of the share options granted under the Share Incentive Scheme shall be determined in accordance with the fair market price principle, with the grant date as the base day for pricing. The fair market price principle shall not be lower than the higher of the following prices: (i) the closing price of the shares on the grant date; and (ii) the average closing price of the shares on the 5 trading days prior to the grant date.
The waiting period of share options granted under the Share Incentive Scheme	Depending on the specific share option tranches, no share options granted under the Share Incentive Scheme shall be exercised until a minimum of 24, 36 or 48 months has elapsed from the grant date of the relevant share option (the "Waiting Period").

<table>
<tr><td>The period within which the share options must be exercised</td><td>A participant of the Share Incentive Scheme may exercise their share options in tranches during the exercise period after expiration of the Waiting Period, subject to the achievement of specific performance appraisal targets for the year, as follows:

<table>
<tr><th>Exercise Period</th><th>Timing of Exercise Period</th><th>Percentage of share options exercisable</th></tr>
<tr><td>First Exercise Period</td><td>From the first trading day after 24 months from the grant date to the last trading day within 36 months from the grant date</td><td>33%</td></tr>
<tr><td>Second Exercise Period</td><td>From the first trading day after 36 months from the grant date to the last trading day within 48 months from the grant date</td><td>33%</td></tr>
<tr><td>Third Exercise Period</td><td>From the first trading day after 48 months from the grant date to the last trading day within 60 months from the grant date</td><td>34%</td></tr>
</table></td></tr>
<tr><td>The amount payable on application or acceptance of the share options, and the period within which payments or calls must or may be made, or loans for such purposes must be repaid</td><td>No payments are required from a participant of the Share Incentive Scheme on application or acceptance of the share options.</td></tr>
<tr><td>Effective period of the Share Incentive Scheme</td><td>The Share Incentive Scheme shall be valid from the grant date until the date when all share options have been exercised, cancelled or lapsed and the maximum effective period of the Share Incentive Scheme shall not exceed 72 months.</td></tr>
<tr><td>Performance targets</td><td>The Board may at its discretion to specify any conditions, including performance targets which must be satisfied before the share options are vested. Such performance targets may include financial targets or management targets which may include, among others, the following key performance indicators:

(i) The level of return on equity and the ranking compared with the industry average or benchmark companies;

(ii) The level of compound growth rate of net profit and the ranking compared with the industry average or benchmark companies;

(iii) The level of economic value added (EVA) rate; and

(iv) The ratio of clean energy installed capacity to total installed capacity (sustainability performance).</td></tr>
</table>

DIRECTORS' INTEREST IN CONTRACTS

During the year ended 31 December 2024, there was no transaction, arrangement or contract of significance in which the Company, its subsidiaries, its holding companies, fellow subsidiaries, associates and joint ventures was a party, and in which the Director had any material interest.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year, save as disclosed below, none of the Directors and their associates had any interests in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group:

Name of the Director	Position(s) within Company	Other Interests
HE Xi	Chairman of the Board and Executive Director	Chaiman of CPI Holding and National Bio Energy Group Co., Ltd.
GAO Ping	Executive Director and President	Vice Chairman of National Bio Energy Group Co., Ltd.
HU Jiandong (Appointed on 18 November 2024)	Non-executive Director	Special duty director of SPIC, director of CPI Holding, Qinghai Yellow River Upstream Hydropower Development Co. Ltd., SPIC Yellow River Upstream Hydropower Development Co., Ltd. and Jilin Electric (a company listed on the Shenzhen Stock Exchange)
ZHOU Jie	Non-executive Director	Special duty director of SPIC, director of CPI Holding, Qinghai Yellow River Upstream Hydropower Development Co., Ltd. and SPIC Yellow River Upstream Hydropower Development Co., Ltd.
HUANG Qinghua	Non-executive Director	Special duty director of SPIC, director of CPI Holding, SPIC Chongqing Electric Power Co., Ltd., SPIC Guizhou Jinyuan Co., Ltd. and SPIC Aluminum & Power Investment Co., Ltd.

DIRECTORS' INTERESTS IN SHARES, UNDERLYING SHARES OR DEBENTURES

As at 31 December 2024, the following Directors have the following interest in the shares of the Company:

Name	Capacity	Number of share options held	Percentage of issued share capital of the Company (%)	Long/Short position
HE Xi	Beneficial owner	737,000	0.006	Long
GAO Ping	Beneficial owner	737,000	0.006	Long

Save as disclosed above, none of the Directors or the chief executive 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, Cap. 571 of the Laws of Hong Kong (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 and short positions which they are taken or deemed to have under such provisions of the SFO), or which would be required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein or which would be 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 SECURITIES

As at 31 December 2024, save as disclosed below, no person, not being a Director nor chief executive of the Company, had an interest or short position in the shares or underlying shares of the Company which should be recorded in the register kept under Section 336 of the SFO.

Name	Capacity	Number of shares in which interested other than under equity derivatives[4]	Percentage of issued share capital of the Company (%)	Long/Short position
CPDL	Beneficial owner	2,662,000,000	21.52	Long
CPNE	Beneficial owner	1,854,648,662	14.99	Long
CPI Holding[1]	Interest of controlled corporations	4,516,648,662	36.51	Long
	Beneficial owner	2,833,518,060	22.91	Long
SPIC Finance HK	Beneficial owner	446,275,453	3.61	Long
SPIC Fund	Beneficial owner	204,196,000	1.65	Long
SPIC[2]	Interest of controlled corporations	8,000,638,175	64.68	Long
China CITIC Financial AMC International Holdings Limited ("CITIC International")	Beneficial owner	618,508,000	5.00	Long
CITIC Financial AMC[3]	Interest of controlled corporation	618,508,000	5.00	Long
	Beneficial owner	12,650,000	0.10	Long

Notes:

(1) CPI Holding is the beneficial owner of CPDL and CPNE and therefore CPI Holding is deemed to be interested in the shares of the Company owned by CPDL and CPNE for the purposes of the SFO.

(2) SPIC is the beneficial owner of CPI Holding, SPIC Finance HK and SPIC Fund and therefore SPIC is deemed to be interested in the shares of the Company owned by CPI Holding, SPIC Finance HK and SPIC Fund for the purposes of the SFO.

(3) According to the Corporate Substantial Shareholder Notice filed by CITIC Financial AMC with the Hong Kong Stock Exchange pursuant to Part XV of the SFO — Disclosure of Interests, on 6 August 2024, CITIC Financial AMC directly holds 12,650,000 shares of the Company and indirectly holds 618,508,000 shares of the Company through its wholly-owned subsidiary, CITIC International. CITIC Financial AMC is the beneficial owner of CITIC International and therefore CITIC Financial AMC is deemed to be interested in the shares of the Company owned by CITIC International for the purpose of the SFO.

(4) Save as disclosed above and to the best of the Company's knowledge, information and belief, SPIC, CPI Holding, CPDL, CPNE, SPIC Finance HK and SPIC Fund do not have any other interests in the equity derivatives of the Company.

Overview
Business Review and Analysis
Corporate Governance
Financial Information
Other Information

CONNECTED TRANSACTIONS

The connected transactions and continuing connected transactions entered by the Group during the year 2024 are set out in the schedule annexed to the Audit Committee Report in this annual report.

The Company confirmed that all the continuing connected transactions have been conducted in accordance with the specific pricing policies and guidelines of the aforesaid agreements as disclosed during the year under review. The continuing connected transactions (including the related parties transactions) during the year have been reviewed by the Audit Committee and the Company's external auditor (Ernst & Young).

In the opinion of the Directors and as confirmed by the Audit Committee and the Company's external auditor (Ernst & Young), the Company has complied with the disclosure requirements in accordance with the relevant Listing Rules.

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2024, the aggregate amount of purchases attributable to the Group's five largest suppliers accounted for approximately 47.90% of the Group's total purchases and purchases attributable to the Group's largest supplier accounted for approximately 26.62% of the Group's total purchases.

For the year ended 31 December 2024, the aggregate amount of turnover attributable to the Group's five largest customers accounted for approximately 50.70% of the Group's total turnover and turnover attributable to the Group's largest customer accounted for approximately 13.40% of the Group's total turnover.

At no time during the year did a Director, an associate of a Director and a shareholder of the Company (which to the knowledge of the Directors owned more than 5% of the Company's share capital) have an interest in any of the Group's five largest suppliers or customers.

DONATIONS

Donations by the Group for charitable purposes amounted to RMB4,356,400 (2023: RMB3,142,800).

PUBLIC FLOAT

As at the date of this annual report, based on public information available to the Company and to the best knowledge of the Directors, the Company maintained sufficient public float, being no less than 25% of the issued share capital of the Company as required under the Listing Rules.

AUDITOR

The Consolidated Financial Statements have been audited by Ernst & Young who will retire and, being eligible, offered themselves for re-appointment.

On behalf of the Board
China Power International Development Limited

HE Xi
Chairman

Hong Kong, 20 March 2025

EY 安永

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To the members of China Power International Development Limited
(Incorporated in Hong Kong with limited liability)

OPINION

We have audited the consolidated financial statements of China Power International Development Limited (the "Company") and its subsidiaries (the "Group") set out on pages 148 to 263, which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy 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 Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the 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 MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were 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 these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

KEY AUDIT MATTERS (CONTINUED)

Key audit matter	How our audit addressed the key audit matter
Impairment considerations of property, plant and equipment and goodwill	
As at 31 December 2024, the Group's property, plant and equipment ("PPE") and goodwill amounted to RMB226,873 million and RMB1,241 million, respectively. As disclosed in Notes 2.10, 3(i), 15 and 18 to the consolidated financial statements, the Group reviews PPE for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, while impairment assessments on goodwill are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. As a result of the impairment testing of the current year, impairment losses of RMB265 million were recognized in respect of PPE. Management performed the impairment testing by comparing the recoverable amount of the cash generating units ("CGUs") or group of CGUs that the PPE and goodwill are allocated to the carrying amount of the CGUs or group of CGUs. Estimation of the recoverable amounts of the CGUs involves estimation of the future cash flows which requires significant management judgement and estimates. Auditing management's impairment assessment was complex due to the significant estimates and judgements involved in the projection of future cash flows, including the future sales volumes, expected tariff rates, fuel costs (if applicable), staff costs, growth rates and discount rates applied to these forecasted future cash flows. These estimates and judgements might be affected by unexpected changes in the future market or economic conditions.	Among other audit procedures performed, we compared the methodology used by the Group, that is the recoverable amount calculation based on future discounted cash flows, to industry practice and tested the underlying data used in the projections. We evaluated the appropriateness of the classification of CGUs or groups of CGUs. We also assessed the significant assumptions used in the calculations, which included, among others, the future sales volumes, expected tariff rates, fuel costs (if applicable), staff costs, growth rates and discount rates applied to these forecasted future cash flows, by comparing them to external industry outlook reports and analyzing the historical accuracy of management's estimates. We also assessed the competence and objectivity of external value appraisers and management's experts. In addition, we involved our valuation specialists to assist us in the assessment of the valuation methodologies and the discount rate adopted. We evaluated the sensitivity of the significant assumptions described above by assessing the changes to the recoverable amounts of the CGUs resulting from changes in these assumptions, both individually and in aggregate. In addition, we also assessed the adequacy of the Group's relevant disclosures included in the consolidated financial statements regarding the impairment and recoverable amounts.

OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

The directors of the Company are responsible for the other information. The other information comprises 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 of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the 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 of the Company 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 of the Company either intend to liquidate the Group or to cease operations or have no realistic alternative but to do so.

The directors of the Company 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 auditor's report that includes our opinion. Our report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, 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 the consolidated financial statements.

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

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.

- 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

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

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and to 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 Ng Siu Ki Ricky.

Ernst & Young
Certified Public Accountants
Hong Kong
20 March 2025

Consolidated Income Statement

For the year ended 31 December 2024

	Notes	Year ended 31 December 2024 RMB'000	2023 RMB'000
Revenue	4	**54,212,792**	44,261,767
Other income	5	**2,538,793**	2,319,566
Fuel costs		**(16,356,588)**	(16,801,146)
Depreciation		**(12,663,472)**	(9,080,548)
Staff costs	6	**(5,539,523)**	(4,638,636)
Repairs and maintenance		**(1,029,122)**	(1,095,579)
Subcontracting costs		**(93,174)**	(104,883)
Cost of sales of energy storage equipment		**(3,119,462)**	(2,144,556)
Consumables		**(518,917)**	(534,308)
Other gains and losses, net	7	**735,572**	678,814
Other operating expenses	8	**(5,999,708)**	(4,145,304)
Operating profit	9	**12,167,191**	8,715,187
Finance income	10	**153,955**	279,121
Finance costs	10	**(5,043,066)**	(4,273,867)
Share of results of associates		**551,145**	504,855
Share of results of joint ventures		**181,455**	201,294
Profit before taxation		**8,010,680**	5,426,590
Income tax expense	11	**(1,470,790)**	(892,635)
Profit for the year		**6,539,890**	4,533,955
Attributable to:			
Ordinary shareholders of the Company		**3,364,381**	2,660,322
Other equity instruments' holders		**497,441**	424,147
Non-controlling interests		**2,678,068**	1,449,486
		6,539,890	4,533,955
Earnings per share for profit attributable to ordinary shareholders of the Company (expressed in RMB per share)			
— Basic	12	**0.27**	0.22
— Diluted	12	**0.27**	0.22

Details of the dividends to ordinary shareholders of the Company attributable to the profit for the year are set out in Note 13.

The notes on pages 155 to 263 are an integral part of these consolidated financial statements.

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2024

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Profit for the year	**6,539,890**	4,533,955
Other comprehensive income:		
Items that will not be reclassified to profit or loss:		
Fair value gain/(loss) on equity instruments at fair value through other comprehensive income ("FVTOCI"), net of tax	**195,570**	(413,328)
Share of other comprehensive loss of an associate	**(1,021)**	–
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign operations	**(24,979)**	–
Share of other comprehensive loss of a joint venture and an associate	**(75)**	–
Fair value loss on debt instruments at FVTOCI, net of tax	**(1,140)**	(825)
Release on derecognition of debt instruments at FVTOCI, net of tax	**825**	1,409
Other comprehensive income/(loss) for the year, net of tax	**169,180**	(412,744)
Total comprehensive income for the year	**6,709,070**	4,121,211
Attributable to:		
Ordinary shareholders of the Company	**3,544,059**	2,246,147
Other equity instruments' holders	**497,441**	424,147
Non-controlling interests	**2,667,570**	1,450,917
Total comprehensive income for the year	**6,709,070**	4,121,211

The notes on pages 155 to 263 are an integral part of these consolidated financial statements.

Consolidated Statement of Financial Position

As at 31 December 2024

	Notes	As at 31 December 2024 RMB'000	2023 RMB'000
ASSETS			
Non-current assets			
Property, plant and equipment	15	**226,873,371**	202,555,694
Right-of-use assets	16	**9,772,861**	8,494,624
Prepayments for construction of power plants	17	**5,499,909**	6,194,356
Goodwill	18	**1,240,558**	1,240,558
Other intangible assets	19	**14,960,689**	16,135,447
Interests in associates	20	**8,606,139**	7,812,833
Interests in joint ventures	21	**2,384,166**	2,448,479
Equity instruments at FVTOCI	22	**5,091,105**	4,760,344
Deferred income tax assets	23	**1,138,019**	1,096,304
Restricted deposits	30	**29,706**	42,909
Other non-current assets	24	**13,220,651**	9,383,080
		288,817,174	260,164,628
Current assets			
Inventories	25	**1,402,560**	2,380,212
Accounts receivable	26	**31,647,499**	25,235,221
Prepayments, deposits and other receivables	27	**8,485,593**	7,967,510
Amounts due from related parties	28	**3,833,153**	4,111,062
Tax recoverable		**83,769**	69,473
Debt instruments at FVTOCI	29	**81,226**	59,345
Restricted deposits	30	**30,957**	80,513
Cash and cash equivalents	31	**6,073,616**	5,738,815
		51,638,373	45,642,151
Total assets		**340,455,547**	305,806,779
EQUITY			
Equity attributable to ordinary shareholders of the Company			
Share capital	32	**24,508,986**	24,508,986
Reserves	35	**15,280,985**	13,956,246
		39,789,971	38,465,232
Other equity instruments	34	**15,107,492**	15,174,509
Non-controlling interests	49	**52,634,930**	41,380,971
Total equity		**107,532,393**	95,020,712

	Notes	As at 31 December 2024 RMB'000	2023 RMB'000
LIABILITIES			
Non-current liabilities			
Deferred income		**100,250**	58,107
Bank borrowings	36	**110,759,447**	99,651,965
Borrowings from related parties	37	**5,312,428**	16,582,669
Other borrowings	38	**14,635,802**	11,213,837
Lease liabilities	39	**4,344,383**	3,398,570
Deferred income tax liabilities	23	**2,783,870**	2,849,526
Provisions for other long-term liabilities	40	**1,804,615**	1,860,767
		139,740,795	135,615,441
Current liabilities			
Accounts and bills payables	41	**3,699,803**	3,823,396
Construction costs payable		**18,218,505**	16,494,052
Other payables and accrued charges	42	**5,461,766**	5,523,832
Amounts due to related parties	28	**2,955,694**	10,965,201
Bank borrowings	36	**29,763,702**	19,628,679
Borrowings from related parties	37	**22,971,191**	10,441,339
Other borrowings	38	**8,951,915**	7,063,759
Lease liabilities	39	**622,102**	734,022
Tax payable		**537,681**	496,346
		93,182,359	75,170,626
Total liabilities		**232,923,154**	210,786,067
Total equity and liabilities		**340,455,547**	305,806,779
Net current liabilities		**41,543,986**	29,528,475
Total assets less current liabilities		**247,273,188**	230,636,153

The consolidated financial statements on pages 148 to 263 were approved and authorized for issue by the Board on 20 March 2025 and are signed on its behalf by:

HE Xi
Director

GAO Ping
Director

The notes on pages 155 to 263 are an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

For the year ended 31 December 2024

	Attributable to ordinary shareholders of the Company						
	Share capital (Note 32) RMB'000	Other reserves (Note 35) RMB'000	Retained earnings (Note 35) RMB'000	Sub-total RMB'000	Other equity instruments (Note 34) RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
At 1 January 2024	**24,508,986**	**6,300,008**	**7,656,238**	**38,465,232**	**15,174,509**	**41,380,971**	**95,020,712**
Profit for the year	–	–	3,364,381	3,364,381	497,441	2,678,068	6,539,890
Other comprehensive income for the year:							
Fair value gain/(loss) on equity instruments at FVTOCI, net of tax	–	196,252	–	196,252	–	(682)	195,570
Fair value loss on debt instruments at FVTOCI, net of tax	–	(652)	–	(652)	–	(488)	(1,140)
Release on derecognition of debt instruments at FVTOCI, net of tax	–	533	–	533	–	292	825
Share of other comprehensive loss of associates and a joint venture, net of tax	–	(718)	–	(718)	–	(378)	(1,096)
Exchange differences on translation of foreign operations	–	(15,737)	–	(15,737)	–	(9,242)	(24,979)
Total comprehensive income for the year	–	179,678	3,364,381	3,544,059	497,441	2,667,570	6,709,070
Share-based payment expenses (Note 33)	–	19,283	–	19,283	–	–	19,283
Issuance of perpetual debts (Note 34)	–	–	–	–	32,050	–	32,050
Redemption of perpetual debts (Note 34)	–	–	–	–	(163,430)	–	(163,430)
Transfer to statutory reserves	–	1,223,339	(1,223,339)	–	–	–	–
Capital injections from non-controlling shareholders of subsidiaries	–	–	–	–	–	6,124,603	6,124,603
Acquisitions of subsidiaries (Note 47)	–	–	–	–	–	1,596,489	1,596,489
Disposal of interests in subsidiaries (Note 46(b))	–	–	–	–	–	(322,593)	(322,593)
Disposal of interests in subsidiaries without loss of control (Note 46(a))	–	12,765	–	12,765	–	3,081,948	3,094,713
Dividends paid to non-controlling interests	–	–	–	–	–	(1,894,058)	(1,894,058)
Distributions to holders of other equity instruments	–	–	–	–	(433,078)	–	(433,078)
Appropriation of safety production funds	–	212,214	(212,214)	–	–	–	–
Share of changes of reserves of associates and joint ventures	–	23,453	(23,453)	–	–	–	–
2023 final dividend (Note 13)	–	–	(1,632,860)	(1,632,860)	–	–	(1,632,860)
2024 special dividend (Note 13)	–	–	(618,508)	(618,508)	–	–	(618,508)
Total transactions recognized directly in equity	–	1,491,054	(3,710,374)	(2,219,320)	(564,458)	8,586,389	5,802,611
At 31 December 2024	24,508,986	7,970,740	7,310,245	39,789,971	15,107,492	52,634,930	107,532,393

Consolidated Statement of Changes in Equity

For the year ended 31 December 2024

	Attributable to ordinary shareholders of the Company						
	Share capital (Note 32) RMB'000	Other reserves (Note 35) RMB'000	Retained earnings (Note 35) RMB'000	Sub-total RMB'000	Other equity instruments (Note 34) RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
At 1 January 2023	24,508,986	6,732,799	7,087,579	38,329,364	8,639,281	21,621,460	68,590,105
Profit for the year	–	–	2,660,322	2,660,322	424,147	1,449,486	4,533,955
Other comprehensive income for the year:							
Fair value (loss)/gain on equity instruments at FVTOCI, net of tax	–	(414,856)	–	(414,856)	–	1,528	(413,328)
Fair value loss on debt instruments at FVTOCI, net of tax	–	(533)	–	(533)	–	(292)	(825)
Release on derecognition of debt instruments at FVTOCI, net of tax	–	1,214	–	1,214	–	195	1,409
Total comprehensive (expense)/income for the year	–	(414,175)	2,660,322	2,246,147	424,147	1,450,917	4,121,211
Share-based payment expenses (Note 33)	–	7,422	–	7,422	–	–	7,422
Issuance of perpetual debts (Note 34)	–	–	–	–	5,008,740	–	5,008,740
Issuance of perpetual medium-term notes (Note 34)	–	(1,800)	–	(1,800)	3,000,000	–	2,998,200
Redemption of perpetual medium-term notes (Note 34)	–	–	–	–	(2,997,600)	–	(2,997,600)
Transfer to statutory reserves	–	605,027	(605,027)	–	–	–	–
Capital injections from non-controlling shareholders of subsidiaries	–	–	–	–	–	6,127,650	6,127,650
Acquisitions of subsidiaries	–	–	–	–	1,501,777	10,253,797	11,755,574
Acquisition of non-controlling interests	–	(826,771)	–	(826,771)	–	(207,082)	(1,033,853)
Obtaining control of an associate	–	–	–	–	–	113,579	113,579
Disposal of interests in subsidiaries without loss of control	–	71,587	–	71,587	–	3,168,987	3,240,574
Dividends paid to non-controlling interests	–	–	–	–	–	(1,148,337)	(1,148,337)
Distributions to holders of other equity instruments	–	–	–	–	(401,836)	–	(401,836)
Appropriation of safety production funds	–	108,734	(108,734)	–	–	–	–
Share of changes of reserves of associates and joint ventures	–	17,185	(17,185)	–	–	–	–
2022 final dividend (Note 13)	–	–	(1,360,717)	(1,360,717)	–	–	(1,360,717)
Total transactions recognized directly in equity	–	(18,616)	(2,091,663)	(2,110,279)	6,111,081	18,308,594	22,309,396
At 31 December 2023	24,508,986	6,300,008	7,656,238	38,465,232	15,174,509	41,380,971	95,020,712

The notes on pages 155 to 263 are an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

For the year ended 31 December 2024

	Notes	Year ended 31 December 2024 RMB'000	2023 RMB'000
Cash flows from operating activities			
Net cash generated from operating activities	43(a)	**10,621,363**	9,903,018
Cash flows from investing activities			
Payments for property, plant and equipment and prepayments for construction of power plants		**(26,979,952)**	(24,647,824)
Payments for right-of-use assets		**(572,507)**	(818,134)
Proceeds from disposal of property, plant and equipment		**28,679**	15,889
Proceeds from disposal of an equity instruments at FVTOCI		**10,000**	–
Proceeds from disposal of a joint venture		**173,901**	–
Net cash inflow/(outflow) on acquisitions of subsidiaries	47	**5,956**	(1,047,763)
Net cash inflow on obtaining control of an associate		**–**	25,198
Net cash outflow on disposals of subsidiaries	46(b)	**(16,097)**	(115,034)
Payments of consideration payable for acquisition of subsidiaries in prior years		**(7,263,767)**	(750,975)
Investments in associates		**(215,507)**	(923,130)
Investments in joint ventures		**–**	(251,986)
Investments in equity instruments at FVTOCI		**(80,000)**	(80,000)
Capital injections to associates, joint ventures and equity instruments at FVTOCI		**(516,404)**	(1,889,128)
(Advances to)/repayment from related parties		**(155,578)**	3,337,857
Dividends received		**226,298**	95,891
Interests received		**119,830**	251,035
Decrease/(increase) in restricted deposits		**62,759**	(45,467)
Net cash used in investing activities		**(35,172,389)**	(26,843,571)
Cash flows from financing activities			
Drawdown of bank borrowings	43(b)	**93,601,694**	61,664,166
Drawdown of borrowings from related parties	43(b)	**24,596,575**	16,660,497
Drawdown of other borrowings	43(b)	**11,605,886**	3,728,296
Capital injections from non-controlling shareholders of subsidiaries		**6,124,603**	6,127,650
Proceeds from disposal of equity interests in subsidiaries without loss of control	46(a)	**3,094,713**	3,240,574
Acquisition of non-controlling interests		**–**	(1,033,853)
Issuance of perpetual debts	34	**32,050**	5,008,740
Redemption of perpetual debts	34	**(163,430)**	–
Issuance of perpetual medium-term notes	34	**–**	3,000,000
Redemption of perpetual medium-term notes	34	**–**	(3,000,000)
Repayment of bank borrowings	43(b)	**(77,909,879)**	(55,375,760)
Repayment of borrowings from related parties	43(b)	**(23,347,534)**	(12,057,974)
Repayment of other borrowings	43(b)	**(7,436,635)**	(5,421,698)
Payments for lease liabilities	43(b)	**(850,527)**	(1,517,227)
Final dividend paid		**(1,655,555)**	(1,384,828)
Special dividend paid		**(616,495)**	–
Distributions to holders of other equity instruments	34	**(433,078)**	(401,836)
Dividends paid to non-controlling interests		**(1,756,545)**	(784,530)
Net cash generated from financing activities		**24,885,843**	18,452,217
Net increase in cash and cash equivalents		**334,817**	1,511,664
Cash and cash equivalents at 1 January		**5,738,815**	4,228,099
Exchange loss, net		**(16)**	(948)
Cash and cash equivalents at 31 December	31	**6,073,616**	5,738,815

The notes on pages 155 to 263 are an integral part of these consolidated financial statements.

1. GENERAL INFORMATION

China Power International Development Limited (the "Company") was incorporated in Hong Kong on 24 March 2004 as a limited liability company under the Hong Kong Companies Ordinance. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Company and its subsidiaries (together referred to as the "Group") are principally engaged in the generation and sale of electricity in the People's Republic of China (the "PRC"), including investment, development, operation and management of hydropower, wind power, photovoltaic power and thermal power plants, and the provision of energy storage, green power transportation and integrated intelligent energy solution services. Its businesses are located in various major power grid regions of the PRC.

The Group is controlled by China Power International Holding Limited ("CPI Holding"), an intermediate holding company which directly holds the Company's shares and also indirectly holds through China Power Development Limited ("CPDL"), a wholly-owned subsidiary of CPI Holding and through China Power (New Energy) Holdings Limited ("CPNE"), a non-wholly owned subsidiary of CPI Holding. The directors of the Company (the "Directors") regard State Power Investment Corporation Limited (國家電力投資集團有限公司) ("SPIC"), a wholly state-owned enterprise established in the PRC which is the beneficial owner of CPI Holding, as the ultimate holding company.

The consolidated financial statements are presented in thousands of Renminbi ("RMB'000"), unless otherwise stated, and have been approved by the board of Directors (the "Board") on 20 March 2025.

2. MATERIAL ACCOUNTING POLICIES

The material accounting policy applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of the Company have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") and the Hong Kong Companies Ordinance. In addition, the consolidated financial statements include the applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). The consolidated financial statements have been prepared under the historical cost convention except for certain equity instruments and debt instruments, which have been measured at fair value.

The preparation of consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 3.

The consolidated financial statements are prepared on a going concern basis, details of which are set out in Note 45.2(e).

2.2 Changes in accounting policies and disclosures

The Group has adopted the following revised HKFRSs for the first time for the current year's consolidated financial statements.

Amendments to HKFRS 16	*Lease Liability in a Sale and Leaseback*
Amendments to HKAS 1	*Classification of Liabilities as Current or Non-current (the "2020 Amendments")*
Amendments to HKAS 1	*Non-current Liabilities with Covenants (the "2022 Amendments")*
Amendments to HKAS 7 and HKFRS 7	*Supplier Finance Arrangements*

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 Changes in accounting policies and disclosures *(Continued)*

The nature and the impact of the revised HKFRSs that are applicable to the Group are described below:

Amendments to HKFRS 16

Amendments to HKFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. Since the Group has no sale and leaseback transactions with variable lease payments that do not depend on an index or a rate occurring from the date of initial application of HKFRS 16, the amendments did not have any impact on the financial position or performance of the Group.

Upon initial application of the amendments, the Group, as a seller-lessee, established an accounting policy that leaseback liabilities are initially measured using the present value of expected lease payments at the commencement date for sale and leaseback transactions with variable lease payments that do not depend on an index or a rate. The Group applied the amendments retrospectively in accordance with HKAS 8 to sale and leaseback transactions occurring after 1 January 2019. After the initial recognition, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the expected lease payments. Any differences between the payments made for the lease and the lease payments that reduce the carrying amount of lease liabilities are recognised in profit or loss.

Amendments to HKAS 1

The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The 2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period.

The Group has reassessed the terms and conditions of its liabilities as at 1 January 2023 and 2024 and concluded that the classification of its liabilities as current or non-current remained unchanged upon initial application of the amendments. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.

The adoption of the amendments did not have any impact on the basic and diluted earnings per share attributable to ordinary shareholders of the Company, profit or loss, other comprehensive income and the consolidated statements of cash flows for the years ended 31 December 2024 and 2023.

Amendments to HKAS 7 and HKFRS 7

Amendments to HKAS 7 and HKFRS 7 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. As the Group does not have supplier finance arrangements, the amendments did not have any impact on the Group's consolidated financial statements.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.3 Issued but not yet effective HKFRSs

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective in these consolidated financial statements. The Group intends to apply these new and revised HKFRSs, if applicable, when they become effective.

Amendments to HKAS 21	*Lack of Exchangeability* (1)
Amendments to HKFRS 9 and HKFRS 7	*Amendments to the Classification and Measurement of Financial Instruments* (2)
Annual Improvements to HKFRS Accounting Standards — Volume 11	*Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7* (2)
HKFRS 18	*Presentation and Disclosure in Financial Statements* (3)
Amendments to HKFRS 10 and HKAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* (4)

(1) Effective for annual periods beginning on or after 1 January 2025
(2) Effective for annual periods beginning on or after 1 January 2026
(3) Effective for annual periods beginning on or after 1 January 2027
(4) No mandatory effective date yet determined but available for adoption

Further information about those HKFRSs that are expected to be applicable to the Group is described below:

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

Amendments to HKFRS 9 and HKFRS 7 clarify the date on which a financial asset or financial liability is derecognised and introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at FVTOCI and financial instruments with contingent features. The amendments shall be applied retrospectively with an adjustment to opening retained profits (or other component of equity) at the initial application date. Prior periods are not required to be restated and can only be restated without the use of hindsight. Earlier application of either all the amendments at the same time or only the amendments related to the classification of financial assets is permitted. The amendments are not expected to have any significant impact on the Group's consolidated financial statements.

Annual Improvements to HKFRS Accounting Standards — Volume 11 set out amendments to HKFRS 1, HKFRS 7 (and the accompanying Guidance on implementing HKFRS 7), HKFRS 9, HKFRS 10 and HKAS 7. Details of the amendments that are expected to be applicable to the Group are as follows:

- HKFRS 7 *Financial Instruments: Disclosures*: The amendments have updated certain wording in paragraph B38 of HKFRS 7 and paragraphs IG1, IG14 and IG20B of the Guidance on implementing HKFRS 7 for the purpose of simplification or achieving consistency with other paragraphs in the standard and/or with the concepts and terminology used in other standards. In addition, the amendments clarify that the Guidance on implementing HKFRS 7 does not necessarily illustrate all the requirements in the referenced paragraphs of HKFRS 7 nor does it create additional requirements. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's consolidated financial statements.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.3 Issued but not yet effective HKFRSs *(Continued)*

- HKFRS 9 *Financial Instruments*: The amendments clarify that when a lessee has determined that a lease liability has been extinguished in accordance with HKFRS 9, the lessee is required to apply paragraph 3.3.3 of HKFRS 9 and recognise any resulting gain or loss in profit or loss. In addition, the amendments have updated certain wording in paragraph 5.1.3 of HKFRS 9 and Appendix A of HKFRS 9 to remove potential confusion. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's consolidated financial statements.

- HKFRS 10 *Consolidated Financial Statements*: The amendments clarify that the relationship described in paragraph B74 of HKFRS 10 is just one example of various relationships that might exist between the investor and other parties acting as de facto agents of the investor, which removes the inconsistency with the requirement in paragraph B73 of HKFRS 10. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's consolidated financial statements.

- HKAS 7 *Statement of Cash Flows*: The amendments replace the term "cost method" with "at cost" in paragraph 37 of HKAS 7 following the prior deletion of the definition of "cost method". Earlier application is permitted. The amendments are not expected to have any impact on the Group's consolidated financial statements.

HKFRS 18 replaces HKAS 1 *Presentation of Financial Statements*. While a number of sections have been brought forward from HKAS 1 with limited changes, HKFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in HKAS 1 are moved to HKAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, which is renamed as HKAS 8 *Basis of Preparation of Financial Statements*. As a consequence of the issuance of HKFRS 18, limited, but widely applicable, amendments are made to HKAS 7 *Statement of Cash Flows*, HKAS 33 *Earnings per Share* and HKAS 34 *Interim Financial Reporting*. In addition, there are minor consequential amendments to other HKFRSs. HKFRS 18 and the consequential amendments to other HKFRSs are effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The Group is currently analysing the new requirements and assessing the impact of HKFRS 18 on the presentation and disclosure of the Group's consolidated financial statements.

Amendments to HKFRS 10 and HKAS 28 address an inconsistency between the requirements in HKFRS 10 and in HKAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss resulting from a downstream transaction when the sale or contribution of assets constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to HKFRS 10 and HKAS 28 was removed by the HKICPA. However, the amendments are available for adoption now. The amendments are not expected to have any significant impact on the Group's consolidated financial statements.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.4 Consolidation

(a) Subsidiaries

A subsidiary is an entity (including a structured entity) over which the Group has control. The Group controls an entity when the Group 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. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

(i) Business combinations

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value at acquisition date, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognized and measured in accordance with HKAS 12 *Income Taxes* and HKAS 19 *Employee Benefits* respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 *Share-based Payment* at the acquisition date (see the accounting policy below);
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard; and
- lease liabilities are recognized and measured at the present value of the remaining lease payments (as defined in HKFRS 16) as if the acquired leases were new leases at the acquisition date, except for leases for which (a) the lease term ends within 12 months of the acquisition date; or (b) the underlying asset is of low value. Right-of-use assets are recognized and measured at the same amount as the relevant lease liabilities, adjusted to reflect favourable or unfavourable terms of the lease when compared with market terms.

The Group recognizes any non-controlling interest in the acquiree on an acquisition-by-acquisition basis. Non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation are measured at either fair value or the present ownership interests' proportionate share in the recognized amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. All other components of non-controlling interests are measured at their fair values at acquisition date, unless another measurement basis is required by HKFRS.

Acquisition-related costs are expensed as incurred.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.4 Consolidation *(Continued)*

(a) Subsidiaries *(Continued)*

(i) Business combinations (Continued)

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognized in profit or loss or other comprehensive income, as appropriate.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value at acquisition date of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognized and previously held interest measured at fair value is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognized directly in the consolidated income statement.

Intra-group transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

(ii) Changes in ownership interests in existing subsidiaries

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries, including re-attribution of relevant reserves between the Group and the non-controlling interests according to the Group's and the non-controlling interests' proportionate interests. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to ordinary shareholders of the Company.

(iii) Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost. The fair value is the initial carrying amount for the purposes of subsequent accounting for the retained interest as associates, joint ventures or financial assets. A gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary attributable to the ordinary shareholders of the Company. All amounts previously recognized in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.4 Consolidation *(Continued)*

(a) Subsidiaries *(Continued)*

(iv) Acquisition of a subsidiary not constituting a business

When the Group acquires a group of assets and liabilities that do not constitute a business, the Group identifies and recognizes the individual identifiable assets acquired and liabilities assumed by allocating the purchase price first to the financial assets and financial liabilities at their respective fair values, the remaining balance of the purchase price is then allocated to the other individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction does not give rise to goodwill or negative goodwill.

(b) Associates

Associates are entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss and other comprehensive income of the investee after the date of acquisition. Upon the acquisition of the ownership interest in an associate, any difference between the cost of the associate and the Group's share of the net fair value of the associate's identifiable assets and liabilities is accounted for as goodwill.

If the ownership interest in an associate is reduced but significant influence is retained, the Group shall reclassify to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

The Group's share of post-acquisition profit or loss is recognized in the consolidated income statement, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognizes the amount in the consolidated income statement. Any impairment loss recognized is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

Profits and losses resulting from upstream and downstream transactions between the Group and its associates are recognized in the Group's consolidated financial statements only to the extent of unrelated investor's interests in the associates. Unrealized losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Gains or losses on dilution of equity interests in associates are recognized in the consolidated income statement.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.4 Consolidation *(Continued)*

(c) Joint ventures

The Group has applied HKFRS 11 to all joint arrangements. Under HKFRS 11, investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method.

Under the equity method of accounting, interests in joint ventures are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. Upon the acquisition of the ownership interest in a joint venture, any difference between the cost of the joint venture and the Group's share of the net fair value of the joint venture's identifiable assets and liabilities is accounted for as goodwill. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint ventures), the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

Unrealized gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

2.5 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The principal activities of the Group are mainly transacted in RMB and accordingly the consolidated financial statements are presented in RMB, which is the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated income statement.

Exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the consolidated income statement within "finance costs". All other exchange gains and losses are presented in the consolidated income statement within "other gains and losses, net".

Translation differences on non-monetary financial assets such as equity instruments are included in the FVTOCI reserve in equity.

(c) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.5 Foreign currency translation *(Continued)*

(c) Group companies *(Continued)*

(i) assets and liabilities for each statement of financial position presented are translated at the closing rate at the end of that reporting period;

(ii) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and

(iii) all resulting exchange differences are recognized in other comprehensive income.

2.6 Property, plant and equipment

Property, plant and equipment other than construction in progress are stated at cost less subsequent accumulated depreciation and subsequent impairment losses. Cost includes any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and, for qualifying assets, borrowing costs capitalized in accordance with the Group's accounting policy. Depreciation of these assets commences when the assets are ready for their intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the consolidated income statement during the period in which they are incurred.

Depreciation of property, plant and equipment (other than construction in progress) is calculated using the straight-line method to allocate their costs less accumulated impairment losses over their estimated useful lives to their residual values.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.10(a)). Such impairment losses are recognized in the consolidated income statement.

Gains or losses on disposals are determined by comparing the net sales proceeds with the carrying amount of the relevant assets and are recognized in the consolidated income statement.

2.7 Construction in progress and prepayments for construction of power plants

Construction in progress represents property, plant and equipment under construction and pending installation and is stated at cost less accumulated impairment losses, if any. Cost includes the costs of construction of buildings, the costs of plant and machinery, direct labour costs and overheads and, for qualifying assets, borrowing costs capitalized in accordance with the Group's accounting policy. No provision for depreciation is made on construction in progress until such time as the relevant assets are completed and are available for the intended use. When the assets concerned are brought into use, the costs are transferred to the appropriate categories of property, plant and equipment and depreciated in accordance with the policy as stated in Note 2.6 above.

Prepayments for construction of power plants represent advance payments made to contractors in connection with the construction of the Group's power plants including payments for equipment and machineries pending delivery to the relevant power plants for installation. Such prepayments are stated at cost less accumulated impairment losses, if any.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.8 Intangible assets

Intangible assets acquired in a business combination are recognized separately from goodwill and are initially recognized at their fair values at the acquisition date (which is regarded as their costs). Subsequent to initial recognition, intangible assets acquired in a business combination with finite useful lives are reported at costs less accumulated amortization and any accumulated impairment losses, being their fair values at the date of the revaluation less subsequent accumulated amortization and any accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Amortization for intangible assets with finite useful lives is recognized on a straight-line basis over expected beneficial period. The expected beneficial period and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in profit or loss when the asset is derecognized.

The Group's other intangible assets represent favourable tariff contracts and franchise rights as disclosed in Note 19.

2.9 Leases

Definition of 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.

For contracts entered into or modified or arising from business combinations on or after the date of initial application, the Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception, modification date or acquisition date, as appropriate. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

The 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 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	10 to 50 years
Buildings	2 to 20 years
Equipment	7 to 20 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)

2.9 Leases *(Continued)*

The 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 or a change in assessment of an option to purchase the underlying asset.

The Group presents lease liabilities as a separate line item on the consolidated statement of financial position.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of offices premises and equipment (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. 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.

Sale and leaseback transactions

The Group applies the requirements of HKFRS 15 to assess whether sale and leaseback transaction constitutes a sale by the Group.

The Group as a seller-lessee

For a transfer that satisfies the requirements as a sale, the Group as a seller-lessee measures the right-of-use asset arising from the leaseback at the proportion of the previous carrying amount of the asset and recognizes any gain or loss that relates to the rights transferred to the buyer-lessor only. For a transfer that does not satisfy the requirements as a sale, the Group as a seller-lessee accounts for the transfer proceeds as borrowings within the scope of HKFRS 9.

2.10 Impairment of non-financial assets

(a) Non-financial assets other than goodwill

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.10 Impairment of non-financial assets *(Continued)*

(a) Non-financial assets other than goodwill *(Continued)*

The recoverable amounts of property, plant and equipment, right-of-use assets, and intangible assets are estimated individually. When it is not possible to estimate the recoverable amount of an asset individually, the Group estimates the recoverable amount of the cash-generating unit ("CGU") to which the asset belongs.

In addition, the Group assesses whether there is indication that corporate assets may be impaired. If such indication exists, corporate assets are also allocated to individual CGU, when a reasonable and consistent basis of allocation can be identified, or otherwise they are allocated to the smallest group of CGU for which a reasonable and consistent allocation basis can be identified.

The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a CGU) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or a CGU) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a CGU, the Group compares the carrying amount of a group of CGUs, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of CGUs, with the recoverable amount of the group of CGUs. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of CGUs. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of CGUs. An impairment loss is recognized immediately in profit or loss.

Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a CGU or a group of CGUs) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or a CGU or a group of CGUs) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

(b) Goodwill

Goodwill arises on the acquisition of subsidiaries, associates and joint ventures and represents the excess of the consideration transferred over the Group's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree.

For the purpose of impairment assessment, goodwill acquired in a business combination is allocated to each of the CGUs or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at CGU level or groups of CGUs level within the operating segment.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.10 Impairment of non-financial assets *(Continued)*

(b) Goodwill *(Continued)*

Goodwill impairment assessments are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognized immediately as an expense and is not subsequently reversed.

2.11 Financial assets

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortized cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and the contractual term give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at FVTOCI:

- the financial asset is held within a business model whose objective is achieved by both selling and collecting contractual cash flows; and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value through profit or loss ("FVTPL"), except that at the date of initial application of HKFRS 9/initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if that equity investment is neither held for trading nor contingent consideration recognized by an acquirer in a business combination to which HKFRS 3 *Business Combinations* applies.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or it is a derivative that is not designated and effective as a hedging instrument.

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortized cost or FVTOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

(a) Amortized cost and interest income

Interest income is recognized using the effective interest method for financial assets measured subsequently at amortized cost. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognized by applying the effective interest rate to the amortized cost of the financial asset from the next reporting period. If the credit risk on the credit impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognized by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit impaired.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.11 Financial assets (Continued)

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

(b) Debt instruments classified as at FVTOCI

Subsequent changes in the carrying amounts for debt instruments classified as at FVTOCI are recognized in other comprehensive income and accumulated under the heading of FVTOCI reserve. Impairment allowance are recognized in profit or loss with corresponding adjustment to other comprehensive income without reducing the carrying amounts of these debt instruments. When these debt instruments are derecognized, the cumulative gains or losses previously recognized in other comprehensive income are reclassified to profit or loss.

(c) Equity instruments designated as at FVTOCI

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the FVTOCI reserve, and are not subject to impairment assessment. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, and will be transferred to retained earnings.

Dividends from these investments in equity instruments are recognized in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in "other income" in the consolidated income statement.

Impairment of financial assets

The Group performs impairment assessment under expected credit loss ("ECL") model on financial assets (including accounts receivable, note receivables, other receivables, deposits, amounts due from related parties, debt instruments at FVTOCI, restricted deposits and cash and cash equivalents) which are subject to impairment under HKFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ("12m") ECL represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment is done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognizes lifetime ECL for accounts receivable other than accounts receivable with significant financing components which is included in other non-current assets. The ECL on these assets are assessed individually.

For accounts receivable with significant financing component and all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition or the financial instrument is not determined to have low credit risk at the reporting date, the Group recognizes lifetime ECL. The assessment of whether lifetime ECL should be recognized is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.11 Financial assets *(Continued)*

Impairment of financial assets *(Continued)*

Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instruments external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor; or
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if (i) it has a low risk of default, (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when it has an internal or external credit rating of "investment grade" as per globally understood definitions.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due (except for clean energy power price premium) unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.11 Financial assets *(Continued)*

Impairment of financial assets *(Continued)*

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganization;
- the disappearance of an active market for that financial asset because of financial difficulties; or
- the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognized in profit or loss.

Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e., the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

Where ECL is measured on a collective basis or cater for cases where evidence at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments (i.e., the Group's other receivables are assessed as a separate group. Amounts due from related parties are assessed for expected credit losses on an individual basis);
- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.11 Financial assets *(Continued)*

Impairment of financial assets *(Continued)*

Measurement and recognition of ECL (Continued)

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortized cost of the financial asset.

Except for debt instruments that are measured at FVTOCI, the Group recognizes an impairment loss or reversal in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of accounts receivable where the corresponding adjustment is recognized through a loss allowance account. For debt instruments that are measured at FVTOCI, the loss allowance is recognized in other comprehensive income and accumulated in the FVTOCI reserve without reducing the carrying amounts of these debt instruments. Such amount represents the changes in the FVTOCI reserve in relation to accumulated loss allowance.

Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss.

On derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the FVTOCI reserve is reclassified to profit or loss.

On derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the FVTOCI reserve is not reclassified to profit or loss, but is transferred to retained earnings.

2.12 Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognized at the proceeds received, net of direct issue costs.

Perpetual securities

Perpetual securities are classified as equity if they are 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 recognized as distributions within equity.

The perpetual notes and other perpetual instruments are presented as "Other equity instruments".

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.12 Financial liabilities and equity *(Continued)*

Financial liabilities

All financial liabilities including bank borrowings, borrowings from related parties, other borrowings, lease liabilities, amounts due to related parties, accounts and bills payables, construction costs payable and other payables and accrued charge are subsequently measured at amortized cost using the effective interest method.

Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

2.13 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and with other financial institutions and other short-term highly liquid investments with original maturities of three months or less. Restricted deposits are separately disclosed from cash and cash equivalents.

2.14 Inventories

Inventories comprise coal, fuel oil, energy storage equipment, consumable supplies and spare parts held for consumption and usage and are stated at the lower of cost and net realizable value after provision for obsolete items, and are expensed to fuel costs or repairs and maintenance expense when used/consumed, or capitalized to property, plant and equipment when installed, as appropriate using weighted average method. Cost comprises purchase price and other costs incurred in bringing the inventories to their present location and condition and excludes borrowing costs.

2.15 Borrowings and borrowing costs

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the consolidated income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as these assets are substantially ready for their intended use or sale.

Any specific borrowing that remain outstanding after the related asset is ready for its intended use or sale is included in the general borrowing pool for calculation of capitalization rate on general borrowings. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.16 Current and deferred income tax

The tax expense for the year comprises current and deferred income tax. Tax is recognized in the consolidated income statement, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

(a) Current income tax

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the places where the Company and its subsidiaries, associates and joint ventures operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

In assessing any uncertainty over income tax treatments, the Group considers whether it is probable that the relevant tax authority will accept the uncertain tax treatment used, or proposed to be used by individual group entities in their income tax filings. If it is probable, the current and deferred taxes are determined consistently with the tax treatment in the income tax filings. If it is not probable that the relevant taxation authority will accept an uncertain tax treatment, the effect of each uncertainty is reflected by using either the most likely amount or the expected value.

(b) Deferred income tax

Deferred income tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred income tax liabilities are not recognized if they arise from the initial recognition of goodwill, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profits or losses. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized.

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, associates and joint ventures, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognized on deductible temporary differences arising from investments in subsidiaries, associates and joint ventures only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profits available against which the temporary difference can be utilized.

(c) Offsetting

Deferred income tax assets and liabilities are offset when there is a legally enforceable rights to offset current income tax assets against current income tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied to the same taxable entity by the same taxation authority.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.17 Employee benefits

(a) Pension obligations

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The Group's contributions to the Mandatory Provident Fund Scheme established under the Hong Kong Mandatory Provident Fund Schemes Ordinance are expensed as incurred. Both the Group and its employees in Hong Kong are required to contribute 5% of each individual's relevant income with a maximum amount of Hong Kong dollars ("HK$") 1,500 per month as a mandatory contribution. Employees may also elect to contribute more than the minimum as a voluntary contribution. The assets of the scheme are held separately from those of the Group and managed by independent professional fund managers. The Group has no future payment obligation once the contributions have been paid.

For employees in Mainland China, the Group contributes on a monthly basis to various defined contribution plans organized by the relevant municipal and provincial governments in the PRC based on certain percentage of the relevant employees' monthly salaries. The municipal and provincial governments undertake to assume the retirement benefit obligations payable to all existing and future retired employees under these plans and the Group has no further constructive obligation for any post-retirement benefits beyond the contributions made. Contributions to these plans are expensed as incurred.

All contributions to pension plans are fully and immediately vested and the Group had no unvested benefits available to reduce its future contributions.

(b) Bonus entitlements

The expected cost of bonus payments is recognized as a liability when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made. Liabilities of bonus plan are expected to be settled within 12 months and are measured at the amounts expected to be paid when they are settled.

(c) Share-based payments

The Group operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including Directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services in exchange for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions is recognized in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognized for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the consolidated income statement for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.18 Provisions

Provisions (including provisions for inundation compensation) are recognized when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligations using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision shall be reversed.

2.19 Government grants

Grants and subsidies from the government are recognized at their fair values for monetary asset where there is a reasonable assurance that the grant or subsidy will be received and the Group will comply with all attached conditions.

Government grants and subsidies relating to costs are deferred and recognized in the consolidated income statement over the period necessary to match them with the costs that they are intended to compensate.

Government grants and subsidies relating to property, plant and equipment and other environmental improvement projects are included in non-current liabilities as deferred income and are credited to the consolidated income statement on a straight-line basis over the expected lives of the related assets and projects.

Non-monetary assets transferred from the government are recognized at nominal amount.

2.20 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-makers. The chief operating decision-makers, who are responsible for allocating resources and assessing performance of the operating segments, have been identified as the executive Directors and certain senior managements who make strategic decisions.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.21 Revenue from contracts with customers

The Group recognizes revenue from sales of electricity to regional and provincial power grid companies, provision of power generation, subcontracting services and sales of energy storage equipment.

The Group recognizes revenue when (or as) a performance obligation is satisfied, i.e., when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good and services (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Control is transferred over time and revenue is recognized over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates and enhances an asset that the customer controls as the Group performs; or
- the Group's performance does not create an asset with alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognized at a point in time when the customer obtains control of the distinct good or service.

Existence of significant financing component

In determining the transaction price, the Group adjusts the promised amount of consideration for the effects of the time value of money if the timing of payments agreed (either explicitly or implicitly) provides the customer or the Group with a significant benefit of financing the transfer of goods or services to the customer. In those circumstances, the contract contains a significant financing component. A significant financing component may exist regardless of whether the promise of financing is explicitly stated in the contract or implied by the payment terms agreed to by the parties to the contract.

For contracts where the period between payment and transfer of the associated goods or services is less than one year, the Group applies the practical expedient of not adjusting the transaction price for any significant financing component.

For contracts where the Group transferred the associated goods or services before payments from customers in which the Group adjusts for the promised amount of consideration for significant financing components, the Group applies a discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. The Group recognizes interest income during the period between the payment from customers and the transfer of the associated goods or services.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.21 Revenue from contracts with customers *(Continued)*

Principal versus agent

When another party is involved in providing goods or services to a customer, the Group determines whether the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e., the Group is a principal) or to arrange for those goods or services to be provided by the other party (i.e., the Group is an agent).

The Group is a principal if it controls the specified good or service before that good or service is transferred to a customer.

The Group is an agent if its performance obligation is to arrange for the provision of the specified good or service by another party. In this case, the Group does not control the specified good or service provided by another party before that good or service is transferred to the customer. When the Group acts as an agent, it recognizes revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the specified goods or services to be provided by the other party.

Further details of revenue and income recognition policies are as follows:

(i) Sales of electricity to regional and provincial power grid companies, and provision of power generation

Revenue is recognized upon transmission of electricity to the power grid when the control of the electricity is transferred at the same time.

(ii) Subcontracting services for energy storage projects

A contract with a customer is classified by the Group as a construction contract when the contract relates to work on an asset under the control of the customer and therefore the Group's construction activities create or enhance an asset under the customer's control.

When the outcome of a construction contract can be reasonably measured, revenue from the contract is recognized progressively over time using the input method, i.e., based on the proportion of the actual costs incurred relative to the estimated total costs. When the outcome of the contract cannot be reasonably measured, revenue is recognized only to the extent of contract costs incurred that are expected to be recovered.

(iii) Sales of energy storage equipment

Revenue from the sales of energy storage equipment, at the point of time when control of the promised assets has been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.22 Revenue from other sources

Rental income is recognized on a time proportion basis over the lease terms. Variable lease payments that do not depend on an index or a rate are recognized as income in the accounting period in which they are incurred.

Dividend income is recognized 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.

Revenue from the sales of unused power production quota, heat, trading of coal, coal by-products, spare parts and others are recognized when the control is transferred to the customers.

2.23 Dividend distribution

Dividend distribution to the Company's ordinary shareholders is recognized as a liability in the period in which the dividends are approved by the Company's shareholders or Directors as appropriate.

2.24 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 a significant influence over the Group; or
- (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

(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 entity;
- (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; (If the Group is itself a plan) and the sponsoring employers of the post-employment benefit plan;
- (vi) the entity is controlled or jointly controlled by a person identified in (a);
- (vii) a person identified in (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. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Estimates and judgements used in preparing the consolidated financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Impairment of non-financial assets

The Group tests annually whether goodwill has suffered any impairment. Property, plant and equipment, right-of-use assets and other intangible assets (favourable tariff contracts and franchise rights) are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The Group also re-measures the assets and disposal groups classified as held for sale annually to see if impairment provision is needed. The recoverable amounts of property, plant and equipment and right-of-use assets have been determined based on higher of value in use calculations, which is measured at the net present value of future cash flows which are estimated based upon the continued use of the asset in the business, and fair value less costs of disposal. The recoverable amounts of other intangible assets (favourable tariff contracts and franchise rights) have been determined based on the discounted cash flow of tariff difference (Note 19) during the expected beneficial period. Assets and disposal groups classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to disposal. These calculations require the use of judgements and estimates.

Management judgement is required in the area of asset impairment and fair value assessment particularly in assessing: (i) whether an event has occurred that may indicate that the related asset values may not be recoverable; (ii) whether the carrying value of an asset can be supported by the recoverable amount; and (iii) the appropriate key assumptions to be applied in preparing cash flow projections including whether these cash flow projections are discounted using an appropriate rate. When it is not possible to estimate the recoverable amount of an individual asset (including right-of-use assets), the Group estimates the recoverable amount of the CGU or group of CGUs to which the asset belongs. Changing the assumptions selected by management in assessing impairment, including the future sales volume, expected tariff rates, fuel costs (if applicable), staff costs, the discount rates, growth rate and the beneficial period for the favourable tariff contracts (if applicable) assumptions in the cash flow projections, could materially affect the net present value used in the impairment assessment and as a result affect the Group's financial condition and results of operations. If there is a significant adverse change in the projected performance and resulting future cash flow projections, it may be necessary to take an impairment charge to the consolidated income statement.

In 2024, management has performed impairment assessments based on value in use calculation by measuring the recoverable amount of certain CGUs or group of CGUs associated with goodwill and certain property, plant and equipment, included in "Thermal power electricity" segment, "Hydropower electricity" segment, "Wind power electricity" segment and "Photovoltaic power electricity" segment.

As at 31 December 2024, the carrying amounts of property, plant and equipment, right-of-use assets, goodwill and other intangible assets (favourable tariff contracts and franchise rights) were RMB226,873,371,000, RMB9,772,861,000, RMB1,240,558,000 and RMB14,960,689,000 (2023: RMB202,555,694,000, RMB8,494,624,000, RMB1,240,558,000 and RMB16,135,447,000) respectively, the impairment of property, plant and equipment of RMB265,262,000 (2023: RMB66,964,000) were recognized, and no impairment of goodwill (2023:Nil) for the year then ended. Details of the impairment of property, plant and equipment and goodwill are disclosed in Note 15(e) and Note 18 respectively.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

(ii) Valuation of the provisions for compensation for inundation

The Group made provisions in relation to compensations for inundation caused by the construction of certain hydropower plants of the Group ("Inundation Compensation"). The provisions are measured at the present value of the expenditure expected to be required to settle the compensation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the compensation.

In determining the best estimate of the provisions for the Inundation Compensation, management is required to make subjective assumptions and judgements, including estimating the timing and duration of the compensation payments, the compensation per unit of area and growth rate of compensation as well as the pre-tax discount rate applied to account for time value of money and the risks specific to the compensation. Any change in assumptions or judgements applied would result in different provision amounts that would potentially affect the profit or loss and financial position of the Group significantly.

As at 31 December 2024, the provisions for Inundation Compensation were RMB1,816,146,000 (2023: RMB1,970,037,000). For the year ended 31 December 2024, management has reviewed and performed assessment on such provisions to reflect the current best estimate and reversal in provisions of RMB144,067,000 (2023: Nil) were deducted to the cost of property, plant and equipment in the consolidated statement of financial position (Notes 15(d) and 40).

(iii) Current and deferred income tax expenses

The Group is subject to income taxes in PRC and Hong Kong. Judgement is required in determining the provision for income taxes in each of these locations. There are transactions and calculations during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current income tax and deferred income tax provisions in the period in which such determination is made.

Deferred income tax assets relating to certain temporary differences and tax losses are recognized when management considers it is probable that future taxable profits will be available against which the temporary differences or tax losses can be utilized. When the expectation is different from the original estimate, such differences will impact the recognition of deferred tax assets and taxation amount in the period in which such estimate is changed.

(iv) Useful lives, residual values and depreciation charges of property, plant and equipment

The Group's management determines the estimated useful lives, residual values and related depreciation charges for the Group's property, plant and equipment, other than construction in progress. This estimate is based on the historical experience of the actual useful lives and residual values of property, plant and equipment of similar nature and functions. It could change significantly as a result of technological advancement and innovations in the power industry. Management will adjust the depreciation charge where useful lives or residual values vary with previously estimated, or it will write-off or write down technically obsolete. Actual economic lives may differ from estimated useful lives and actual residual values may differ from estimated residual values. Periodic review could result in a change in depreciable lives and residual values and therefore depreciation charges in the future periods. As at 31 December 2024, the carrying amount of property, plant and equipment, other than construction in progress, was RMB214,151,228,000 (2023: RMB190,754,236,000).

4. REVENUE AND SEGMENT INFORMATION

Revenue, representing turnover net of sales related taxes, recognized during the year is as follows:

	2024 RMB'000	2023 RMB'000
Types of goods or services:		
Sales of electricity to regional and provincial power grid companies (note (a))	**50,222,014**	41,637,383
Provision of power generation (note (b))	**82,536**	76,201
Energy storage revenue (note (c))	**3,908,242**	2,548,183
Total	**54,212,792**	44,261,767
Timing of revenue recognition:		
Goods — at a point in time	**54,069,391**	44,151,854
Services — over time	**143,401**	109,913
Total	**54,212,792**	44,261,767
Geographical markets:		
The PRC	**54,137,353**	44,261,767
Other Country	**75,439**	–
Total	**54,212,792**	44,261,767

Notes:

(a) Sales of electricity in the PRC are pursuant to the power purchase agreements entered into between the Group and the respective regional and provincial power grid companies, the Group's sales of electricity were made to these power grid companies at the tariff rates agreed with the respective regional and provincial power grid companies as approved by the relevant government authorities in the PRC, and some of these tariff rates followed the market-oriented price mechanism. Sales of electricity in other country are pursuant to power purchase agreements following relevant local policies.

(b) Provision of power generation represents income from the provision of power generation to other companies in the PRC which are calculated based on mutually agreed terms.

(c) Energy storage revenue includes income from the project development and integration of energy storage power stations, sales of energy storage equipment, sales of stored electricity and leasing of electricity storage capacities.

Segment information

The chief operating decision maker has been identified as the executive Directors and certain senior management (collectively referred to as the "CODM") who make strategic decisions. The CODM reviews the internal reporting of the Company and its subsidiaries in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The CODM assesses the performance of the operating segments based on a measure of profit/loss before taxation, excluding dividends from equity instruments at FVTOCI. Other information provided to the CODM is measured in a manner consistent with that in the consolidated financial statements.

Segment assets exclude equity instruments at FVTOCI, deferred income tax assets and corporate assets, which are managed on a central basis.

Segment liabilities exclude deferred income tax liabilities, tax payable and corporate liabilities, which are managed on a central basis.

4. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Segment information *(Continued)*

	Year ended 31 December 2024							
	Thermal power electricity RMB'000	Hydropower electricity RMB'000	Wind power electricity RMB'000	Photovoltaic power electricity RMB'000	Energy storage RMB'000	Segment total RMB'000	Unallocated RMB'000	Total RMB'000
Segment revenue								
Sales of electricity	24,254,843	4,806,371	11,731,933	9,428,867	–	50,222,014	–	50,222,014
Provision of power generation	14,040	–	5,482	63,014	–	82,536	–	82,536
Energy storage revenue	–	–	–	–	3,908,242	3,908,242	–	3,908,242
	24,268,883	4,806,371	11,737,415	9,491,881	3,908,242	54,212,792	–	54,212,792
Segment results	2,552,806	1,482,769	4,922,634	3,694,125	140,086	12,792,420	–	12,792,420
Unallocated income	–	–	–	–	–	–	661,211	661,211
Unallocated expense	–	–	–	–	–	–	(1,286,440)	(1,286,440)
Operating profit/(loss)	2,552,806	1,482,769	4,922,634	3,694,125	140,086	12,792,420	(625,229)	12,167,191
Finance income	4,649	7,100	69,295	4,697	2,971	88,712	65,243	153,955
Finance costs	(742,979)	(816,375)	(1,626,677)	(1,680,600)	(56,913)	(4,923,544)	(119,522)	(5,043,066)
Share of results of associates	219,087	–	86,654	65,989	–	371,730	179,415	551,145
Share of results of joint ventures	4,666	–	114,178	30,661	–	149,505	31,950	181,455
Profit/(loss) before taxation	2,038,229	673,494	3,566,084	2,114,872	86,144	8,478,823	(468,143)	8,010,680
Income tax (expense)/credit	(481,440)	(158,560)	(383,404)	(393,955)	436	(1,416,923)	(53,867)	(1,470,790)
Profit/(loss) for the year	1,556,789	514,934	3,182,680	1,720,917	86,580	7,061,900	(522,010)	6,539,890
Other segment information								
Amounts included in the measure of segment profit or loss or segment assets:								
Capital expenditure								
– Property, plant and equipment, right-of-use assets and prepayments for construction of power plants	2,872,444	648,337	8,901,919	14,587,925	445,611	27,456,236	756,324	28,212,560
Depreciation of property, plant and equipment	2,013,306	1,617,710	4,534,370	3,678,816	96,612	11,940,814	121,357	12,062,171
Depreciation of right-of-use assets	82,453	33,491	120,712	282,092	6,657	525,405	75,896	601,301
Amortization of other intangible assets	244,922	–	554,759	375,077	–	1,174,758	–	1,174,758
(Gain)/loss on disposal of property, plant and equipment, net	(12,039)	9,834	(5,897)	2,001	–	(6,101)	(107)	(6,208)
Loss/(gain) on disposal of subsidiaries (pre-tax), net	70,941	–	–	–	–	70,941	(20,497)	50,444
Gain on remeasurement of remaining equity interests in associates and a joint venture after loss of control over subsidiaries	(89,619)	–	–	–	–	(89,619)	(3,597)	(93,216)
Impairment of property, plant and equipment	13,895	–	9,232	240,166	–	263,293	1,969	265,262
Provision/(reversal) of impairment of accounts receivable and other receivables	174,870	(97)	34,297	19,511	–	228,581	(87)	228,494

4. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Segment information *(Continued)*

	As at 31 December 2024							
	Thermal power electricity RMB'000	Hydropower electricity RMB'000	Wind power electricity RMB'000	Photovoltaic power electricity RMB'000	Energy storage RMB'000	Segment total RMB'000	Unallocated RMB'000	Total RMB'000
Segment assets								
Other segment assets	41,159,091	36,746,140	123,084,453	107,493,735	6,498,615	314,982,034	–	314,982,034
Goodwill	–	585,751	364,097	290,710	–	1,240,558	–	1,240,558
Interests in associates	3,866,556	–	912,527	396,300	–	5,175,383	3,430,756	8,606,139
Interests in joint ventures	154,627	–	978,195	549,987	–	1,682,809	701,357	2,384,166
	45,180,274	37,331,891	125,339,272	108,730,732	6,498,615	323,080,784	4,132,113	327,212,897
Equity instruments at FVTOCI	–	–	–	–	–	–	5,091,105	5,091,105
Deferred income tax assets	–	–	–	–	–	–	1,138,019	1,138,019
Other unallocated assets	–	–	–	–	–	–	7,013,526	7,013,526
Total assets per consolidated statement of financial position	45,180,274	37,331,891	125,339,272	108,730,732	6,498,615	323,080,784	17,374,763	340,455,547
Segment liabilities								
Other segment liabilities	(4,296,244)	(3,651,938)	(10,375,980)	(12,627,097)	(3,679,698)	(34,630,957)	–	(34,630,957)
Borrowings	(26,265,833)	(21,398,941)	(65,413,194)	(67,737,180)	(2,235,352)	(183,050,500)	(9,343,985)	(192,394,485)
	(30,562,077)	(25,050,879)	(75,789,174)	(80,364,277)	(5,915,050)	(217,681,457)	(9,343,985)	(227,025,442)
Deferred income tax liabilities	–	–	–	–	–	–	(2,783,870)	(2,783,870)
Tax payable	–	–	–	–	–	–	(537,681)	(537,681)
Other unallocated liabilities	–	–	–	–	–	–	(2,576,161)	(2,576,161)
Total liabilities per consolidated statement of financial position	(30,562,077)	(25,050,879)	(75,789,174)	(80,364,277)	(5,915,050)	(217,681,457)	(15,241,697)	(232,923,154)

4. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Segment information *(Continued)*

	Year ended 31 December 2023							
	Thermal power electricity RMB'000	Hydropower electricity RMB'000	Wind power electricity RMB'000	Photovoltaic power electricity RMB'000	Energy storage RMB'000	Segment total RMB'000	Unallocated RMB'000	Total RMB'000
Segment revenue								
Sales of electricity	23,923,362	3,052,804	8,715,553	5,945,664	–	41,637,383	–	41,637,383
Provision of power generation	6,120	–	4,108	65,973	–	76,201	–	76,201
Energy storage revenue	–	–	–	–	2,548,183	2,548,183	–	2,548,183
	23,929,482	3,052,804	8,719,661	6,011,637	2,548,183	44,261,767	–	44,261,767
Segment results	2,417,941	(83,214)	4,442,535	2,649,270	80,210	9,506,742	–	9,506,742
Unallocated income	–	–	–	–	–	–	505,728	505,728
Unallocated expense	–	–	–	–	–	–	(1,297,283)	(1,297,283)
Operating profit/(loss)	2,417,941	(83,214)	4,442,535	2,649,270	80,210	9,506,742	(791,555)	8,715,187
Finance income	10,209	11,356	32,466	44,213	1,895	100,139	178,982	279,121
Finance costs	(796,671)	(892,944)	(1,335,443)	(1,063,970)	(59,504)	(4,148,532)	(125,335)	(4,273,867)
Share of results of associates	159,169	–	151,751	50,219	–	361,139	143,716	504,855
Share of results of joint ventures	20,924	–	99,800	54,029	–	174,753	26,541	201,294
Profit/(loss) before taxation	1,811,572	(964,802)	3,391,109	1,733,761	22,601	5,994,241	(567,651)	5,426,590
Income tax (expense)/credit	(496,403)	138,577	(274,990)	(229,893)	14,576	(848,133)	(44,502)	(892,635)
Profit/(loss) for the year	1,315,169	(826,225)	3,116,119	1,503,868	37,177	5,146,108	(612,153)	4,533,955
Other segment information								
Amounts included in the measure of segment profit or loss or segment assets:								
Capital expenditure								
– Property, plant and equipment, right-of-use assets and prepayments for construction of power plants	4,636,413	932,340	6,043,576	16,731,899	969,322	29,313,550	1,000,025	30,313,575
Depreciation of property, plant and equipment	1,862,827	1,567,679	2,978,653	2,132,464	46,240	8,587,863	65,811	8,653,674
Depreciation of right-of-use assets	76,895	29,316	69,328	176,361	7,277	359,177	67,697	426,874
Amortization of other intangible assets	211,432	–	280,528	157,039	–	648,999	–	648,999
Loss on disposal of property, plant and equipment, net	37,308	3,274	381	59,678	–	100,641	10	100,651
Loss on disposal of subsidiaries (pre-tax), net	–	–	–	–	–	–	46,925	46,925
Impairment of property, plant and equipment	15,971	–	638	50,355	–	66,964	–	66,964
Reversal of impairment of other receivables	(280)	(50)	(158)	–	–	(488)	(1,840)	(2,328)

4. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Segment information *(Continued)*

	As at 31 December 2023							
	Thermal power electricity RMB'000	Hydropower electricity RMB'000	Wind power electricity RMB'000	Photovoltaic power electricity RMB'000	Energy storage RMB'000	Segment total RMB'000	Unallocated RMB'000	Total RMB'000
Segment assets								
Other segment assets	43,518,774	39,179,448	99,633,685	92,240,531	6,342,687	280,915,125	–	280,915,125
Goodwill	–	585,751	364,097	290,710	–	1,240,558	–	1,240,558
Interests in associates	3,024,481	–	1,735,254	325,290	–	5,085,025	2,727,808	7,812,833
Interests in joint ventures	149,961	–	1,051,147	580,375	–	1,781,483	666,996	2,448,479
	46,693,216	39,765,199	102,784,183	93,436,906	6,342,687	289,022,191	3,394,804	292,416,995
Equity instruments at FVTOCI	–	–	–	–	–	–	4,760,344	4,760,344
Deferred income tax assets	–	–	–	–	–	–	1,096,304	1,096,304
Other unallocated assets	–	–	–	–	–	–	7,533,136	7,533,136
Total assets per consolidated statement of financial position	46,693,216	39,765,199	102,784,183	93,436,906	6,342,687	289,022,191	16,784,588	305,806,779
Segment liabilities								
Other segment liabilities	(4,743,321)	(4,725,976)	(9,028,795)	(10,509,611)	(3,572,442)	(32,580,145)	–	(32,580,145)
Borrowings	(25,520,018)	(22,338,874)	(54,055,777)	(50,973,581)	(2,376,187)	(155,264,437)	(9,317,811)	(164,582,248)
	(30,263,339)	(27,064,850)	(63,084,572)	(61,483,192)	(5,948,629)	(187,844,582)	(9,317,811)	(197,162,393)
Deferred income tax liabilities	–	–	–	–	–	–	(2,849,526)	(2,849,526)
Tax payable	–	–	–	–	–	–	(496,346)	(496,346)
Other unallocated liabilities	–	–	–	–	–	–	(10,277,802)	(10,277,802)
Total liabilities per consolidated statement of financial position	(30,263,339)	(27,064,850)	(63,084,572)	(61,483,192)	(5,948,629)	(187,844,582)	(22,941,485)	(210,786,067)

4. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Segment information *(Continued)*

Revenue from external customers is mainly generated from the PRC. As at 31 December 2024, except for non-current assets of RMB869,091,000 (2023: RMB908,498,000) were located outside the PRC, substantially all the Group's assets were located or utilized in the PRC.

The Group's major customers are regional and provincial power grid companies. For the year ended 31 December 2024, the Group's external revenue amounting to RMB19,833,020,000 (2023: RMB18,377,038,000) was generated from three (2023: three) major customers, each of which accounted for 10% or more of the Group's external revenue.

For the years ended 31 December 2024 and 2023, major customers who accounted for 10% or more of the Group's external revenue are as follows:

Major customers	Proportion in approximate	Segments
Customer A	13% (2023: 16%)	Thermal power electricity
Customer B	12% (2023: 13%)	Thermal power electricity, photovoltaic power electricity and wind power electricity (2023: Thermal power electricity and photovoltaic power electricity)
Customer C	11% (2023: 13%)	Thermal power electricity, photovoltaic power electricity and wind power electricity

5. OTHER INCOME

	2024 RMB'000	2023 RMB'000
Rental income	22,054	26,714
Income from provision of repairs and maintenance services	349,083	317,783
Dividend income (Note 48(a)(ii))	103,022	25,498
Income from provision of IT and other services	1,574,818	1,279,677
Waste treatment income	402,436	387,883
Others	87,380	282,011
Total	2,538,793	2,319,566

6. STAFF COSTS (INCLUDING DIRECTORS' EMOLUMENTS)

	2024 RMB'000	2023 RMB'000
Wages, salaries and bonuses	3,624,076	3,005,973
Staff welfare	1,393,647	1,176,298
Share-based payment expenses (Note 33)	19,283	7,422
Pension costs — defined contribution plans	502,517	448,943
Total	5,539,523	4,638,636

7. OTHER GAINS AND LOSSES, NET

	2024 RMB'000	2023 RMB'000
Amortization of deferred income	**16,010**	24,264
Government subsidies	**353,473**	367,124
Gain/(loss) on disposal of property, plant and equipment, net	**6,208**	(100,651)
Loss on disposal of subsidiaries (pre-tax), net (Note 46(b))	**(50,444)**	(46,925)
Loss on disposal of a joint venture	**(12,978)**	–
Gain on remeasurement of remaining equity interests in associates and a joint venture after loss of control over subsidiaries (Note 46(b))	**93,216**	–
Profits on sales of unused power production quota	**3,895**	1,551
Profits on sales of heat, trading of coal, coal by-products, spare parts and others	**285,740**	140,561
Impairment of property, plant and equipment (Note 15)	**(265,262)**	(66,964)
Gain on recognition of negative goodwill (Note 47)	**19,902**	–
Others	**285,812**	359,854
Total	**735,572**	678,814

8. OTHER OPERATING EXPENSES

	2024 RMB'000	2023 RMB'000
Amortization of other intangible assets (Note 19)	**1,174,758**	648,999
Research and development expenses	**352,424**	306,351
Lease expenses	**219,997**	96,435
Reservoir maintenance and usage fees	**133,602**	74,906
Operating costs related to power generation	**1,525,207**	1,166,342
Cost of purchase of unused power production quota	**14,481**	3,942
Administrative and selling related expenses	**780,648**	711,778
Taxes (other than income tax) and surcharges	**500,920**	370,317
Provision/(reversal) of impairment of accounts receivable and other receivables	**228,494**	(2,328)
Others	**1,069,177**	768,562
Total	**5,999,708**	4,145,304

9. OPERATING PROFIT

Operating profit is stated after charging/(crediting) the following:

	2024 RMB'000	2023 RMB'000
Amortization of other intangible assets	**1,174,758**	648,999
Auditor's remuneration	**10,600**	7,860
Research and development expenses	**352,424**	306,351
Depreciation:		
— property, plant and equipment (Note 15)	**12,062,171**	8,653,674
— right-of-use assets (Note 16)	**601,301**	426,874
Lease expenses:		
— equipment	**53,761**	26,861
— buildings	**166,236**	69,574
Reservoir maintenance and usage fees	**133,602**	74,906
Cost of purchase of unused power production quota	**14,481**	3,942
Impairment of property, plant and equipment	**265,262**	66,964
Provision/(reversal) of impairment of accounts receivable and other receivables	**228,494**	(2,328)

10. FINANCE INCOME AND FINANCE COSTS

	2024 RMB'000	2023 RMB'000
Finance income		
Interest income from bank deposits	**63,334**	52,813
Interest income from related parties (Note 48(a)(i))	**70,163**	177,332
Interest income from discounting effect on clean energy power price premium receivable (Note 26(b))	**20,458**	48,976
Total	**153,955**	279,121
Finance costs		
Interest expense on		
— bank borrowings	**3,717,666**	3,198,140
— borrowings from related parties (Note 48(b)(iii))	**852,509**	680,292
— other borrowings	**557,425**	428,369
— amounts due to related parties (Note 48(b)(iii))	**519**	1,823
— lease liabilities	**171,352**	132,143
— provisions for other long-term liabilities (Note 40)	**93,557**	104,029
	5,393,028	4,544,796
Less: amounts capitalized in property, plant and equipment	**(364,290)**	(301,060)
	5,028,738	4,243,736
Exchange loss, net	**14,328**	30,131
Total	**5,043,066**	4,273,867

The weighted average interest rate on capitalized borrowings is approximately 3.34% (2023: 3.46%) per annum.

11. INCOME TAX EXPENSE

The Group's provision for Hong Kong profits tax has been provided at a tax rate of 16.5% (2023: 16.5%) on the estimated assessable profits arising in Hong Kong for the year ended 31 December 2024.

The provision for PRC current income tax is calculated based on the statutory tax rate of 25% (2023: 25%) on the estimated assessable profits for the year except that certain subsidiaries were either exempted from PRC Enterprise Income Tax or entitled to the preferential tax rate of 7.5%, 12.5%, 15% or 20% (2023: 7.5%, 12.5%, 15% or 20%).

The amount of income tax recognized in the consolidated income statement represents:

	2024 RMB'000	2023 RMB'000
Current income tax		
Charge for the year	1,582,909	1,183,483
Under/(over) provision in prior years	52,930	(7,490)
	1,635,839	1,175,993
Deferred income tax		
Credit for the year (Note 23(a))	(165,049)	(283,358)
Total	1,470,790	892,635

11. INCOME TAX EXPENSE (Continued)

The income tax expense on the Group's profit before taxation differs from the theoretical amount that would arise using the income tax rate of the PRC as follows:

	2024 RMB'000	2023 RMB'000
Profit before taxation	**8,010,680**	5,426,590
Less: Share of results of associates	**(551,145)**	(504,855)
Share of results of joint ventures	**(181,455)**	(201,294)
	7,278,080	4,720,441
Calculated at the PRC statutory tax rate of 25% (2023: 25%)	**1,819,520**	1,180,110
Effect on tax concession	**(952,646)**	(726,527)
Income not subject to taxation	**(80,885)**	(22,347)
Expenses not deductible for taxation purpose	**59,916**	30,432
Tax losses with no deferred income tax assets recognized	**591,554**	458,307
Deductible temporary differences with no deferred income tax assets recognized (Note 23)	**87,871**	19,613
Utilization of tax losses previously not recognized	**(103,318)**	(39,463)
Utilization of deductible temporary differences previously not recognized (Note 23)	**(4,152)**	–
Under/(over) provision in prior years	**52,930**	(7,490)
Income tax expense	**1,470,790**	892,635

Share of income taxation charge attributable to associates and joint ventures for the year ended 31 December 2024 of RMB213,261,000 (2023: RMB147,320,000) and RMB25,219,000 (2023: RMB15,149,000) respectively were included in the Group's share of results of associates and joint ventures respectively.

Global Minimum Tax

The Group is within the scope of global minimum tax ("GMT") under the Organisation for Economic Co-operation and Development Pillar Two model rules ("Pillar Two"). Subject to tax legislation enacting Pillar Two being passed in the jurisdictions where the Company and its subsidiaries operate, the Group is liable to pay a top-up tax for any deficiency between the minimum tax rate of 15% and the effective tax rate per jurisdiction. During the year ended 31 December 2024, the Group does not operate in any jurisdiction where Pillar Two legislation was in effect and therefore the Group has no related current tax expense associated with GMT for the current year.

12. EARNINGS PER SHARE

(a) Basic

Basic earnings per share is calculated by dividing the profit for the year attributable to ordinary shareholders of the Company by the weighted average number of shares outstanding during the year.

	2024	2023
Profit for the year attributable to ordinary shareholders of the Company, used in the basic earnings per share calculation (RMB'000)	**3,364,381**	2,660,322
Weighted average number of shares outstanding (shares in thousands)	**12,370,151**	12,370,151
Basic earnings per share (RMB)	**0.27**	0.22

(b) Diluted

For the years ended 31 December 2024 and 2023, the computation of diluted earnings per share did not assume the exercise of the Company's share options as the exercise prices of these options were higher than the average market share price of the Company's shares during the years, therefore, the dilutive earnings per share was same as basic earnings per share.

13. DIVIDENDS

	2024 RMB'000	2023 RMB'000
Special dividend of RMB0.05 (2023: Nil) per ordinary share	**618,508**	–
Final, proposed, dividend of RMB0.162 (2023: RMB0.132) per ordinary share	**2,003,964**	1,632,860
Total	**2,622,472**	1,632,860
2024 special dividend paid — RMB0.05 (equivalent to HK$0.0547) per ordinary share	**618,508**	–
2023 final dividend paid — RMB0.132 (equivalent to HK$0.1455) per ordinary share	**1,632,860**	–
2022 final dividend paid — RMB0.11 (equivalent to HK$0.1256) per ordinary share	**–**	1,360,717
Total	**2,251,368**	1,360,717

At the Board meeting held on 22 August 2024, in celebration of the 20th anniversary of the Company's listing and rewarding the Company's shareholders for their long-term support, the Board has resolved to declare a special dividend of RMB0.05 (equivalent to HK$0.547 at the exchange rate announced by People's Bank of China ("PBOC") on 22 August 2024) per ordinary share, totaling RMB618,508,000 (equivalent to HK$676,648,000) (2023: Nil) payable in cash.

At the Board meeting held on 20 March 2025, the Board recommended the payment of a final dividend for the year ended 31 December 2024 of RMB0.162 (equivalent to HK$0.1754 at the exchange rate announced by PBOC on 20 March 2025) per ordinary share (2023: RMB0.132 (equivalent to HK$0.1455) per ordinary share), totaling RMB2,003,964,000 (equivalent to HK$2,169,724,000) (2023: RMB1,632,860,000 (equivalent to HK$1,799,857,000)), which is based on 12,370,150,983 shares (2023: 12,370,150,983 shares) in issue on 20 March 2025 (2023: 21 March 2024).

This proposed dividend is not reflected as dividend payable in these consolidated financial statements, but will be reflected as an appropriation of retained earnings for the year ending 31 December 2025.

14. EMOLUMENTS FOR DIRECTORS, FIVE HIGHEST PAID INDIVIDUALS AND SENIOR MANAGEMENT REMUNERATION

(a) Directors' emoluments

Name of Director	Fees RMB'000	Basic salary, housing allowance, other allowances and benefits in kind RMB'000	Discretionary bonuses RMB'000	Share-based payment expenses (note) RMB'000	Employer's contribution to pension plans RMB'000	Total RMB'000
Year ended 31 December 2024						
Executive Directors						
Mr. HE Xi	–	424	2,027	356	88	2,895
Mr. GAO Ping	–	443	1,854	356	69	2,722
Non-executive Directors						
Mr. HU Jiandong (1)	–	–	–	–	–	–
Mr. ZHOU Jie (2)	–	–	–	–	–	–
Mr. CHEN Pengjun (3)	–	–	–	–	–	–
Ms. HUANG Qinghua (4)	–	–	–	–	–	–
Independent non-executive Directors						
Mr. LI Fang	183	238	–	–	–	421
Mr. YAU Ka Chi	183	238	–	–	–	421
Mr. HUI Hon Chung, Stanley	183	220	–	–	–	403
Total	549	1,563	3,881	712	157	6,862

Name of Director	Fees RMB'000	Basic salary, housing allowance, other allowances and benefits in kind RMB'000	Discretionary bonuses RMB'000	Share-based payment expenses (note) RMB'000	Employer's contribution to pension plans RMB'000	Total RMB'000
Year ended 31 December 2023						
Executive Directors						
Mr. HE Xi	–	456	776	87	80	1,399
Mr. GAO Ping	–	456	656	87	49	1,248
Non-executive Directors						
Mr. ZHOU Jie (2)	–	–	–	–	–	–
Mr. XU Zuyong (5)	–	–	–	–	–	–
Ms. HUANG Qinghua (4)	–	–	–	–	–	–
Independent non-executive Directors						
Mr. LI Fang	181	145	–	–	–	326
Mr. YAU Ka Chi	181	145	–	–	–	326
Mr. HUI Hon Chung, Stanley	181	136	–	–	–	317
Total	543	1,338	1,432	174	129	3,616

14. EMOLUMENTS FOR DIRECTORS, FIVE HIGHEST PAID INDIVIDUALS AND SENIOR MANAGEMENT REMUNERATION (CONTINUED)

(a) Directors' emoluments *(Continued)*

(1) Mr. HU Jiandong was appointed as a non-executive Director with effect from 18 November 2024. Mr. HU Jiandong had agreed to waive his director fees during his directorship with the Company.

(2) Mr. ZHOU Jie was appointed as a non-executive Director with effect from 12 April 2021. Mr. ZHOU Jie had agreed to waive his director fees during his directorship with the Company.

(3) Mr. CHEN Pengjun was appointed as a non-executive Director with effect from 18 November 2024. Mr. CHEN Pengjun had agreed to waive his director fees during his directorship with the Company.

(4) Ms. HUANG Qinghua was appointed as a non-executive Director with effect from 8 June 2023. Ms. HUANG Qinghua had agreed to waive her director fees during her directorship with the Company.

(5) Mr. XU Zuyong was appointed as a non-executive Director with effect from 25 February 2022 and resigned with effect from 8 June 2023. Mr. XU Zuyong had agreed to waive his director fees during his directorship with the Company.

The executive Directors' emoluments shown above were for their services in connection with the management of the affairs of the Group. The non-executive Directors' and independent non-executive Directors' emoluments shown above were for their services as directors of the Company.

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year included two (2023: two) Directors. The emoluments payable to the remaining three (2023: three) individuals during the year are as follows:

	2024 RMB'000	2023 RMB'000
Basic salaries, housing allowance, other allowances and benefits in kind	1,025	1,598
Discretionary bonuses	3,032	654
Share-based payment expenses (note)	550	184
Employer's contribution to pension plans	181	156
Total	4,788	2,592

14. EMOLUMENTS FOR DIRECTORS, FIVE HIGHEST PAID INDIVIDUALS AND SENIOR MANAGEMENT REMUNERATION (CONTINUED)

(b) Five highest paid individuals *(Continued)*

Their emoluments fell within the following bands:

	Number of individuals	
	2024	2023
Nil to HK$1,000,000 (equivalent to RMB926,040 (2023: RMB906,000))	**–**	2
HK$1,000,001 to HK$1,500,000 (equivalent to RMB926,041 to RMB1,389,060 (2023: RMB906,001 to RMB1,359,000))	**1**	1
HK$1,500,001 to HK$2,000,000 (equivalent to RMB1,389,061 to RMB1,852,080)	**2**	–

During both years, no emoluments have been paid by the Group to the Directors or any of the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

Note:

The remuneration in form of share-based payment expenses are the fair values of share options granted to executive Directors and eligible employees, which are initially determined at the respective dates of grant and expensed over the vesting period (unless the share options are forfeited before vesting), regardless of whether these share options are exercised or not during the year.

(c) Senior management remuneration by band

Senior management is defined as the same persons whose biographical details are disclosed in the "Directors and Senior Management Profiles" section in the annual report. Their emoluments fell within the following bands:

	Number of individuals	
	2024	2023
Nil to HK$1,000,000 (equivalent to RMB926,040 (2023: RMB906,000)) (note)	**11**	9
HK$1,000,001 to HK$1,500,000 (equivalent to RMB926,041 to RMB1,389,060 (2023: RMB906,001 to RMB1,359,000))	**3**	1
HK$1,500,001 to HK$2,000,000 (equivalent to RMB1,389,061 to RMB1,852,080)	**2**	–

Note:

In 2024, the Company fulfilled the tenure incentives for directors and senior management personnel who served at the company during the period from 2021 to 2023. Among the senior management personnel involved in this fulfilment, five are currently serving members, while nine have departed from the Company.

15. PROPERTY, PLANT AND EQUIPMENT

	Dam RMB'000	Buildings and leasehold improvements RMB'000	Power generators and equipment RMB'000	Electricity supply equipment RMB'000	Furniture and fixtures, tools and other equipment RMB'000	Transportation facilities RMB'000	Construction in progress RMB'000	Total RMB'000
Cost								
At 1 January 2024	26,368,678	31,979,363	152,800,594	13,834,329	12,629,846	598,873	11,871,468	250,083,151
Additions and transfer from prepayments	–	–	–	–	94,360	17,824	25,871,698	25,983,882
Acquisitions of subsidiaries (Note 47)	–	516,760	8,933,596	1,293,115	1,087,437	2,630	2,590,965	14,424,503
Disposals (note (d))	(144,067)	(129,189)	(333,258)	(64,102)	(95,738)	(8,259)	(23,985)	(798,598)
Write-off	–	–	–	–	–	–	(24,124)	(24,124)
Disposal of subsidiaries (Note 46(b))	–	(926,919)	(3,055,346)	(338,134)	(547,765)	(57,000)	(2,517,843)	(7,443,007)
Reclassified from right-of-use assets (Note 16)	–	8,951	260,761	–	–	–	18,584	288,296
Transfer between categories	2,988	1,452,020	19,942,822	1,471,197	1,881,368	15,593	(24,765,988)	–
At 31 December 2024	26,227,599	32,900,986	178,549,169	16,196,405	15,049,508	569,661	13,020,775	282,514,103
Accumulated depreciation and impairment losses								
At 1 January 2024	7,497,760	8,867,155	23,944,745	3,909,764	2,815,027	422,996	70,010	47,527,457
Depreciation charge for the year (Note 9)	922,432	1,083,873	8,281,209	855,643	883,494	35,520	–	12,062,171
Impairment loss recognized for the year (note (e))	–	–	5,684	–	715	–	258,863	265,262
Disposals	–	(112,270)	(214,126)	(59,740)	(58,988)	(7,522)	(6,117)	(458,763)
Write-off	–	–	–	–	–	–	(24,124)	(24,124)
Disposal of subsidiaries (Note 46(b))	–	(870,252)	(2,284,772)	(278,463)	(248,034)	(49,750)	–	(3,731,271)
At 31 December 2024	8,420,192	8,968,506	29,732,740	4,427,204	3,392,214	401,244	298,632	55,640,732
Net book value								
At 31 December 2024	17,807,407	23,932,480	148,816,429	11,769,201	11,657,294	168,417	12,722,143	226,873,371

15. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Dam RMB'000	Buildings and leasehold improvements RMB'000	Power generators and equipment RMB'000	Electricity supply equipment RMB'000	Furniture and fixtures, tools and other equipment RMB'000	Transportation facilities RMB'000	Construction in progress RMB'000	Total RMB'000
Cost								
At 1 January 2023	26,368,678	27,819,532	103,567,077	9,667,402	6,588,380	457,108	6,698,232	181,166,409
Additions and transfer from prepayments	–	–	–	5,878	74,574	8,223	28,886,317	28,974,992
Acquisitions of subsidiaries	–	2,700,634	30,411,382	2,499,834	2,423,441	100,863	3,864,520	42,000,674
Disposals	–	(57,163)	(86,333)	–	(961)	–	–	(144,457)
Disposal of a subsidiary	–	–	–	–	–	–	(4,133,475)	(4,133,475)
Reclassified from right-of-use assets (Note 16)	–	17,892	1,923,862	–	–	–	277,254	2,219,008
Transfer between categories	–	1,498,468	16,984,606	1,661,215	3,544,412	32,679	(23,721,380)	–
At 31 December 2023	26,368,678	31,979,363	152,800,594	13,834,329	12,629,846	598,873	11,871,468	250,083,151
Accumulated depreciation and impairment losses								
At 1 January 2023	6,560,434	7,697,282	18,930,306	3,055,525	2,189,922	363,886	62,762	38,860,117
Depreciation charge for the year (Note 9)	937,326	1,186,877	4,990,658	854,239	625,464	59,110	–	8,653,674
Impairment loss recognized for the year (note (e))	–	–	59,716	–	–	–	7,248	66,964
Disposals	–	(17,004)	(35,935)	–	(359)	–	–	(53,298)
At 31 December 2023	7,497,760	8,867,155	23,944,745	3,909,764	2,815,027	422,996	70,010	47,527,457
Net book value								
At 31 December 2023	18,870,918	23,112,208	128,855,849	9,924,565	9,814,819	175,877	11,801,458	202,555,694

Notes:

(a) Depreciation of property, plant and equipment (other than construction in progress) is calculated using the straight-line method to allocate their costs less accumulated impairment losses over their estimated useful lives to their residual values, as follows:

Dam	30–50 years
Buildings	8–45 years
Leasehold improvements	Shorter of 5 years and over the lease term
Power generators and equipment	9–28 years
Electricity supply equipment	13–30 years
Furniture and fixtures	3–5 years
Tools and other equipment	3–18 years
Transportation facilities	2–12 years

15. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Notes: *(Continued)*

(b) As at 31 December 2024, the legal titles of certain properties of the Group with a net book value of RMB2,173,465,000 (2023: RMB2,314,715,000) have not been transferred to the Group. However, the Directors are of the opinion that the risks and rewards of using these assets have been transferred to the Group.

In addition, certain of the Group's property, plant and equipment are situated on right-of-use assets (leasehold land) in the PRC which were granted, free of charge, by the relevant government authorities to the relevant subsidiaries of the Group with no specific terms of usage.

(c) As at 31 December 2024, certain property, plant and equipment of the Group with a net book value of RMB632,581,000 (2023: RMB2,235,221,000) were pledged as security for certain bank borrowings (Note 36(d)), borrowings from related parties (Note 37(d)), and other borrowings (Note 38(c)) of the Group (2023: certain bank borrowings and other borrowings).

(d) For the year ended 31 December 2024, adjustment to cost of dam represented the corresponding revision of provisions for inundation compensation caused by the construction of certain hydropower plants of the Group. Management has reviewed and performed assessment on such provisions to reflect the current best estimate by reassessing the inputs used in the net present value model based on the current charges per unit of area and the growth rate of compensation, as well as the pre-tax discount rate applied to account for the time value of money and the risks specific to the compensations. As a result, a deduction of RMB144,067,000 (2023: Nil) (Note 40) was made to the cost of dam for the year ended 31 December 2024.

(e) For the year ended 31 December 2024, management has performed impairment assessment on certain property, plant and equipment with impairment indication included in "Thermal power electricity" segment and "Photovoltaic power electricity" segment.

The recoverable amounts of the associated CGUs had been determined based on value in use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management for the purposes of impairment assessment covering a five-year period. Annual cash flows beyond the five-year period are expected to be similar to that of the fifth year based on the current production capacity, taking into account of the expected remaining useful lives of the relevant underlying operating assets.

Management prepared the financial budgets taking into account of the actual and prior years' performance and market development expectations. For certain CGUs in "Photovoltaic power electricity" segment, the growth rates in electricity sold (including sales of power generation quota) and pre-tax discount rates used for value in use calculations were 0% (2023: 0%) and 8.11% (2023: 8.73%) respectively. For certain CGUs in "Thermal power electricity" segment, the growth rates in electricity sold (including sales of power generation quota) and pre-tax discount rates used for value in use calculations range from 0% to 10% (2023: 0% to 7%) and from 7.59% to 9.18% (2023: 8.73% to 9.48%) respectively. Management estimates the growth rates in electricity sold by reference to the expected demand for electricity in the regions where the power plants are located. In addition, management estimates the discount rates using pre-tax rate that reflects market assessments of the time value of money and the specific risks relating to the CGUs. Other key assumptions applied in the impairment assessment include the expected tariff rates, fuel costs and staff costs. Based on the result of the assessments, impairment losses of RMB6,399,000 were recognized in "Photovoltaic power electricity" segment for the year ended 31 December 2024 (2023: RMB43,745,000).

In addition, it was identified that the likelihood of the Group in obtaining necessary approval to continue construction in certain projects in respective segments in "Thermal power electricity", "Photovoltaic power electricity", "Wind power electricity" and "Unallocated"(2023: "Photovoltaic power electricity" and "Wind power electricity") was remote as at 31 December 2024. As a result, the carrying amount of these constructions in progress of RMB258,863,000 (2023: RMB7,248,000) was provided for as impairment.

To meet the requirements of the new environmental protection policy, certain property, plant and equipment in "Thermal power electricity" segment was upgraded and renovated. As a result, RMB15,971,000 impairment losses were recognized for the year ended 31 December 2023.

For the year ended 31 December 2024, above-mentioned impairments aggregated to RMB265,262,000 (2023: RMB66,964,000) (Note 7).

16. RIGHT-OF-USE ASSETS

	Leasehold lands RMB'000	Buildings RMB'000	Equipment RMB'000	Construction in progress RMB'000	Total RMB'000
Cost					
At 1 January 2024	6,412,847	713,388	2,106,866	263,015	9,496,116
Additions	1,293,584	622,176	112,428	–	2,028,188
Acquisitions of subsidiaries (Note 47)	264,521	40	–	–	264,561
Reclassified to property, plant and equipment (Note 15)	–	(8,951)	(305,359)	(18,584)	(332,894)
Disposal of subsidiaries (Note 46(b))	(123,126)	(16,165)	–	–	(139,291)
At 31 December 2024	7,847,826	1,310,488	1,913,935	244,431	11,316,680
Accumulated depreciation					
At 1 January 2024	442,082	224,589	334,821	–	1,001,492
Depreciation charge for the year (Note 9)	309,605	107,682	184,014	–	601,301
Reclassified to property, plant and equipment (Note 15)	–	–	(44,598)	–	(44,598)
Disposal of subsidiaries (Note 46(b))	(7,371)	(7,005)	–	–	(14,376)
At 31 December 2024	744,316	325,266	474,237	–	1,543,819
Net book value					
At 31 December 2024	7,103,510	985,222	1,439,698	244,431	9,772,861
For the year ended 31 December 2024					
Expenses relating to short-term leases	–	165,298	52,629	–	217,927
Expenses relating to leases of low-value assets, excluding short-term leases of low value assets	–	938	1,132	–	2,070
Additions to right-of-use assets (Note 39)	1,558,105	622,216	112,428	–	2,292,749

16. RIGHT-OF-USE ASSETS (CONTINUED)

	Leasehold lands RMB'000	Buildings RMB'000	Equipment RMB'000	Construction in progress RMB'000	Total RMB'000
Cost					
At 1 January 2023	4,073,657	393,344	2,858,533	449,139	7,774,673
Additions	823,199	182,421	258,203	91,130	1,354,953
Acquisitions of subsidiaries	1,613,328	192,528	1,186,693	–	2,992,549
Reclassified to property, plant and equipment (Note 15)	–	(34,288)	(2,196,563)	(277,254)	(2,508,105)
Disposal of subsidiaries	(76,973)	–	–	–	(76,973)
Early termination	(20,364)	(20,617)	–	–	(40,981)
At 31 December 2023	6,412,847	713,388	2,106,866	263,015	9,496,116
Accumulated depreciation					
At 1 January 2023	287,714	156,772	436,309	–	880,795
Depreciation charge for the year (Note 9)	159,542	96,119	171,213	–	426,874
Reclassified to property, plant and equipment (Note 15)	–	(16,396)	(272,701)	–	(289,097)
Disposal of subsidiaries	(1,489)	–	–	–	(1,489)
Early termination	(3,685)	(11,906)	–	–	(15,591)
At 31 December 2023	442,082	224,589	334,821	–	1,001,492
Net book value					
At 31 December 2023	5,970,765	488,799	1,772,045	263,015	8,494,624
For the year ended 31 December 2023					
Expenses relating to short-term leases	–	68,733	26,119	–	94,852
Expenses relating to leases of low-value assets, excluding short-term leases of low value assets	–	841	742	–	1,583
Additions to right-of-use assets (Note 39)	2,436,527	374,949	1,444,896	91,130	4,347,502

16. RIGHT-OF-USE ASSETS (CONTINUED)

Note:

For both years, the Group leases leasehold land, buildings, equipment and components of power generators included in construction in progress for its operations. Lease contracts are entered into for fixed term of 2 to 20 years, but may have extension options as described below. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

The Group regularly entered into short-term leases for equipment. As at 31 December 2024, the portfolio of short-term leases was similar to the portfolio of short-term leases to which the short-term lease expense was recognized and as disclosed in Note 9.

The total cash outflow for leases is disclosed in Note 43(b).

Extension options

The Group has extension options in a number of leases for leasehold land. The majority of extension options held are exercisable only by the Group and not by the respective lessors.

The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. Based on the assessment, the extension option of leasehold land lease was reasonably certain to be exercised so that the extension period was included in lease period.

In addition, the Group reassesses whether it is reasonably certain to exercise an extension option, upon the occurrence of either a significant event or a significant change in circumstances that is within the control of the lessee. During the years ended 31 December 2024 and 2023, there is no such triggering event.

17. PREPAYMENTS FOR CONSTRUCTION OF POWER PLANTS

Prepayments for construction of power plants represent advance payments made to contractors in connection with the construction of the Group's power plants including payments for equipment and machinery pending delivery to the relevant power plants for installation.

As at 31 December 2024, the balance of prepayments for construction of power plants includes an amount of RMB1,524,901,000 (2023: RMB603,335,000), which was prepayments to related parties (companies controlled by SPIC other than SPIC Financial Company Limited ("SPIC Financial"), associates and non-controlling shareholders of subsidiaries) for construction of power plants.

18. GOODWILL

	2024 RMB'000	2023 RMB'000
Cost		
At 1 January	**1,743,001**	1,334,831
Acquisitions of subsidiaries	**–**	408,170
At 31 December	**1,743,001**	1,743,001
Accumulated impairment losses		
At 1 January and 31 December	**502,443**	502,443
Net book value		
At 1 January	**1,240,558**	832,388
At 31 December	**1,240,558**	1,240,558

Goodwill is allocated to the Group's CGU or groups of CGUs identified according to operating segments. The accumulated impairment losses relate to "Thermal power electricity" segment and "Hydropower electricity" segment.

A segment-level summary of the goodwill allocation at cost before impairment and at net book value is presented below:

	Thermal power electricity RMB'000	Hydropower electricity RMB'000	Wind power electricity RMB'000	Photovoltaic power electricity RMB'000	Total RMB'000
Cost					
At 31 December 2023 and 2024	**234,651**	**853,543**	**364,097**	**290,710**	**1,743,001**
Net book value					
At 31 December 2023 and 2024	**–**	**585,751**	**364,097**	**290,710**	**1,240,558**

Notes:

(a) For the purpose of impairment assessment, the recoverable amount of each CGU or group of CGUs is determined based on value in use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management for the purposes of impairment assessment covering a five-year period. Annual cash flows beyond the five-year period are expected to be similar to that of the fifth year based on the then production capacity, taking into account of the expected remaining useful lives of the relevant underlying operating assets.

Overview
Business Review and Analysis
Corporate Governance
Financial Information
Other Information

18. GOODWILL (CONTINUED)

Notes: *(Continued)*

(b) Management prepared the financial budgets taking into account of the actual and prior years' performance and market development expectations. For certain CGUs in "Thermal power electricity" segment, the growth rates in electricity sold and pre-tax discount rates used for value in use calculations range was 0% and 8.63% respectively. For certain CGUs in "Hydropower electricity" segment, the growth rates in electricity sold and pre-tax discount rates used for value in use calculations range from 0% to 5% (2023: 0% to 5%) and at 8.5% (2023: 8.5%) respectively. For certain CGUs in "Photovoltaic power electricity" segment, the growth rates in electricity sold and pre-tax discount rates used for value in use calculations range from 0% to 8.8% (2023: 0% to 5%) and range from 8.1% to 9.9% (2023: 8.7% to 9.3%) respectively. For certain CGUs in "Wind power electricity" segment, the growth rates in electricity sold and pre-tax discount rates used for value in use calculations range from 0% to 8.8% (2023: 0% to 5%) and range from 8.1% to 9.9% (2023: 8.35% to 8.7%) respectively. Management estimates the growth rates in electricity sold by reference to the expected demand for electricity in the regions where the power plants are located. In addition, management estimates the discount rates using pre-tax rate that reflects market assessments of the time value of money and the specific risks relating to the CGUs. Other key assumptions applied in the impairment assessment include the expected tariff rates and staff costs.

(c) Management of the Group has performed impairment test of goodwill of related CGUs. Based on the value in use calculation and the allocation, no impairment provision (2023: Nil) for goodwill was required for the year ended 31 December 2024.

19. OTHER INTANGIBLE ASSETS

	2024 RMB'000	2023 RMB'000
Cost		
At 1 January	**17,084,601**	8,586,545
Acquisitions of subsidiaries	**–**	8,498,056
At 31 December	**17,084,601**	17,084,601
Accumulated amortization		
At 1 January	**949,154**	300,155
Amortization charge for the year (Note 8)	**1,174,758**	648,999
At 31 December	**2,123,912**	949,154
Net book value		
At 1 January	**16,135,447**	8,286,390
At 31 December	**14,960,689**	16,135,447

Other intangible assets represent the carrying amount of the favourable tariff contracts and franchise rights acquired on the acquisitions of certain clean energy companies. These intangible assets have finite useful lives and are amortized on a straight-line basis over the period of 3 to 27 years (2023: 3 to 27 years).

The Group did not acquire the favourable tariff contracts and franchise rights during the current year (2023: RMB8,498,056,000).

20. INTERESTS IN ASSOCIATES

	2024 RMB'000	2023 RMB'000
Cost of investment in associates	**7,493,410**	7,165,530
Share of undistributed post-acquisition reserves	**1,112,729**	647,303
Total	**8,606,139**	7,812,833

As at 31 December 2024, interests in associates include goodwill of RMB158,732,000 (2023: RMB158,732,000).

There are no contingent liabilities relating to the Group's interests in associates and these associates did not have any material contingent liabilities as at 31 December 2024 and 2023.

Dividends from associates for the year ended 31 December 2024 amounted to RMB87,315,000 (2023: RMB144,609,000).

The followings are the details of the associates as at 31 December 2024:

Name of companies	Place of establishment and operation	Registered/ paid up capital	Proportion of ownership interest Held by the Company	Proportion of ownership interest Held by subsidiaries	Type of legal entity	Principal activities
Sichuan Energy Investment Development Co., Ltd. ("Sichuan Energy Investment") (四川能投發展股份有限公司)	The PRC	RMB1,074,358,000	9.13% (note)	-	Joint stock, limited liability company with its H-shares listed on the Stock Exchange	Energy investment
Jiangsu Changshu Electric Power Generating Company Limited ("Changshu Power Plant") (江蘇常熟發電有限公司)	The PRC	RMB2,685,000,000	50%	-	Sino-foreign equity joint venture	Generation and sale of electricity
Guizhou Pu'an Diguapo Coal Industry Co., Ltd. (貴州普安地瓜坡煤業有限公司)	The PRC	RMB630,000,000/ RMB94,500,000	35%	-	Sino-foreign equity joint venture	Coal management and consultancy service
Hunan China Resources Power Liyujiang Company Limited (湖南華潤電力鯉魚江有限公司)	The PRC	RMB573,660,000	-	40%	Sino-foreign equity joint venture	Generation and sale of electricity
Hunan Nuclear Power Company Limited (湖南核電有限公司)	The PRC	RMB389,600,000/ RMB385,480,000	-	20%	Limited liability company	Generation and sale of electricity
Jiangsu Changdian Environmental Technology Company Limited (江蘇常電環保科技有限公司)	The PRC	RMB8,000,000	-	50%	Limited liability company	Sale of electricity generation by-products
Gui'an New District Power Distribution and Sales Company Limited ("Gui'an New District") (貴安新區配售電有限公司)	The PRC	RMB1,500,000,000/ RMB844,351,000	8% (note)	-	Sino-foreign equity joint venture	Distribution and sale of electricity
Sujin Energy Holding Company Limited ("Sujin Energy") (蘇晉能源控股有限公司)	The PRC	RMB6,000,000,000/ RMB4,574,373,000	-	9.5% (note)	Limited liability company	Generation and sale of electricity
Yibin Fuxi Fly Ash Development Co., Ltd. (宜賓福溪粉煤灰開發有限公司)	The PRC	RMB5,800,000	-	39%	Limited liability company	Sale of coal by-products
Shangdianpingnan New Energy Company Limited ("Shangdianpingnan") (上電平南新能源有限公司)	The PRC	RMB97,182,000	-	12.35% (note)	Limited liability company	Generation and sale of electricity
Shandong Green Energy Investment Co., Ltd. (山東綠色能源投資有限公司)	The PRC	RMB4,000,000,000/ RMB3,397,420,000	-	30%	Limited liability company	Energy investment

Overview Business Review and Analysis Corporate Governance Financial Information Other Information

20. INTERESTS IN ASSOCIATES (CONTINUED)

The followings are the details of the associates as at 31 December 2024: *(Continued)*

Name of companies	Place of establishment and operation	Registered/ paid up capital	Proportion of ownership interest Held by the Company	Held by subsidiaries	Type of legal entity	Principal activities
SPIC Anhui Hailuo Electricity Power Sales Co., Ltd. (國家電投集團安徽海螺售電有限公司)	The PRC	RMB200,000,000/ RMB2,000,000	-	50%	Limited liability company	Generation and sale of electricity
Shanghai Qiyuanxin Power Technology Co., Ltd. (上海啟源芯動力科技有限公司)	The PRC	RMB405,199,000/ RMB435,253,000	24.87%	-	Sino-foreign equity joint venture	Provision of technical services
China Power Shentou Power Generating Company Limited ("CP Shentou") (中電神頭發電有限責任公司)	The PRC	RMB1,000,000,000/ RMB900,309,000	-	40%	Limited liability company	Generation and sale of electricity
Heze Lvyuan New Energy Co., Ltd. ("Heze Lvyuan") (菏澤綠源新能源有限公司)	The PRC	RMB123,750,000/ RMB113,063,000	-	11% (note)	Limited liability company	Generation and sale of electricity
Qingdao Lvhe New Energy Management Co., Ltd. (青島綠和新能源管理有限公司)	The PRC	RMB45,000,000	-	20%	Limited liability company	Generation and sale of electricity
Hubei Lvhe New Energy Co., Ltd. (湖北綠和新能源有限公司)	The PRC	RMB239,630,000	-	20%	Sino-foreign equity joint venture	Generation and sale of electricity
Hunan Energy Big Data Center Co., Ltd. ("Hunan Energy Big Data") (湖南能源大數據中心有限責任公司)	The PRC	RMB300,000,000/ RMB100,000,000	-	9% (note)	Limited liability company	Software and information technology services
China Power Yuchuang (Suzhou) Intelligent Technology Co., Ltd. (中電昱創(蘇州)智能科技有限公司)	The PRC	RMB10,000,000	-	35%	Limited liability company	Provision of technical services
China Power Investment Xinnongchuang Technology Co., Ltd. ("CP Nongchuang") (中電投新農創科技有限公司)	The PRC	RMB200,000,000	36%	-	Sino-foreign equity joint venture	Energy investment
Xinyuan Ronghe (Beijing) Power Co., Ltd. ("Xinyuan Ronghe") (新源融合(北京)電力有限公司)	The PRC	RMB2,000,000,000/ RMB1,408,911,000	40%	-	Sino-foreign equity joint venture	Generation and sale of electricity
Beijing CPI Huizhi Technology Co., Ltd. ("CP Huizhi") (北京中電滙智科技有限公司)	The PRC	RMB20,000,000	49%	-	Sino-foreign equity joint venture	Provision of technical services
Wuhan Lvxi New Energy Co., Ltd. (武漢綠曦新能源有限公司)	The PRC	RMB379,702,000/ RMB470,202,000	-	20%	Sino-foreign equity joint venture	Generation and sale of electricity
Shanghai Minglv New Energy Co., Ltd. (上海明綠新能源有限公司)	The PRC	RMB20,000,000	-	35%	Sino-foreign equity joint venture	Generation and sale of electricity
Huayuan Anneng (Tianjin) Energy Investment Partnership (Limited Partnership) ("Huayuan Anneng") (華源安能(天津)能源投資合夥企業(有限合夥))	The PRC	RMB1,526,000,000/ RMB1,327,000,000	-	16.38% (note)	Limited partnership	Energy investment
Diantou Lvdong Ronghe New Energy Hubei Co., Ltd. ("Lvdong Ronghe") (電投綠動融和新能源湖北有限公司)	The PRC	RMB500,000,000/ RMB537,509,000	-	35%	Sino-foreign equity joint venture	Generation and sale of electricity
Diantou Ronghe (Fujian) New Energy Co., Ltd. (電投融和(福建)新能源有限公司)	The PRC	RMB500,000,000/ RMB75,258,000	-	35%	Limited liability company	Generation and sale of electricity
Zhangzhou Huandian New Energy Technology Co., Ltd. ("Zhangzhou Huandian") (漳州煥電新能源科技有限公司)	The PRC	RMB5,000,000/ RMB556,000	-	15% (note)	Limited liability company	Generation and sale of electricity
Fuxin Huashun Wind Power Generation Co., Ltd. (阜新華順風力發電有限公司)	The PRC	RMB153,000,000	-	49%	Limited liability company	Generation and sale of electricity

20. INTERESTS IN ASSOCIATES (CONTINUED)

The followings are the details of the associates as at 31 December 2024: *(Continued)*

Name of companies	Place of establishment and operation	Registered/ paid up capital	Proportion of ownership interest Held by the Company	Held by subsidiaries	Type of legal entity	Principal activities
Shanxi Power Investment Jianneng Technology Co., Ltd. (山西電投建能科技有限公司)	The PRC	RMB50,000,000	-	20%	Limited liability company	Generation and sale of electricity
Shanxi Power Investment Jinhe New Energy Co., Ltd. (山西電投晉和新能源有限責任公司)	The PRC	RMB500,000,000/ RMB350,940,000	-	35%	Limited liability company	Generation and sale of electricity
Hunan Power Investment Zhigu Smart Energy Co., Ltd. ("Hunan Zhigu") (湖南電投智谷智慧能源有限公司)	The PRC	RMB198,122,000	-	10% (note)	Sino-foreign equity joint venture	Provision of technical services
Guangxi Haifeng Clean Energy Co., Ltd.^ ("Guangxi Haifeng") (廣西海風清潔能源有限公司)	The PRC	RMB2,000,000,000/ RMB390,000,000	-	51% (note)	Sino-foreign equity joint venture	Generation and sale of electricity
Guangxi Guodian Guihe New Energy Investment Co., Ltd.^ (廣西國電投桂和新能源投資有限公司)	The PRC	RMB100,000,000/ RMB6,000,000	-	49%	Limited liability company	Energy investment
Qianxinan Qinglong Anbao Coal Mine Co., Ltd. (黔西南州晴隆安寶煤礦有限公司)	The PRC	RMB50,000,000	25%	-	Sino-foreign equity joint venture	Coal mining
Diantou Huirong New Energy Co., Ltd. (電投徽融新能源有限公司)	The PRC	RMB500,000,000/ RMB246,458,000	-	35%	Limited liability company	Generation and sale of electricity
Diantou Chuangxing Green New Energy (Anhui) Venture Capital Partnership Enterprise (Limited Partnership) (電投創興綠色新能(安徽)創業投資合夥企業(有限合夥))	The PRC	RMB2,000,000,000/ RMB600,000,000	-	30%	Limited partnership	Investment management
Qing'an New Material Technology (Beijing) Co., Ltd. # ("Qing'an New Material") (清安新材科技(北京)有限公司)	The PRC	RMB8,537,000	18% (note)	-	Sino-foreign equity joint venture	Provision of technical services
China Power (Zhejiang) Energy Investment Co., Ltd. # ("Zhejiang Energy Investment") (中電(浙江)能源投資有限公司)	The PRC	USD300,000,000/ RMB276,537,000	40.8%	-	Sino-foreign equity joint venture	Energy investment
Hunan Lingrui New Energy Co., Ltd. # ("Hunan Lingrui") (湖南凌瑞新能源有限公司)	The PRC	RMB250,000,000/ Nil	-	15% (note)	Limited liability company	Generation and sale of electricity
Anhui Huainan Pingwei Electric Power Company Limited # ("Pingwei Power") (安徽淮南平圩發電有限責任公司)	The PRC	RMB1,030,531,000/ RMB841,600,000	49%	-	Sino-foreign equity joint venture	Generation and sale of electricity
Jingyuanshan Development Investment New Energy Co., Ltd. ^# (靖遠山發投新能源有限公司)	The PRC	RMB527,070,000/ RMB230,373,000	-	49.25%	Limited liability company	Generation and sale of electricity

^ Not commenced operation yet.

Newly set up, acquired or reclassified in 2024.

Note:

The Group could exercise significant influence over Sichuan Energy Investment, Gui'an New District, Sujin Energy, Shangdianpingnan, Heze Lvyuan, Hunan Energy Big Data, Huayuan Anneng, Zhangzhou Huandian, Hunan Zhigu, Qing'an New Material and Hunan Lingrui through its representative on their boards of directors, and therefore classified these eleven companies as associates.

In accordance with the articles of Guangxi Haifeng, decisions on annual financial budget plan, profit distribution and loss recovery plans should be approved by more than 2/3 voting rights. The minimum decision-making voting rights could not be achieved by the Group alone. Therefore, the Group recognizes this equity investment as an interest in an associate.

20. INTERESTS IN ASSOCIATES (CONTINUED)

Summarized unaudited financial information of a material associate

In the opinion of the Directors, Changshu Power Plant and its subsidiary (collectively referred to as "Changshu Group") is a material associate to the Group and its summarized unaudited financial information is set out below:

Summarized consolidated statement of financial position

	Changshu Group	
	2024 RMB'000	2023 RMB'000
Non-current assets	**5,660,076**	6,544,927
Current assets	**2,295,198**	1,325,812
Non-current liabilities	**(1,566,735)**	(2,477,694)
Current liabilities	**(2,219,159)**	(1,719,243)
Net assets	**4,169,380**	3,673,802

Summarized consolidated income statement and consolidated statement of comprehensive income

	Changshu Group	
	2024 RMB'000	2023 RMB'000
Revenue	**7,637,157**	7,655,218
Profit and total comprehensive income for the year	**516,422**	461,135
Interest on perpetual debts classified as equity	**(20,844)**	(18,740)

Reconciliation of summarized unaudited financial information

Reconciliation of summarized unaudited financial information presented above to the carrying amount of interests in Changshu Group is as follows:

	Changshu Group	
	2024 RMB'000	2023 RMB'000
Opening net assets	**3,673,802**	3,028,833
Profit and total comprehensive income for the year	**516,422**	461,135
Capital invested by holders of other equity instruments	**–**	199,440
Distributions to holders of other equity instruments	**(20,844)**	(15,606)
Closing net assets	**4,169,380**	3,673,802
Group's share of net assets of associate, excluding perpetual debts	**3,513,725**	3,018,147
Interest in associate (at 50%) — At carrying amount	**1,756,863**	1,509,074

20. INTERESTS IN ASSOCIATES (CONTINUED)

Aggregate information of associates that are not individually material

	2024 RMB'000	2023 RMB'000
The Group's share of results and total comprehensive income for the year	**303,356**	283,658
Aggregate carrying amount of the Group's interests	**6,849,276**	6,303,759

21. INTERESTS IN JOINT VENTURES

	2024 RMB'000	2023 RMB'000
Unlisted investments, at cost	**2,401,806**	2,530,357
Share of undistributed post-acquisition reserves	**138,730**	74,492
Less: Accumulated impairment (note)	**(156,370)**	(156,370)
Total	**2,384,166**	2,448,479

Note: It represents the full impairment on the carrying amount of the Group's interest in Chuanjing Coal (as defined below) provided in 2015.

The followings are the details of the joint ventures as at 31 December 2024:

Name of companies	Place of establishment and operation	Registered/ paid up capital	Proportion of ownership interest Held by the Company	Proportion of ownership interest Held by subsidiaries	Type of legal entity	Principal activities
Sichuan Guangwang Group Chuanjing Coal Industry Company Limited ("Chuanjing Coal") (四川廣旺集團船景煤業有限責任公司)	The PRC	RMB472,000,000	49%	-	Sino-foreign equity joint venture	Coal mining
Guangzhou Zhongdian Lixin Thermal Electric Co. Ltd. (廣州中電荔新熱電有限公司)	The PRC	RMB604,000,000	50%	-	Sino-foreign equity joint venture	Generation and sale of electricity
Henan Zhongping Coal & Electricity Co., Ltd. (河南中平煤電有限責任公司)	The PRC	RMB131,880,000	50%	-	Sino-foreign equity joint venture	Coal transportation and selling
SPIC Guangxi Beibu Gulf (Qinzhou) Thermal Power Co., Ltd. ("Beibu Gulf Thermal Power") (國家電投集團廣西北部灣(欽州)熱電有限公司)	The PRC	RMB125,471,000	-	51% (note)	Limited liability company	Generation and sale of electricity
Guangxi SPIC Overseas Energy Investment Co., Ltd. ("Guangxi Overseas") (廣西國電投海外能源投資有限公司)	The PRC	RMB1,300,000,000	-	40%	Limited liability company	Energy investment
Tianjin Dongfu Zengxiao Investment Management Center (Limited Partnership) ("Tianjin Dongfu") (天津東富增效投資管理中心(有限合夥))	The PRC	RMB766,303,000/ RMB766,293,000	35%	-	Limited partnership	Investment activity
Hubei Power Investment New Energy Investment Co., Ltd. (湖北電投新能源投資有限公司)	The PRC	RMB250,000,000/ RMB80,366,000	-	40%	Limited liability company	Generation and sale of electricity

21. INTERESTS IN JOINT VENTURES (CONTINUED)

The followings are the details of the joint ventures as at 31 December 2024: *(Continued)*

Name of companies	Place of establishment and operation	Registered/ paid up capital	Proportion of ownership interest Held by the Company	Held by subsidiaries	Type of legal entity	Principal activities
Ruihua (Shenzhen) Integrated Smart Energy Co., Ltd. (睿華(深圳)綜合智慧能源有限公司)	The PRC	RMB250,000,000/ RMB50,000,000	50%	–	Sino-foreign equity joint venture	Provision of technical services
Anhui Power Investment Xintuo Energy Development Co., Ltd. (安徽電投新拓能源發展有限公司)	The PRC	RMB600,000,000	–	20%	Limited liability company	Generation and sale of electricity
Yineng Xinyuan Energy Technology Co., Ltd. ^# (易能新源能源科技有限責任公司)	The PRC	RMB200,000,000	50%	–	Sino-foreign equity joint venture	Provision of technical services
Shenzhen Fenghe Energy Investment Co., Ltd.# (深圳峰和能源投資有限公司)	The PRC	RMB580,000,000/ RMB400,000,000	–	50%	Limited liability company	Provision of technical services
Beiliu Lingrui New Energy Co., Ltd.^# (北流凌瑞新能源有限公司)	The PRC	RMB5,000,000/ RMB15,000,000	–	50%	Limited liability company	Generation and sale of electricity
Hunan Light Power Investment New Energy Co., Ltd.^# (湖南輕電投新能源有限公司)	The PRC	RMB250,000,000	–	40%	Limited liability company	Generation and sale of electricity
Shandong Huandian New Energy Technology Co., Ltd.# (山東煥電新能源科技有限公司)	The PRC	RMB20,000,000/ RMB7,061,000	–	49%	Limited liability company	Provision of technical services
Anhui Power Investment Xinneng Energy Development Co., Ltd.# (安徽電投信能能源發展有限公司)	The PRC	RMB87,000,000/ RMB86,350,000	–	20%	Limited liability company	Generation and sale of electricity
Pu'an Qingpu Energy Services Co., Ltd.# ("Pu'an Qingpu") (普安青普能源服務有限公司)	The PRC	RMB1,000,000/ Nil	–	49%	Limited liability company	Coal transportation and selling

^ Not commenced operation yet.
# Newly set up, acquired or reclassified in 2024.

Note:

In accordance with the articles of Beibu Gulf Thermal Power, decisions on business and investment plan, annual financial budget plan, profit distribution and loss recovery plans should be approved by more than 2/3 voting rights. The minimum decision-making voting rights could not be achieved by the Group alone and the relevant activities require the unanimous consent of the two shareholders. Therefore, the Group recognizes this equity investment as an interest in a joint venture.

None of the joint ventures was individually material.

There were no contingent liabilities relating to the Group's interests in the joint ventures and the joint ventures did not have any material contingent liabilities as at 31 December 2024 and 2023.

Dividend from joint ventures for the year ended 31 December 2024 amounted to RMB103,036,000 (2023: RMB58,684,000).

22. EQUITY INSTRUMENTS AT FVTOCI

	2024 RMB'000	2023 RMB'000
Unlisted equity investments in the PRC (note (a))	**1,759,716**	1,686,892
Listed equity securities in the PRC		
— Shanghai Electric Power Co., Ltd. ("Shanghai Power") (note (b))	**3,331,389**	3,073,452
Total	**5,091,105**	4,760,344

Notes:

(a) Unlisted equity investments mainly represent interests in certain unlisted companies which are principally engaged in financial services, coal production and electricity trading services respectively. The Directors have elected to designate these investments as equity instruments at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes and realizing their performance potential in the long run.

(b) Details of the equity securities listed in the PRC held directly by the Company as at 31 December 2024 and 2023 are as follows:

Name of company	Place of establishment and operation	Registered and paid up capital	Equity interest attributable to the Group	Type of legal entity	Principal activity
Shanghai Power#	The PRC	RMB2,816,744,000	12.90%	Joint stock, limited liability company with its A-share listed on the Shanghai Stock Exchange	Investment holdings and generation and sale of electricity

\# Shanghai Power is a subsidiary of SPIC.

The equity securities are not held for trading. Instead, they are held for long-term strategic purposes. The Directors have elected to designate these equity securities as equity instruments at FVTOCI as they believe that recognizing short-term fluctuations in these equity securities' fair value in profit or loss would not be consistent with the Group's strategy of holding these equity securities for long-term purposes and realizing their performance potential in the long run.

23. DEFERRED INCOME TAXES

Deferred income taxes are calculated in respect of temporary differences under the liability method using the tax rates enacted or substantively enacted by the end of reporting period.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same taxation authority. The following amounts, determined after appropriate offsetting, are shown in the consolidated statement of financial position:

	2024 RMB'000	2023 RMB'000
Deferred income tax assets	**1,138,019**	1,096,304
Deferred income tax liabilities	**(2,783,870)**	(2,849,526)
Net deferred income tax liabilities	**(1,645,851)**	(1,753,222)

23. DEFERRED INCOME TAXES (CONTINUED)

Notes:

(a) The net movements in the deferred income tax assets/(liabilities) during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, are as follows:

	Accelerated tax depreciation RMB'000	Decelerated tax depreciation RMB'000	Changes in fair value RMB'000	Provisions RMB'000	Tax losses RMB'000	Right-of-use assets/lease liabilities RMB'000	Others RMB'000	Total RMB'000
At 1 January 2024	**(2,363,032)**	**490,158**	**(486,733)**	**190,907**	**159,413**	**11,276**	**244,789**	**(1,753,222)**
Acquisition of subsidiaries (Note 47)	**(18,442)**	**31,285**	**–**	**–**	**–**	**(3,788)**	**–**	**9,055**
Credited/(charged) to profit or loss (Note 11)	**145,402**	**(11,039)**	**–**	**8,763**	**(67,643)**	**(7,510)**	**97,076**	**165,049**
Charged to other comprehensive income	**–**	**–**	**(65,086)**	**–**	**–**	**–**	**–**	**(65,086)**
Disposal of subsidiaries (Note 46(b))	**–**	**(1,342)**	**–**	**–**	**–**	**(305)**	**–**	**(1,647)**
At 31 December 2024	**(2,236,072)**	**509,062**	**(551,819)**	**199,670**	**91,770**	**(327)**	**341,865**	**(1,645,851)**
At 1 January 2023	(1,796,981)	84,326	(624,313)	191,423	–	2,080	156,437	(1,987,028)
Acquisition of subsidiaries	(618,415)	428,275	–	–	–	3,008	–	(187,132)
Credited/(charged) to profit or loss (Note 11)	52,364	(22,443)	–	(516)	159,413	6,188	88,352	283,358
Credited to other comprehensive income	–	–	137,580	–	–	–	–	137,580
At 31 December 2023	(2,363,032)	490,158	(486,733)	190,907	159,413	11,276	244,789	(1,753,222)

(b) Deferred income tax assets are recognized for tax losses carried forward to the extent that the realization of the related tax benefit through future taxable profits is probable. As at 31 December 2024, the Group had unrecognized tax losses to be carried forward against future taxable profits amounting to RMB9,995,418,000 (2023: RMB10,275,264,000), which will expire within 5 years.

(c) As at 31 December 2024, the Group had deductible temporary differences of RMB934,409,000 (2023: RMB599,533,000), which mainly relates to the impairment losses of the Group's property, plant and equipment, inventories, accounts receivable and interest in a joint venture. No deferred income tax assets had been recognized in relation to such deductible temporary difference as it is not probable that taxable profits will be available against which the deductible temporary differences can be utilized.

(d) As the Company is a deemed PRC Tax Resident Enterprise, the Company is exempted from the withholding tax charged on the dividends remitted to the Company by the subsidiaries, associates or joint ventures. As such, no deferred income tax liabilities on unremitted earnings of subsidiaries, associates or joint ventures would be recognized.

24. OTHER NON-CURRENT ASSETS

	2024 RMB'000	2023 RMB'000
Deductible value-added tax ("VAT") and other taxes	**6,578,079**	5,942,551
Accounts receivable (Note 26)	**5,887,294**	2,964,890
Others	**755,278**	475,639
Total	**13,220,651**	9,383,080

25. INVENTORIES

	2024 RMB'000	2023 RMB'000
Coal and fuel oil	**852,723**	921,860
Energy storage equipment, spare parts and consumables	**549,837**	1,458,352
Total	**1,402,560**	2,380,212

26. ACCOUNTS RECEIVABLE

	2024 RMB'000	2023 RMB'000
Accounts receivable from regional and provincial power grid companies (notes (a) and (b))	**34,825,314**	26,383,363
Accounts receivable from other companies (notes (a) and (b))	**2,700,447**	1,638,342
	37,525,761	28,021,705
Notes receivable (note (c))	**9,032**	178,406
Total	**37,534,793**	28,200,111
Analyzed for reporting purposes as:		
— Non-current (included in other non-current assets (Note 24)) (note (b))	**5,887,294**	2,964,890
— Current	**31,647,499**	25,235,221
Total	**37,534,793**	28,200,111

Notes:

(a) To measure the ECL of accounts receivable, accounts and notes receivables have been assessed individually upon the application of HKFRS 9. As at 31 December 2024, the loss allowance of the accounts receivable was RMB222,041,000 (2023: Nil).

26. ACCOUNTS RECEIVABLE (CONTINUED)

Notes: *(Continued)*

(b) The ageing analysis of the accounts receivable based on invoice date is as follows:

	2024 RMB'000	2023 RMB'000
Unbilled	5,887,294	2,964,890
1 to 3 months	31,638,467	25,056,815
Total	37,525,761	28,021,705

The accounts receivable that are neither past due nor impaired have been assessed by reference to the historical information about counterparty default rates. The existing counterparties did not have significant default in the past.

As at 31 December 2024, accounts receivable from regional and provincial power grid companies include clean energy power price premium receivable of RMB5,887,294,000, which is unbilled and is stated after discounting.

The clean energy power price premium, which was a component of the government-approved on-grid tariff for wind, photovoltaic and waste-to-energy power generation, was recognized as revenue from sales of electricity in the consolidated income statement of the Group for its wind, photovoltaic and waste-to-energy power projects.

The financial resource for the clean energy power price premium was the national renewable energy fund that accumulated through a special levy on the consumption of electricity. Pursuant to 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 (the "MOF"), the National Development and Reform Commission (the "NDRC") and the National Energy Administration (the "NEA") in March 2012, the standardized application and approval procedures on a project by project basis for the settlement of the tariff premium came into force since 2012, and such applications were accepted and approved batch by batch jointly by the MOF, the NDRC and the NEA at intervals in form of announcing renewable energy subsidy catalogues (the "Subsidy Catalogue").

In February 2020, the MOF, the NDRC and the NEA jointly issued new guidelines and notices, i.e., Caijian [2020] No. 4 Guidelines on the Stable Development of Non-Water Renewable Energy 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 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) (collectively referred to as the "New Guidelines"). Pursuant to the New Guidelines, the quota of new subsidies is decided based on the scale of subsidy funds, there will not be any new Subsidy Catalogue to be published for tariff premium and as an alternative, power grid companies will publish lists of renewable energy projects qualified for tariff premium (the "Subsidy List") periodically after the renewable energy generators have gone through certain approval and information publicity process.

Based on the above New Guidelines and their past experience, the Directors estimated that there were no foreseeable obstacles that would lead to the application not being approved before entering into either the Subsidy Catalogue or the Subsidy List. It was expected that the Group's wind, photovoltaic and waste-to-energy power projects would be listed as qualified projects for tariff premium after 31 December 2025 (2023: after 31 December 2024) and the corresponding premium receivables were estimated to be recovered after twelve months from the reporting date. Therefore, the Directors considered the renewable energy electricity sales contract for projects before entering into the Subsidy Catalogue or the Subsidy List contains a significant financing component. For the year ended 31 December 2024, the respective clean energy power price premiums were adjusted for this financing component based on an effective interest rate of 3.23% (2023: 3.64%) per annum, and the Group's revenue was adjusted by RMB120,772,000 (2023: RMB82,216,000) and interest income amounting to RMB20,458,000 (2023: RMB48,976,000) (Note 10) was recognized.

(c) As at 31 December 2024, notes receivable were bank acceptance notes issued by third parties and were normally with a maturity period of 360 days (2023: 360 days).

(d) As at 31 December 2024, certain of the bank borrowings (Note 36(d)), other borrowings (Note 38(c)) and lease liabilities (Note 39) were secured by the rights on certain accounts receivable. The accounts receivable pledged under these debts as at 31 December 2024 amounted to RMB9,576,998,000 (2023: RMB7,530,108,000).

(e) Apart from certain clean energy power price premium receivables of RMB5,887,294,000 (2023: RMB2,964,890,000) which are stated after discounting, the fair values of the remaining accounts and notes receivables approximate their carrying amounts as the impact of discounting is not significant. All accounts and notes receivables are denominated in RMB.

27. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

Prepayments, deposits and other receivables mainly represent current portion of deductible VAT, prepayments for purchasing inventories and materials, deposits and other receivables.

	2024 RMB'000	2023 RMB'000
Deposits and other receivables	**4,058,593**	3,541,474
Prepayments	**2,865,126**	3,302,322
Deductible VAT	**1,699,418**	1,224,394
Provision under ECL	**(137,544)**	(100,680)
Total	**8,485,593**	7,967,510

As at 31 December 2024, prepayments, deposits and other receivables included prepayments to non-controlling shareholders of subsidiaries of RMB83,841,000 (2023: RMB45,057,000).

28. AMOUNTS DUE FROM/TO RELATED PARTIES

	2024 RMB'000	2023 RMB'000
Amounts due from related parties		
Amounts due from CPDL	**–**	15,998
Amounts due from CPI Holding	**35,744**	159,170
Amounts due from SPIC Financial	**108,555**	112,094
Amounts due from companies controlled by SPIC other than CPI Holding and SPIC Financial	**2,329,327**	2,695,357
Amounts due from associates (note (a))	**780,266**	648,499
Amounts due from joint ventures (note (b))	**412,962**	426,226
Amounts due from non-controlling shareholders of subsidiaries	**162,620**	49,166
Amounts due from SPIC	**3,679**	4,552
Total	**3,833,153**	4,111,062

	2024 RMB'000	2023 RMB'000
Amounts due to related parties		
Amounts due to CPI Holding (note (c))	**118,604**	140,441
Amounts due to SPIC Financial	**24,290**	29,547
Amounts due to companies controlled by SPIC other than CPI Holding and SPIC Financial	**1,648,341**	3,453,368
Amounts due to SPIC	**212,907**	5,833,120
Amounts due to associates	**588,587**	876,991
Amounts due to non-controlling shareholders of subsidiaries (note (d))	**362,965**	631,734
Total	**2,955,694**	10,965,201

28. AMOUNTS DUE FROM/TO RELATED PARTIES (CONTINUED)

Notes:

(a) The amounts due from associates are unsecured. Except for a balance of RMB55,080,000 (2023: RMB55,080,000) which is interest bearing at 1.75% (2023: 1.75%) per annum, a balance of RMB195,000,000 (2023: RMB213,025,000) which is interest bearing at 2.35% (2023: 2.50%) per annum, a balance of RMB200,000,000 (2023: Nil) which is interest bearing at 2.27% per annum and a balance of RMB205,000,000 (2023: Nil) which is interest bearing at 2.50% per annum and repayable within one year, the remaining balances are interest free and repayable on demand. During the current year, an amount of RMB13,000,000 with an interest rate of 2.40% per annum in 2023 have been repaid.

(b) The amounts due from joint ventures are unsecured, interest free and repayable on demand.

(c) The amounts due to CPI Holding are unsecured. Except for a balance of RMB106,440,000 (2023: RMB106,440,000) which is interest bearing at 1.75% (2023: 1.75%) per annum and repayable within one year, the remaining balances are interest free and repayable on demand.

(d) The amounts due to non-controlling shareholders of subsidiaries included dividend payable of RMB262,626,000 (2023: RMB252,705,000).

(e) Balances with related parties, other than those disclosed in notes (a) to (d) above, are unsecured, interest free and repayable on demand.

(f) The fair values of these balances approximate their carrying amounts as the impact of discounting is not significant.

29. DEBT INSTRUMENTS AT FVTOCI

As at 31 December 2024, debt instruments at FVTOCI represent certain notes receivable issued by third parties and related parties, and were normally with maturity period within 360 days (2023: 360 days). Notes receivable discounted and endorsed to banks, suppliers and related parties of RMB904,650,000, RMB866,128,000 and RMB2,883,000 respectively (2023: RMB1,599,144,000, RMB308,710,000 and RMB2,950,000 respectively) are derecognized by the Group (the "Derecognized Notes"). In accordance with the Law of Negotiable Instruments in the PRC, the holders of the Derecognized Notes have a right of recourse against the Group if the PRC banks default (the "Continuing Involvement"). In the opinion of the Directors, the Group has transferred substantially all risks and rewards relating to the Derecognized Notes. Accordingly, it has derecognized the full carrying amounts of the Derecognized Notes and the associated trade payables and amounts due to related parties. The maximum exposure to loss from the Group's Continuing Involvement in the Derecognized Notes and the undiscounted cash flows to repurchase these Derecognized Notes equal to their derecognized amounts. In the opinion of the Directors, the fair value of the Group's Continuing Involvement in the Derecognized Notes is not significant.

Details of impairment assessment are set out in Note 45.2(d).

30. RESTRICTED DEPOSITS

Restricted deposits are all restricted cash deposits. As at 31 December 2024, the restricted deposits of the Group are interest bearing from 0.10% to 0.20% (2023: 0.20% to 0.30%) per annum.

The restricted cash deposits mainly represent cash deposits held in the "joint control account" under the names of certain subsidiaries of the Group for the co-development of wind power plants with local government. The deposits are operated with the approvals from both parties and will be released upon the completion of power plant construction.

31. CASH AND CASH EQUIVALENTS

	2024 RMB'000	2023 RMB'000
Cash at banks and in hand (note (a))	**2,547,411**	2,836,603
Deposits at SPIC Financial (note (b))	**3,526,205**	2,902,212
Total	**6,073,616**	5,738,815
Denominated in:		
RMB	**5,999,031**	5,725,163
United States Dollars ("USD")	**40,519**	987
Bangladeshi Taka ("BDT")	**14,487**	–
HK$	**19,579**	12,665
Total	**6,073,616**	5,738,815

Notes:

(a) The Group's cash at banks are interest bearing from 0.10% to 0.20% (2023: 0.20% to 0.30%) per annum.

(b) The Group's deposits at SPIC Financial are interest bearing at 0.35% to 1.35% (2023: 1.38%) per annum.

(c) The Group's cash and cash equivalents denominated in RMB of RMB5,972,594,000 (2023: RMB5,638,495,000) are deposited at banks, SPIC Financial in mainland China. The conversion of these RMB denominated balances into foreign currencies and the remittance of funds out of the PRC are subject to the rules and regulations of foreign exchange control promulgated by the PRC government.

32. SHARE CAPITAL

	2024 RMB'000	2023 RMB'000
Ordinary shares, issued and fully paid:		
12,370,150,983 (2023: 12,370,150,983) ordinary shares	**24,508,986**	24,508,986

Note:

The total number of ordinary shares of the Company amounted to 12,370,150,983. There are no movements in the number of ordinary shares of the Company from 31 December 2022 to 31 December 2024.

33. SHARE OPTION SCHEME

On 5 and 20 July 2022, the Directors announced that the Company has granted share options to certain eligible participants (the "Grantees"), subject to acceptance of the Grantees, under the Company's new share incentive scheme (the "Scheme") adopted on 15 June 2022. The Scheme shall be valid from the grant date until the date when all share options have been exercised or cancelled and the maximum effective period of the Scheme shall not exceed 72 months. Grantees included the Directors, and employees of the Company or the Group's controlled subsidiaries. Each share option shall entitle the Grantees to subscribe for one new share of the Company at the exercise price. Details of the share options granted are set out below:

Date of grant	5 July 2022	20 July 2022
Exercise price (per share)	HK$4.82	HK$4.90
Number of share options granted	84,590,000	18,590,000
Exercise period	First exercise period (Percentage of share options exercisable: 33%) Trading days from 5 July 2024 to 4 July 2025	First exercise period (Percentage of share options exercisable: 33%) Trading days from 20 July 2024 to 19 July 2025
	Second exercise period (Percentage of share options exercisable: 33%) Trading days from 5 July 2025 to 4 July 2026	Second exercise period (Percentage of share options exercisable: 33%) Trading days from 20 July 2025 to 19 July 2026
	Third exercise period (Percentage of share options exercisable: 34%) Trading days from 5 July 2026 to 4 July 2027	Third exercise period (Percentage of share options exercisable: 34%) Trading days from 20 July 2026 to 19 July 2027
Closing price immediately before the date of grant (per share)	HK$4.76	HK$4.75

The exercise prices and exercise periods of the Company's share options outstanding as at 31 December 2024 are as follows:

Number of share options	Exercise price (HK$ per share)	Exercise period
–	4.82	5 July 2024 to 4 July 2025
22,905,300	4.82	5 July 2025 to 4 July 2026
23,599,400	4.82	5 July 2026 to 4 July 2027
–	4.90	20 July 2024 to 19 July 2025
5,989,500	4.90	20 July 2025 to 19 July 2026
6,171,000	4.90	20 July 2026 to 19 July 2027

The movements of share options under the Scheme during the current year are as follows:

	2024 Weighted average exercise price (HK$ per share)	Number of share options
At 1 January	**4.84**	**93,060,000**
Lapsed during the year	**4.84**	**(34,394,800)**
At 31 December	**4.84**	**58,665,200**

33. SHARE OPTION SCHEME (CONTINUED)

During the year ended 31 December 2024, the Company recognized a share-based payment expenses of RMB19,283,000 (2023: RMB7,422,000) (Note 6), which has already taken into account of the impact of revisions to the original estimates at the year-end. One of the revised estimates was the number of share options, with no (2023: 30,709,800) share options being identified as forfeited in substance and yet pending to be officially cancelled by the Board.

The fair value of equity-settled share options granted in 2022 was estimated as at the date of grant using a Black-Scholes model, taking into account the terms and conditions upon which the share options were granted. The following table lists the key inputs to the model used:

	Date of grant	
	5 July 2022	20 July 2022
Estimated fair value (per share option)	HK$1.61	HK$1.56
Expected volatility	44.42%	44.83%
Risk-free interest rate	2.4455%	2.3805%
Expected life of share options	3.5 years	3.5 years
Exercise price (per share)	HK$4.82	HK$4.90
Closing share price (per share)	HK$4.69	HK$4.65

34. OTHER EQUITY INSTRUMENTS

On 5 November 2020, the Company issued the 2020 first tranche of RMB1,500,000,000 perpetual medium-term note (the "2020 First Perpetual Medium-term Note") at an initial interest rate of 4.35% per annum. The proceeds from the issuance of the 2020 First Perpetual Medium-term Note after deducting the issuance cost were approximately RMB1,498,800,000. Coupon interest payments of 4.35% are paid annually in arrears on 5 November each year starting from 2021 and may be deferred at the discretion of the Company. The first call date is 5 November 2023, and the 2020 First Perpetual Medium-term Note was redeemed on that day.

On 18 November 2020, the Company issued the 2020 second tranche of RMB1,500,000,000 perpetual medium-term note (the "2020 Second Perpetual Medium-term Note") at an initial interest rate of 4.60% per annum. The proceeds from the issuance of the 2020 Second Perpetual Medium-term Note after deducting the issuance cost were approximately RMB1,498,800,000. Coupon interest payments of 4.60% are paid annually in arrears on 18 November each year starting from 2021 and may be deferred at the discretion of the Company. The first call date is 18 November 2023, and the 2020 Second Perpetual Medium-term Note was redeemed on that day.

In 2023, the Company issued the debt financing instruments ("DFI"). On 1 November 2023, the Company issued the 2023 first tranche of RMB1,500,000,000 perpetual medium-term note (the "DFI-PMTN-1st-tranche"), at an initial interest rate of 3.58% per annum. The proceeds from the issuance of the DFI-PMTN-1st-tranche after deducting the issuance cost were approximately RMB1,499,100,000. Coupon interest payments of 3.58% are paid annually in arrears on 1 November each year starting from 2024 and may be deferred at the discretion of the Company. The first call date is 1 November 2026.

On 15 November 2023, the Company issued the 2023 second tranche of RMB1,500,000,000 perpetual medium-term note (the "DFI-PMTN-2nd-tranche"), at an initial interest rate of 3.30% per annum. The proceeds from the issuance of the DFI-PMTN-2nd-tranche after deducting the issuance cost were approximately RMB1,499,100,000. Coupon interest payments of 3.30% are paid annually in arrears on 15 November each year starting from 2024 and may be deferred at the discretion of the Company. The first call date is 15 November 2026.

34. OTHER EQUITY INSTRUMENTS (CONTINUED)

On 15 November 2022, the Company and certain of its subsidiaries entered into the perpetual debt investment contracts with Bridge Trust Co., Ltd. ("Bridge Trust", a subsidiary of SPIC). During the year ended 31 December 2024, the Group has received perpetual debts amounting to RMB32,050,000 (2023: RMB5,008,740,000) with an initial interest rate ranging from 2.97% to 3.69% (2023: 2.87% to 3.69%) per annum, an initial base term of 3 years or 5 years, and has redeemed perpetual debts amounting to RMB163,430,000 (2023: Nil).

In 2024, the profit attributable to holders of other equity instruments, based on the applicable interest rate, was RMB497,441,000 (2023: RMB424,147,000) and distribution of RMB433,078,000 (2023: RMB401,836,000) has been paid in 2024.

35. RESERVES

	Merger reserve (note (a)) RMB'000	Capital reserve (note (b)) RMB'000	FVTOCI reserve RMB'000	Statutory reserves (note (c)) RMB'000	Share-based payment reserve RMB'000	Special reserve RMB'000	Exchange translation reserve RMB'000	Others RMB'000	Other reserves sub-total RMB'000	Retained earnings (note (d)) RMB'000	Total RMB'000
At 1 January 2024	306,548	1,138,661	1,297,128	3,008,042	36,224	125,919	–	387,486	6,300,008	7,656,238	13,956,246
Profit for the year	–	–	–	–	–	–	–	–	–	3,364,381	3,364,381
Fair value gain on equity instruments at FVTOCI	–	–	261,670	–	–	–	–	–	261,670	–	261,670
Deferred income tax on fair value gain on equity instruments at FVTOCI	–	–	(65,418)	–	–	–	–	–	(65,418)	–	(65,418)
Fair value loss on debt instruments at FVTOCI	–	–	(869)	–	–	–	–	–	(869)	–	(869)
Deferred income tax on fair value loss on debt instruments at FVTOCI	–	–	217	–	–	–	–	–	217	–	217
Release on derecognition of debt instruments at FVTOCI	–	–	711	–	–	–	–	–	711	–	711
Release of deferred income tax on derecognition of debt instruments at FVTOCI	–	–	(178)	–	–	–	–	–	(178)	–	(178)
Share of other comprehensive loss of associates and a joint venture, net of tax	–	–	–	–	–	–	–	(718)	(718)	–	(718)
Share-based payment expenses (Note 33)	–	–	–	–	19,283	–	–	–	19,283	–	19,283
Transfer to statutory reserves	–	–	–	1,223,339	–	–	–	–	1,223,339	(1,223,339)	–
Disposal of interests in subsidiaries without loss of control (Note 46(a))	–	–	–	–	–	–	–	12,765	12,765	–	12,765
Exchange differences on translation of foreign operations	–	–	–	–	–	–	(15,737)	–	(15,737)	–	(15,737)
Appropriation of safety production funds	–	–	–	–	–	212,214	–	–	212,214	(212,214)	–
Share of changes of reserves of associates and joint ventures	–	–	–	–	–	23,453	–	–	23,453	(23,453)	–
2023 final dividend (Note 13)	–	–	–	–	–	–	–	–	–	(1,632,860)	(1,632,860)
2024 special dividend (Note 13)	–	–	–	–	–	–	–	–	–	(618,508)	(618,508)
At 31 December 2024	306,548	1,138,661	1,493,261	4,231,381	55,507	361,586	(15,737)	399,533	7,970,740	7,310,245	15,280,985

35. RESERVES (CONTINUED)

	Merger reserve (note (a)) RMB'000	Capital reserve (note (b)) RMB'000	FVTOCI reserve RMB'000	Statutory reserves (note (c)) RMB'000	Share-based payment reserve RMB'000	Special reserve RMB'000	Others RMB'000	Other reserves sub-total RMB'000	Retained earnings (note (d)) RMB'000	Total RMB'000
At 1 January 2023	306,548	1,893,845	1,711,303	2,403,015	28,802	–	389,286	6,732,799	7,087,579	13,820,378
Profit for the year	–	–	–	–	–	–	–	–	2,660,322	2,660,322
Fair value loss on equity instruments at FVTOCI	–	–	(553,141)	–	–	–	–	(553,141)	–	(553,141)
Deferred income tax on fair value loss on equity instruments at FVTOCI	–	–	138,285	–	–	–	–	138,285	–	138,285
Fair value loss on debt instruments at FVTOCI	–	–	(711)	–	–	–	–	(711)	–	(711)
Deferred income tax on fair value loss on debt instruments at FVTOCI	–	–	178	–	–	–	–	178	–	178
Release on derecognition of debt instruments at FVTOCI	–	–	1,619	–	–	–	–	1,619	–	1,619
Release of deferred income tax on derecognition of debt instruments at FVTOCI	–	–	(405)	–	–	–	–	(405)	–	(405)
Share-based payment expenses (Note 33)	–	–	–	–	7,422	–	–	7,422	–	7,422
Transfer to statutory reserves	–	–	–	605,027	–	–	–	605,027	(605,027)	–
Disposal of interests in subsidiaries without loss of control	–	71,587	–	–	–	–	–	71,587	–	71,587
Acquisition of non-controlling interests	–	(826,771)	–	–	–	–	–	(826,771)	–	(826,771)
Appropriation of safety production funds	–	–	–	–	–	108,734	–	108,734	(108,734)	–
Share of changes of reserves of associates and joint ventures	–	–	–	–	–	17,185	–	17,185	(17,185)	–
Issuance of perpetual medium-term notes (Note 34)	–	–	–	–	–	–	(1,800)	(1,800)	–	(1,800)
2022 final dividend (Note 13)	–	–	–	–	–	–	–	–	(1,360,717)	(1,360,717)
At 31 December 2023	306,548	1,138,661	1,297,128	3,008,042	36,224	125,919	387,486	6,300,008	7,656,238	13,956,246

Notes:

(a) Merger reserve

The merger reserve of the Group represents the difference between the nominal amount of the share capital issued by the Company and the nominal amount of the registered capital of the subsidiaries transferred to the Company pursuant to the reorganization of the Group which took place in 2004.

(b) Capital reserve

Capital reserve mainly represents the difference between the fair value of the net assets injected by the then owner of the relevant companies of the Group and the registered capital of these companies upon their establishment.

(c) Statutory reserves

Statutory reserves are non-distributable and the transfers to these funds are determined by the boards of directors of the relevant PRC subsidiaries in accordance with the relevant laws and regulations in the PRC.

(d) Retained earnings

Accumulated profits retained by the Group, its associates and joint ventures included impairment losses on property, plant and equipment of certain subsidiaries and an associate which have been accounted for in the Group's consolidated income statement in prior years. In the local statutory financial statements of the certain subsidiaries and an associate, these impairment losses have been dealt with in the respective company's capital reserves in accordance with the relevant local accounting rules and regulations. Profit distributions made by these companies were based on the distributable reserves as reported in the statutory financial statements.

36. BANK BORROWINGS

Bank borrowings are analyzed as follows:

	2024 RMB'000	2023 RMB'000
Non-current		
Long-term bank borrowings		
— secured (note (d))	**30,928,332**	33,517,405
— unsecured (note (e))	**92,393,005**	76,432,773
	123,321,337	109,950,178
Less: Current portion of long-term bank borrowings	**(12,561,890)**	(10,298,213)
	110,759,447	99,651,965
Current		
Short-term bank borrowings — unsecured	**17,201,812**	9,330,466
Current portion of long-term bank borrowings	**12,561,890**	10,298,213
	29,763,702	19,628,679
Total	**140,523,149**	119,280,644

Notes:

(a) The carrying amounts of the Group's bank borrowings are denominated in the following currencies:

	2024 RMB'000	2023 RMB'000
RMB	**140,335,184**	119,061,916
Japanese Yen ("JPY")	**187,965**	218,728
Total	**140,523,149**	119,280,644

(b) The repayment terms of the long-term bank borrowings are analyzed as follows:

	2024 RMB'000	2023 RMB'000
Within one year	**12,561,890**	10,298,213
Between one and two years	**12,320,353**	9,089,754
Between two and five years	**30,159,212**	27,369,890
Over five years	**68,279,882**	63,192,321
Total	**123,321,337**	109,950,178

36. BANK BORROWINGS (CONTINUED)

Notes: *(Continued)*

(c) The effective interest rates per annum of the Group's bank borrowings are as follows:

	2024	2023
Short-term bank borrowings	3.14%	3.34%
Long-term bank borrowings (including current portion)	3.65%	3.97%

As at 31 December 2024 and 2023, the bank borrowings of the Group in fixed and floating rates are as follows:

	2024 RMB'000	2023 RMB'000
Fixed-rate borrowings	23,816,780	10,851,127
Floating-rate borrowings	116,706,369	108,429,517
Total	140,523,149	119,280,644

(d) As at 31 December 2024 and 2023, the bank borrowings of the Group are secured as follows:

	2024 RMB'000	2023 RMB'000
Secured by the equity of a non-controlling shareholder of a subsidiary	135,400	152,320
Secured by certain property, plant and equipment (Note 15(c))	953,204	931,821
Secured against the rights on certain accounts receivable (Note 26(d))	29,839,728	32,433,264

(e) As at 31 December 2024, bank borrowings amounting to RMB187,965,000 (2023: RMB218,728,000) were guaranteed by Hunan Provincial Finance Bureau.

(f) As at 31 December 2024, the Group had available unutilized banking facilities amounting to RMB39,474,060,000 (2023: RMB32,848,259,000).

(g) The fair values of short-term bank borrowings approximate their carrying amounts as the impact of discounting is not significant.

The fair values of long-term bank borrowings at floating interest rates approximate their carrying amounts.

As at 31 December 2024, the carrying amounts and fair values of long-term bank borrowings at fixed interest rates amount to RMB11,006,828,000 (2023: RMB6,626,936,000) and RMB12,439,645,000 (2023: RMB7,375,732,000) respectively. The fair values are calculated using discounted cash flows at rates from 1% to 4.30% (2023: 1% to 5.39%) and are within level 3 of the fair value hierarchy.

37. BORROWINGS FROM RELATED PARTIES

	2024 RMB'000	2023 RMB'000
Non-current		
Long-term borrowings from SPIC (note (b))	**12,034,556**	12,788,499
Long-term borrowings from SPIC Financial (note (c))	**2,776,377**	4,748,492
Long-term borrowings from other related parties (note (d))	**1,511,581**	1,775,423
	16,322,514	19,312,414
Less: Current portion of long-term borrowings from SPIC	**(8,218,149)**	(1,950,000)
Current portion of long-term borrowings from SPIC Financial	**(2,068,000)**	(678,238)
Current portion of long-term borrowings from other related parties	**(723,937)**	(101,507)
	5,312,428	16,582,669
Current		
Short-term borrowings from SPIC (note (e))	**500,000**	2,000,000
Short-term borrowings from SPIC Financial (note (f))	**8,253,500**	3,489,000
Short-term borrowings from CPI Holding (note (g))	**1,200,000**	–
Short-term borrowings from other related parties (note (h))	**2,007,605**	2,222,594
Current portion of long-term borrowings from SPIC (note (b))	**8,218,149**	1,950,000
Current portion of long-term borrowings from SPIC Financial (note (c))	**2,068,000**	678,238
Current portion of long-term borrowings from other related parties (note (d))	**723,937**	101,507
	22,971,191	10,441,339
Total	**28,283,619**	27,024,008

Notes:

(a) The carrying amounts of the Group's borrowings from related parties are denominated in the following currencies:

	2024 RMB'000	2023 RMB'000
RMB	**27,564,779**	26,315,738
USD	**718,840**	708,270
Total	**28,283,619**	27,024,008

(b) The long-term borrowings from SPIC are unsecured, interest bearing from 2.48% to 4.50% (2023: 2.80% to 4.75%) per annum.

These borrowings are repayable as follows:

	2024 RMB'000	2023 RMB'000
Within one year	**8,218,149**	1,950,000
Between one and two years	**990,910**	8,217,230
Between two and five years	**1,083,359**	1,817,910
Over five years	**1,742,138**	803,359
Total	**12,034,556**	12,788,499

37. BORROWINGS FROM RELATED PARTIES (CONTINUED)

Notes: *(Continued)*

(c) The long-term borrowings from SPIC Financial are unsecured, interest bearing from 2.30% to 4.27% (2023: 3.10% to 4.27%) per annum.

The repayment terms of these borrowings are analyzed as follows:

	2024 RMB'000	2023 RMB'000
Within one year	**2,068,000**	678,238
Between one and two years	**358,000**	1,062,000
Between two and five years	**90,377**	1,175,374
Over five years	**260,000**	1,832,880
Total	**2,776,377**	4,748,492

As at 31 December 2024 and 2023, the long-term borrowings from SPIC Financial in fixed and floating rate are as follows:

	2024 RMB'000	2023 RMB'000
Fixed-rate borrowings	**1,601,377**	703,000
Floating-rate borrowings	**1,175,000**	4,045,492
Total	**2,776,377**	4,748,492

(d) As at 31 December 2024, RMB66,346,000 (2023: Nil) is secured against certain property, plant and equipment (Note 15(c)) and interest bearing at 3.24% per annum, the remaining long-term borrowings from other related parties are unsecured and interest bearing from 3.22% to 3.79% (2023: 3.79% to 4.30%) per annum.

(e) As at 31 December 2024, the short-term borrowings from SPIC are unsecured, interest bearing from 2.00% to 3.46% (2023: 2.00% to 3.60%) per annum.

(f) As at 31 December 2024, the short-term borrowings from SPIC Financial are unsecured, interest bearing from 2.40% to 3.46% (2023: 2.40% to 4.27%) per annum.

(g) As at 31 December 2024, the short-term borrowings from CPI Holding are unsecured, interest bearing at 2.00% (2023: Nil) per annum.

(h) As at 31 December 2024, the short-term borrowings from other related parties are unsecured, interest bearing from 2.40% to 4.35% (2023: 2.70% to 4.35%) per annum.

(i) As at 31 December 2024, the Group had available unutilized facilities from SPIC Financial amounting to RMB10,000,000,000 (2023: RMB10,000,000,000).

(j) As at 31 December 2024, the Group had available unutilized facilities from SPIC International Finance (Hong Kong) Company Limited ("SPIC Finance HK") amounting to RMB1,300,000,000 (2023: Nil).

(k) The fair values of short-term borrowings from related parties approximate their carrying amounts as the impact of discounting is not significant.

The fair values of long-term borrowings from related parties at floating interest rates approximate their carrying amounts.

As at 31 December 2024, the carrying amounts and fair values of long-term borrowings from related parties at fixed interest rates amounted to RMB10,501,031,000 (2023: RMB11,161,492,000) and RMB10,818,490,000 (2023: RMB11,643,734,000) respectively. The fair values are calculated using discounted cash flows at rates from 2.30% to 4.50% (2023: 3.29% to 4.75%) and are within level 3 of the fair value hierarchy.

38. OTHER BORROWINGS

	2024 RMB'000	2023 RMB'000
Non-current		
Medium-term notes issued by the Company (note (a))	**12,500,000**	13,000,000
Corporate bonds issued by the Company (note (b))	**3,000,000**	–
Long-term other borrowings from third parties (note (c))	**7,687,717**	3,277,596
	23,187,717	16,277,596
Less: Current portion of medium-term notes issued by the Company	**(8,000,000)**	(5,000,000)
Current portion of long-term other borrowings from third parties	**(551,915)**	(63,759)
	14,635,802	11,213,837
Current		
Super & short-term commercial paper issued by the Company	**–**	2,000,000
Short-term note issued by a subsidiary (note (d))	**400,000**	–
Current portion of medium-term notes issued by the Company (note (a))	**8,000,000**	5,000,000
Current portion of long-term other borrowings from third parties (note (c))	**551,915**	63,759
	8,951,915	7,063,759
Total	**23,587,717**	18,277,596

Notes:

(a) The balance includes:

(i) Three unsecured RMB denominated green medium-term notes were issued by the Company in April, June and October 2024, of RMB2,000,000,000, RMB1,500,000,000 and RMB1,000,000,000 respectively, for terms of three years, ten years and five years, and interest bearing at 2.12%, 2.58% and 2.28% per annum respectively.

(ii) Four unsecured RMB denominated medium-term notes were issued by the Company in 2022, with two in June, one in July and one in September, each of RMB2,000,000,000 for a term of three years, and interest bearing at 3.00%, 2.99%, 2.87% and 2.71% per annum respectively. As at 31 December 2024, the above four medium-term notes were classified and presented as current.

As at 31 December 2024, the medium-term notes issued in April and October 2021 have been repaid.

As at 31 December 2024, the fair value of the medium-term note amounted to RMB15,036,209,000 (2023: RMB12,784,622,000), which is the quoted price in active market for identical liabilities and is within level 2 of fair value hierarchy.

As at 31 December 2024, the Company had no (2023: Nil) unutilized medium-term note facilities available.

38. OTHER BORROWINGS (CONTINUED)

Notes: *(Continued)*

(b) Two unsecured RMB denominated corporate bonds were issued by the Company in March and April 2024 of RMB2,000,000,000 and RMB1,000,000,000 respectively for a term of three years, and interest bearing at 2.67% and 2.39% per annum respectively.

(c) As at 31 December 2024, RMB1,148,957,000 (2023: RMB172,576,000) is secured against the rights on certain accounts receivable (Note 26(d)) and interest bearing from 2.64% to 4.01% (2023: 3.88% to 5.10%) per annum and RMB527,067,000 (2023: RMB304,161,000) is secured against certain property, plant and equipment (Note 15(c)) and interest bearing from 3.35% to 3.46% (2023: 3.33% to 4.20%) per annum, the remaining balances are unsecured and interest bearing from 3.05% to 4.30% (2023: 3.88% to 4.30%) per annum. The fair values of the long-term other borrowings from third parties approximate their carrying amounts as the impact of discounting is not significant.

(d) The balance represents a RMB denominated short-term note (the Sci-Tech Note) of RMB400,000,000 issued by Wu Ling Power Corporation ("Wu Ling Power"), a subsidiary of the Group, in September 2024 for a term of 181 days and interest bearing at 1.97% per annum, which is secured against the intellectual property rights in relation to intelligent clean energy operation and facilities maintenance technology.

(e) As at 31 December 2024, the Company had no (2023: Nil) unutilized short-term note facilities available.

39. LEASE LIABILITIES

	2024 RMB'000	2023 RMB'000
Lease liabilities payable		
Within one year	**622,102**	734,022
Between one and two years	**475,066**	219,438
Between two and five years	**1,022,889**	404,698
Over five years	**2,846,428**	2,774,434
	4,966,485	4,132,592
Less: Amounts payable within 12 months shown under current liabilities	**(622,102)**	(734,022)
Amounts payable after 12 months shown under non-current liabilities	**4,344,383**	3,398,570

The balance as at 31 December 2024 includes certain lease agreements entered into with related parties, namely CPI Ronghe Financial Leasing Co., Ltd. and China Kangfu International Leasing Co., Ltd. for the use of property, plant and equipment for 1 to 16 years amounting to RMB935,670,000, of which RMB923,095,000 (2023: RMB911,802,000) are secured against the rights on certain accounts receivable (Note 26(d)) with interest rates ranging from 4.01% to 7% (2023: 4.01% to 7%) per annum. Interest rates for the remaining balances are ranging from 4.01% to 7% (2023: 4.01% to 7%) per annum.

Except for short-term leases and low value leases in which the Group applied recognition exemption, the Group has recognized additions of right-of-use assets and lease liabilities of RMB2,292,749,000 (2023: RMB4,347,502,000) (Note 16) and RMB1,585,570,000 (2023: RMB3,524,303,000) respectively.

40. PROVISIONS FOR OTHER LONG-TERM LIABILITIES

Provisions for other long-term liabilities represent provisions for inundation compensation caused by the construction of certain hydropower plants of the Group, namely the Sanbanxi Power Plant, Baishi Power Plant, Tuokou Power Plant and Changzhou Hydropower Plant in accordance with the rules and regulations of inundation compensation.

The provisions are measured at the present value of the expenditures expected to be required to settle the compensations, based on the latest rules and regulations as set out by the relevant local government authorities in the PRC, compensation per unit of area, growth rate of compensation, and the expected useful lives of these hydropower plants, using a pre-tax discount rate that reflects current assessments of the time value of money and the risks specific to the compensations. The increase in the provisions due to the passage of time had been recognized as interest expense.

Analysis of the provisions for inundation compensation as at 31 December 2024 and 2023 is as follows:

	2024 **RMB'000**	2023 RMB'000
Non-current liabilities	**1,804,615**	1,860,767
Current liabilities (included in other payables and accrued charges (Note 42))	**11,531**	109,270
Total	**1,816,146**	1,970,037

The movements of the provisions for inundation compensation for the years ended 31 December 2024 and 2023 are as follows:

	2024 **RMB'000**	2023 RMB'000
At 1 January	**1,970,037**	1,971,993
Reversal during the year (Note 15(d))	**(144,067)**	–
Interest expense (Note 10)	**93,557**	104,029
Payment	**(103,381)**	(105,985)
At 31 December	**1,816,146**	1,970,037

41. ACCOUNTS AND BILLS PAYABLES

	2024 RMB'000	2023 RMB'000
Accounts payable (note (a))	**3,383,571**	3,371,340
Bills payable (note (b))	**316,232**	452,056
Total	**3,699,803**	3,823,396

Notes:

(a) The normal credit period for accounts payable generally ranges from 60 to 180 days. The ageing analysis of the accounts payable based on invoice date is as follows:

	2024 RMB'000	2023 RMB'000
1 to 6 months	**3,343,512**	3,338,475
Over 1 year	**40,059**	32,865
Total	**3,383,571**	3,371,340

(b) As at 31 December 2024, bills payable are bills of exchange with maturity period ranged from 3 to 12 months (2023: ranged from 3 to 12 months).

(c) The fair values of accounts and bills payables approximate their carrying amounts as the impact of discounting is not significant. All accounts and bills payables are denominated in RMB.

42. OTHER PAYABLES AND ACCRUED CHARGES

	2024 RMB'000	2023 RMB'000
Salaries and staff welfare payable	**369,563**	339,424
VAT payable	**422,370**	307,475
Other taxes payable	**352,366**	382,309
Repairs and maintenance expense payable	**106,943**	64,953
Insurance expense payable	**45,008**	21,859
Reservoir maintenance and usage fees payables	**24,991**	21,395
Interest payable	**376,775**	345,730
Current portion of provisions for other long-term liabilities (Note 40)	**11,531**	109,270
Consideration payable for acquisition of subsidiaries	**24,749**	31,895
Other payables and accrued operating expenses	**3,727,470**	3,899,522
Total	**5,461,766**	5,523,832

43. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Reconciliation of profit before taxation to cash generated from operating activities

	2024 RMB'000	2023 RMB'000
Profit before taxation	**8,010,680**	5,426,590
Share of results of associates	**(551,145)**	(504,855)
Share of results of joint ventures	**(181,455)**	(201,294)
Finance income	**(153,955)**	(279,121)
Finance costs	**5,043,066**	4,273,867
Dividend income	**(103,022)**	(25,498)
Depreciation of property, plant and equipment	**12,062,171**	8,653,674
Depreciation of right of use assets	**601,301**	426,874
Provision/(reversal) of impairment of accounts receivable and other receivables	**228,494**	(2,328)
Impairment of property, plant and equipment	**265,262**	66,964
Amortization of other intangible assets	**1,174,758**	648,999
Amortization of deferred income	**(16,010)**	(24,264)
(Gain)/loss on disposal of property, plant and equipment, net	**(6,208)**	100,651
Loss on disposal of subsidiaries (pre-tax), net	**50,444**	46,925
Gain on remeasurement of remaining equity interests in associates and a joint venture after loss of control over subsidiaries	**(93,216)**	–
Share-based payment expenses	**19,283**	7,422
Loss on disposal of a joint venture	**12,978**	–
Gain on recognition of negative goodwill	**(19,902)**	–
Others	**(129,840)**	(112,564)
Operating cash flows before working capital changes	**26,213,684**	18,502,042
Decrease/(increase) in inventories	**913,742**	(1,206,044)
Increase in accounts receivable	**(9,055,316)**	(1,721,696)
Increase in prepayments, deposits and other receivables	**(515,396)**	(1,044,466)
Decrease/(increase) in amounts due from related parties	**577,340**	(768,246)
(Increase)/decrease in debt instruments at FVTOCI	**(22,301)**	50,406
(Decrease)/increase in accounts and bills payables	**(123,593)**	1,257,225
(Decrease)/increase in other payables and accrued charges	**(163,820)**	350,401
Decrease in amounts due to related parties	**(929,003)**	(452,122)
Increase in deferred income	**58,153**	46,746
Cash generated from operations	**16,953,490**	15,014,246
Interest paid	**(4,708,662)**	(3,977,472)
Tax paid	**(1,623,465)**	(1,133,756)
Net cash generated from operating activities	**10,621,363**	9,903,018

43. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

(b) Analysis of changes in financing during the year

	Bank borrowings and other borrowings RMB'000	Borrowings from related parties RMB'000	Lease liabilities RMB'000
At 31 December 2023	**137,558,240**	**27,024,008**	**4,132,592**
Drawdown of bank borrowings	**93,601,694**	**–**	**–**
Repayment of bank borrowings	**(77,909,879)**	**–**	**–**
Drawdown of other borrowings	**11,605,886**	**–**	**–**
Repayment of other borrowings	**(7,436,635)**	**–**	**–**
Drawdown of borrowings from related parties	**–**	**24,596,575**	**–**
Repayment of borrowings from related parties	**–**	**(23,347,534)**	**–**
Payments for lease liabilities	**–**	**–**	**(850,527)**
Interest expense on lease liabilities (Note 10)	**–**	**–**	**171,352**
New finance leases (note (c)(ii))	**–**	**–**	**1,455,681**
Acquisitions of subsidiaries (Note 47)	**10,528,952**	**–**	**134,303**
Disposal of interests in subsidiaries (Note 46(b))	**(3,820,454)**	**–**	**(76,916)**
Exchange (gain)/loss, net	**(16,938)**	**10,570**	**–**
At 31 December 2024	**164,110,866**	**28,283,619**	**4,966,485**
At 31 December 2022	97,765,508	15,134,304	3,706,652
Drawdown of bank borrowings	61,664,166	–	–
Repayment of bank borrowings	(55,375,760)	–	–
Drawdown of other borrowings	3,728,296	–	–
Repayment of other borrowings	(5,421,698)	–	–
Drawdown of borrowings from related parties	–	16,660,497	–
Repayment of borrowings from related parties	–	(12,057,974)	–
Payments for lease liabilities	–	–	(1,517,227)
Interest expense on lease liabilities (Note 10)	–	–	132,143
New finance leases (note (c)(ii))	–	–	506,364
Acquisitions of subsidiaries	34,408,189	6,710,050	1,354,047
Obtaining control of an associate	798,497	572,099	–
Disposal of interests in subsidiaries	(9,000)	–	(49,387)
Exchange loss, net	42	5,032	–
At 31 December 2023	137,558,240	27,024,008	4,132,592

43. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

(c) Major non-cash transactions

(i) For the year ended 31 December 2024, accounts payable and amounts due to related parties of RMB866,128,000 (2023: RMB308,710,000) and RMB2,883,000 (2023: RMB2,950,000) (Note 29) respectively have been settled through endorsement of notes receivables.

(ii) During the year ended 31 December 2024, the Group entered into new lease agreements for the use of power generator equipment, leasehold land and buildings from 2 to 20 years. Upon the lease commencement, the Group recognized right-of-use assets of RMB1,455,681,000 (2023: RMB506,364,000) and lease liabilities of RMB1,455,681,000 (2023: RMB506,364,000).

44. COMMITMENTS

	2024 RMB'000	2023 RMB'000
Contracted but not provided for in respect of		
— property, plant and equipment	**5,744,423**	12,162,217
— capital contribution to associates	**3,842,553**	2,969,773
Total	**9,586,976**	15,131,990

45. FINANCIAL INSTRUMENTS

45.1 Categories of financial instruments

	2024 RMB'000	2023 RMB'000
Financial assets		
Equity instruments at FVTOCI	**5,091,105**	4,760,344
Financial assets at amortized cost	**52,008,523**	41,940,548
Debt instruments at FVTOCI	**81,226**	59,345
Total	**57,180,854**	46,760,237
Financial liabilities		
Amortized cost	**225,793,055**	203,518,081

45. FINANCIAL INSTRUMENTS (CONTINUED)

45.2 Financial risk management objectives and policies

The Group's activities expose it to a variety of financial risks: market risks (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

(a) Foreign exchange risk

The Group mainly operates in the PRC with most of the transactions settled in RMB. Foreign exchange risk arises when future commercial transactions or recognized assets and liabilities are denominated in a currency that is not the entity's functional currency. The Group is exposed to foreign exchange risk primarily with respect to JPY, HK$ and USD.

The Group's assets and liabilities and transactions arising from its operations primarily do not expose to material foreign exchange risk. Other than certain bank borrowings, certain borrowings from related parties and certain cash and cash equivalents, the Group's assets and liabilities are primarily denominated in RMB. The Group generates RMB from sales in the PRC to meet its liabilities denominated in RMB.

As at 31 December 2024, the Group was exposed to foreign exchange risk primarily with respect to bank borrowings which were denominated in JPY, borrowings from related parties which were denominated in USD, and cash and cash equivalents which were denominated in USD and HK$, details of which have been disclosed in Notes 36, 37 and 31, respectively.

The Group manages its foreign currency risk by closely monitoring the movements in the foreign currency rates.

RMB experienced certain depreciation against USD, JPY and HK$ during the year which is the major reason for the exchange loss recognized by the Group for the year. Further exchange rate fluctuation of USD, JPY and HK$ against RMB will affect the Group's financial position and results of operations.

As at 31 December 2024, if RMB had weakened/strengthened by 5% (2023: 5%) against JPY, with all other variables held constant, the Group's post-tax profit for the year would have been RMB7,049,000 lower/higher (2023: RMB8,202,000 lower/higher), mainly as a result of foreign exchange differences on translation of JPY denominated borrowings.

As at 31 December 2024, if RMB had weakened/strengthened by 5% (2023: 5%) against USD, with all other variables held constant, the Group's post-tax profit for the year would have been RMB28,476,000 lower/higher (2023: RMB26,523,000 lower/higher), mainly as a result of net foreign exchange differences on translation of USD denominated borrowings and bank deposits.

As at 31 December 2024, if RMB had weakened/strengthened by 5% (2023: 5%) against HK$, with all other variables held constant, the Group's post-tax profit for the year would have been RMB734,000 higher/lower (2023: RMB475,000 higher/lower), mainly as a result of foreign exchange differences on translation of HK$ denominated bank deposits.

In the Group management's opinion, the sensitivity analysis is unrepresentative of the inherent currency risk as the exposure at the end of the reporting period does not reflect the exposure during the year.

45. FINANCIAL INSTRUMENTS (CONTINUED)

45.2 Financial risk management objectives and policies *(Continued)*

(b) Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group's interest-bearing assets mainly include amounts due from associates and joint ventures, cash at banks and deposits at SPIC Financial, details of which have been disclosed in Notes 28 and 31. The Group's exposure to changes in interest rates is mainly attributable to its borrowings and lease liabilities, details of which have been disclosed in Notes 36 to 39. Borrowings carried at floating rates expose the Group to cash flow interest rate risk whereas borrowings and lease liability carried at fixed rates expose the Group to fair value interest rate risk, details of which have been disclosed in Notes 36 to 39. The Group has not used any specific interest rate swap contracts to hedge its exposure to interest rate risk.

The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of PBOC interest rate arising from the Group's RMB denominated floating rate bank borrowings.

As at 31 December 2024, if the interest rates on bank borrowings and borrowings from related parties had been 50 basis points (2023: 50 basis points) higher/lower than the prevailing interest rates, with all other variables held constant, post-tax profit for the year (net of interest capitalized) would have been RMB590,834,000 lower/higher (2023: RMB450,709,000 lower/higher) mainly as a result of higher/lower interest expense on floating rate bank borrowings and borrowings from related parties.

As at 31 December 2024, if the interest rates on cash at banks and deposits at SPIC Financial had been 50 basis points (2023: 50 basis points) higher/lower than the prevailing interest rates, with all other variables held constant, post-tax profit for the year would have been RMB22,117,000 higher/lower (2023: RMB18,688,000 higher/lower) mainly as a result of higher/lower interest income on floating rate cash at banks and deposits at SPIC Financial.

Total interest income from financial assets that are measured at amortized cost is as follows:

	2024 RMB'000	2023 RMB'000
Interest income		
Cash and cash equivalents and restricted deposits	63,334	52,813
Amounts due from related parties	70,163	177,332
Discounting effect on clean energy power price premium receivable	20,458	48,976
Total interest income	153,955	279,121

Interest expense on financial liabilities not measured at FVTPL:

	2024 RMB'000	2023 RMB'000
Interest expense on financial liabilities at amortized cost	4,935,181	4,139,707

45. FINANCIAL INSTRUMENTS (CONTINUED)

45.2 Financial risk management objectives and policies *(Continued)*

(c) Price risk

The Group is exposed to equity securities price risk in respect of investments held by the Group which are classified as equity instruments at FVTOCI. Most of the Group's equity instruments at FVTOCI are publicly traded. However, the Group does not trade these investments as such investments are held for strategic rather than trading purpose. The stock market is relatively more volatile in recent years. As at 31 December 2024, if the quoted market price of the listed equity investments held by the Group had increased/decreased by 10% to 30% (2023: 10% to 30%), with all other variables held constant, the results of the Group would have been unaffected as these investments are classified as equity instruments at FVTOCI; and equity would have been RMB249,854,000 to RMB749,563,000 (2023: RMB230,509,000 to RMB691,527,000) higher/lower, mainly as a result of the changes in fair value of equity instruments at FVTOCI.

In addition, the Group also invested in certain unquoted equity securities for investees operating in financial services, coal production and electricity trading services industry sectors for long term strategic purposes which had been designated as at FVTOCI. The Group has appointed a special team to monitor the price risk and will consider hedging the risk exposure should the need arise.

The Group is also exposed to commodity price risk mainly in relation to the coal price. The Group manages such risk by entering into certain bulk purchase agreements with coal suppliers.

(d) Credit risk and impairment test

The Group's credit risk primarily arises from accounts receivable (Note 26), deposits and other receivables (Note 27), amounts due from related parties (Note 28), debt instruments at FVTOCI (Note 29), restricted deposits (Note 30), and cash and cash equivalents (Note 31). The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

Accounts receivable arising from contracts with customers (including those under other non-current assets)

The Group is exposed to significant concentration of credit risk in terms of electricity sales as a majority of the Group's sales of electricity were made to regional and provincial power grid companies. The Group normally grants credit terms ranged from 15 to 90 days to these power grid companies except for the clean energy power price premium. The collection of such clean energy power price premium is subject to the allocation of funds by relevant government authorities to local grid companies, which therefore takes a relatively long time for settlement. The Group only accepts bills issued or guaranteed by reputable PRC banks if accounts receivables are settled by bills and therefore the management of the Group considers the credit risk arising from the endorsed or discounted bills is insignificant. The Group normally does not require collaterals from trade debtors. In addition, the Group performs impairment assessment under ECL model upon application of HKFRS 9 on accounts receivable individually. Ageing analysis of the Group's accounts receivable is disclosed in Note 26 and the Directors are of the opinion that adequate provision for uncollectible accounts receivable has been made.

45. FINANCIAL INSTRUMENTS (CONTINUED)

45.2 Financial risk management objectives and policies *(Continued)*

(d) Credit risk and impairment test *(Continued)*

Other receivables and amounts due from related parties

The counterparties of the Group's other receivables and amounts due from related parties are mainly large state-owned enterprises with good credit quality and subsidiaries of SPIC. Under ECL model upon application of HKFRS 9, management makes periodic collective assessment as well as individual assessment on the recoverability of all loans and receivables, based on historical payment records, the length of the overdue period, the financial strength of the debtors and whether there are any disputes with the relevant debtors. The Group's historical experience in collection of loans and receivables falls within the recorded allowances and the Directors are of the opinion that adequate provision for uncollectible receivables has been made.

Restricted deposits and cash and cash equivalents

Substantially all of the Group's cash and cash equivalents are held in major financial institutions and SPIC Financial, which management believes are of high credit quality. Therefore, the Group performs impairment assessment under 12m ECL model upon application of HKFRS 9 on restricted deposits and cash and cash equivalents on collective basis. Management does not expect any losses from non-performance by these counterparties.

Debt instruments at FVTOCI

The Group's debt instruments at FVTOCI are Group's certain notes receivable which were considered as for holding to collect contractual cash flows and to sell business model. The notes which have been classified as debt instruments at FVTOCI are issued by major financial institutions with high credit quality and therefore are considered to be low credit risk investments. Therefore, the Group performs impairment assessment under 12m ECL model upon application of HKFRS 9 on debt instruments at FVTOCI on individual basis. For the year ended 31 December 2024, no ECL on debt instruments at FVTOCI has been recognized.

45. FINANCIAL INSTRUMENTS (CONTINUED)

45.2 Financial risk management objectives and policies *(Continued)*

(d) Credit risk and impairment test *(Continued)*

Debt instruments at FVTOCI (Continued)

The tables below detail the credit risk exposures of the Group's financial assets, including accounts receivable, other receivables, amounts due from related parties, other non-current assets, debt instruments at FVTOCI, restricted deposits and cash and cash equivalents, which are subject to ECL assessment:

	Notes	External credit rating	Internal credit rating	12m or lifetime ECL	Gross carrying amount 2024 RMB'000	Gross carrying amount 2023 RMB'000
Debt instruments at FVTOCI	29	A1	Note (i)	12m ECL	**81,226**	59,345
Financial assets at amortized cost:						
Amounts due from related parties	28	N/A	Note (ii)	12m ECL	**3,833,153**	4,111,062
				Lifetime ECL (credit impaired)	**225,664**	225,664
Restricted deposits	30	A1	Note (i)	12m ECL	**60,663**	123,422
Cash and cash equivalents	31	A1	Note (i)	12m ECL	**6,073,616**	5,738,815
Other receivables	27	N/A	Note (iii)	12m ECL	**4,018,763**	3,505,677
				Lifetime ECL (credit impaired)	**39,830**	35,797
Accounts receivable	26	A1	Note (iv)	12m ECL	**31,638,467**	25,056,815
				Lifetime ECL (credit impaired)	**222,041**	–
Notes receivable	26	A1	Note (iv)	12m ECL	**9,032**	178,406
Other non-current assets	24	A1	Note (v)	12m ECL	**5,887,294**	2,964,890

Notes:

(i) Debt instruments at FVTOCI, restricted deposits and cash and cash equivalents:

At the end of the reporting period, the Directors have performed impairment assessment under 12m ECL model for debt instruments at FVTOCI, restricted deposit and cash and cash equivalents, and concluded that there has been no significant increase in credit risk since initial recognition. Since the counterparties are in major financial institutions with high credit ratings assigned by international credit-rating agencies, the probability of defaults of the counterparties are insignificant and accordingly, no allowance for credit losses is provided for these financial assets.

45. FINANCIAL INSTRUMENTS (CONTINUED)

45.2 Financial risk management objectives and policies *(Continued)*

(d) Credit risk and impairment test *(Continued)*

Notes: *(Continued)*

(ii) Amounts due from related parties:

For the purposes of internal credit risk management, the Group uses past due information to assess whether credit risk has increased significantly since initial recognition.

	Past due RMB'000	Not past due/ No fixed repayment terms RMB'000	Total RMB'000
2024	**225,664**	**3,833,153**	**4,058,817**
2023	225,664	4,111,062	4,336,726

For all amounts due from related parties, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition or the financial instrument is not determined to have low credit risk at the reporting date, the Group recognizes lifetime ECL. The assessment of whether lifetime ECL should be recognized is based on significant increases in the likelihood or risk of a default occurring since initial recognition. The estimated loss rates are estimated based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information that is available without undue costs or effort.

(iii) Other receivables:

For the purposes of internal credit risk management, the Group uses past due information to assess whether credit risk has increased significantly since initial recognition.

The Group's internal credit risk grading assessment comprises the following categories:

Internal credit rating	Description	Other receivables
A	The counterparties can honor the terms of the contracts. There is no reason to doubt their ability to fulfill the payment on a timely basis.	12m ECL
B	The counterparties frequently repay after due dates but usually settle after due date.	12m ECL
C	The counterparties cannot repay in full and there has been a significant increase in credit risk since initial recognition.	Lifetime ECL(not credit-impaired)
D	There is evidence indicating the asset is credit-impaired.	Lifetime ECL (credit-impaired)

	Past due RMB'000	Not past due/ No fixed repayment terms RMB'000	Total RMB'000
2024	**104,107**	**3,954,486**	**4,058,593**
2023	100,076	3,441,398	3,541,474

For the year ended 31 December 2024, the Group accrued RMB4,144,000 (2023: RMB204,000) impairment allowance based on the provision matrix for other receivables arising from revenue and incomes other than sales of electricity. The estimated loss rates are estimated based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information that is available without undue cost or effort. The grouping is regularly reviewed by management to ensure relevant information about specific debtors is updated.

45. FINANCIAL INSTRUMENTS (CONTINUED)

45.2 Financial risk management objectives and policies *(Continued)*

(d) Credit risk and impairment test *(Continued)*

Notes: *(Continued)*

(iv) Accounts receivable:

As a majority of the Group's sales of electricity were made to regional and provincial power grid companies, the Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL individually for accounts receivable. At the end of the reporting period, the Directors have performed impairment assessment for accounts receivable based on external credit rating and corresponding default rate issued by international credit-rating agencies. As of 31 December 2024, loss allowance amounting to RMB224,350,000 was provided (2023: Nil).

(v) Other non-current assets:

For the year ended 31 December 2024, other non-current assets include clean energy power price premium of RMB5,887,294,000 (2023: RMB2,964,890,000). The collection of such clean energy power price premium is subject to the allocation of funds by relevant government authorities to local grid companies, which therefore takes a relatively longer time for settlement. The Group periodically makes credit assessment of the counterparties, which are regional and provincial power grid companies by reference to external ratios to evaluate the 12m ECL.

(e) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents and the availability of funding through an adequate amount of credit facilities.

The Group's primary cash requirements have been for construction of power plants, additions of and upgrades on property, plant and equipment, payment on related debts and payment for purchases and operating expenses. The Group finances its working capital requirements through a combination of internal resources, borrowings from related parties, and short-term and long-term bank and other borrowings and perpetual securities.

As at 31 December 2024, the net current liabilities of the Group amounted to RMB41,543,986,000. Management monitors regularly the Group's current and expected liquidity requirements to ensure it maintains sufficient cash and cash equivalents and has available funding through adequate amount of facilities to meet its working capital requirements. As at 31 December 2024, the Group had available unutilized facilities in writing from banks and from related parties amounted to approximately RMB50,774,060,000 as disclosed in Notes 36(f), 37(i) and 37(j) respectively, and will refinance and/or restructure certain short-term loans into long-term loans or consider alternative sources of financing, where applicable.

45. FINANCIAL INSTRUMENTS (CONTINUED)

45.2 Financial risk management objectives and policies *(Continued)*

(e) Liquidity risk *(Continued)*

The table below analyzes the Group's financial liabilities into relevant maturity groupings based on the remaining period at the end of reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash outflows by maturity and its carrying amounts.

	Within one year RMB'000	Between one and two years RMB'000	Between two and five years RMB'000	Over five years RMB'000	Total contractual undiscounted cash outflows RMB'000	Total carrying amount RMB'000
At 31 December 2024						
Payables and accrued charges	**25,919,733**	**–**	**–**	**–**	**25,919,733**	**25,919,733**
Amounts due to related parties	**2,957,444**	**–**	**–**	**–**	**2,957,444**	**2,955,694**
Bank borrowings	**31,127,475**	**13,829,410**	**34,085,868**	**78,235,923**	**157,278,676**	**140,523,149**
Borrowings from related parties	**23,793,977**	**1,557,161**	**1,467,098**	**3,138,087**	**29,956,323**	**28,283,619**
Other borrowings	**9,249,122**	**–**	**6,599,092**	**9,785,499**	**25,633,713**	**23,587,717**
Lease liabilities	**646,986**	**513,831**	**1,244,501**	**3,745,704**	**6,151,022**	**4,966,485**
At 31 December 2023						
Payables and accrued charges	24,676,741	–	–	–	24,676,741	24,676,741
Amounts due to related parties	10,966,951	–	–	–	10,966,951	10,965,201
Bank borrowings	20,569,021	10,194,728	30,866,269	73,221,578	134,851,596	119,280,644
Borrowings from related parties	11,166,256	10,694,772	3,582,592	4,205,187	29,648,807	27,024,008
Other borrowings	7,331,535	8,634,843	–	3,723,907	19,690,285	18,277,596
Lease liabilities	763,383	237,344	492,377	3,650,965	5,144,069	4,132,592

45.3 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group manages the capital structure and makes adjustments to it in light of changes in economic condition. In order to maintain or adjust the capital structure, the Group may adjust the dividend payments to shareholders, return capital to shareholders, issue new shares, and sell assets to reduce debt or to obtain bank and other borrowings.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total debts (including current and non-current borrowings as well as lease liabilities as shown in the consolidated statement of financial position) less cash and cash equivalents. Total capital is calculated as total equity, as shown in the consolidated statement of financial position, plus net debt.

45. FINANCIAL INSTRUMENTS (CONTINUED)

45.3 Capital risk management *(Continued)*

The table below analyzes the Group's capital structure.

	2024 RMB'000	2023 RMB'000
Bank borrowings (Note 36)	**140,523,149**	119,280,644
Borrowings from related parties (Note 37)	**28,283,619**	27,024,008
Other borrowings (Note 38)	**23,587,717**	18,277,596
Lease liabilities (Note 39)	**4,966,485**	4,132,592
Less: Cash and cash equivalents (Note 31)	**(6,073,616)**	(5,738,815)
Net debt	**191,287,354**	162,976,025
Total equity	**107,532,393**	95,020,712
Total capital	**298,819,747**	257,996,737
Gearing ratio	**64%**	63%

45.4 Fair value estimation

The table below analyzes the Group's financial instruments carried at fair value by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorized into 3 levels within a fair value hierarchy as follows:

- Quoted prices (unadjusted) in active markets for identical assets and liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the year. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1. Instruments included in level 1 comprise listed equity investments classified as equity instruments at FVTOCI.

If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3.

45. FINANCIAL INSTRUMENTS (CONTINUED)

45.4 Fair value estimation *(Continued)*

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

Financial assets	Fair value 2024 RMB'000	Fair value 2023 RMB'000	Hierarchy	Valuation technique and key inputs
Equity instruments at FVTOCI – Shanghai Power	**3,331,389**	3,073,452	Level 1	Quoted market prices at the end of reporting period (current bid price).
Equity instruments at FVTOCI – Unlisted equity investments in the PRC	**1,759,716**	1,686,892	Level 3	Market approach – Fair value of such equity instruments is estimated by calculating the appropriate value ratio based on market multiples derived from a set of comparable listed companies in the same or similar industries. Key inputs are market value of the equity interest, price-to-book ratio (1.60–2.00) (2023: 1.25–1.30) and price earning ratio (9.70–12.60) (2023: 4.29–13.28) of comparable companies and the discount for lack of marketability (29.69%-31.05%) (2023: 11.09%–23.28%). The fair value measurement is positively correlated to the above ratios and negatively correlated to the discount for lack of marketability.
Debt instruments at FVTOCI	**81,226**	59,345	Level 3	Discounted cash flow at a comparable discount rate of 3.65%.

(b) Reconciliation of level 3 fair value measurements – Financial assets at FVTOCI:

	2024 RMB'000	2023 RMB'000
At 1 January	**1,746,237**	604,084
Additions	**1,854,299**	3,037,691
Derecognition	**(1,773,661)**	(1,910,804)
Total gains in other comprehensive income	**14,067**	15,266
At 31 December	**1,840,942**	1,746,237

Included in other comprehensive income is a gain of RMB14,067,000 (2023: gain of RMB15,266,000) relating to equity instruments at FVTOCI – unlisted equity investments in the PRC and debt instruments at FVTOCI held at the end of the current reporting period, which is reported as changes of FVTOCI reserve.

46. DISPOSAL OF INTERESTS IN SUBSIDIARIES

(a) Without loss of control

In January 2024, the Group and Nanning Power Investment Qingneng New Energy Partnership Enterprise (Limited Partnership) (referred to as the "SPV I") entered into an equity transfer agreement, pursuant to which the Group agreed to sell and the SPV I agreed to acquire 94.89% equity interests of SPIC Guangxi Jinzishan Wind Power Co., Ltd. (referred to as the "Target Company I") for a consideration of RMB601,002,000. Upon completion, as the Group maintained the control and decision-making power of Target Company I through its control over the SPV I, its financial statements continued to be consolidated with the financial statements of the Group. Therefore, the Group recognized an increase of RMB450,208,000 in the non-controlling interests and an increase of RMB29,876,000 in other reserves.

In August 2024, the Group and Tianjin Hesu Energy Development Co., Ltd. (referred to as the "SPV II") entered into seven equity transfer agreements, pursuant to which the Group agreed to sell and the SPV II agreed to acquire 100% equity interests in each of Tieling China Power Photovoltaic Power Generation Co., Ltd., Yuanjiang China Power Photovoltaic Power Generation Co., Ltd., Yinchuan Jingqiao New Energy Co., Ltd., China Power International Energy Investment Hainan Co., Ltd., China Power Inner Mongolia Wind Power Co., Ltd., Hailin China Power Hongqi Wind Power Co., Ltd. and China Power Dafeng Wind Power Co., Ltd. ("Dafeng Wind Power") (together referred to as the "Target Companies II") for an aggregate consideration of RMB1,258,057,000. Upon completion, as the Group maintained the control and decision-making power of the Target Companies II through its control over the SPV II, their financial statements continued to be consolidated with the financial statements of the Group. Therefore, the Group recognized an increase of RMB1,038,533,000 in the non-controlling interests and a decrease of RMB32,188,000 in other reserves.

In August 2024, the Group and Hefei Guanmei Energy Development Co., Ltd. (referred to as the "SPV III") entered into three equity transfer agreements, pursuant to which the Group agreed to sell and the SPV III agreed to acquire 100% equity interests in each of Fengyang Hexin New Energy Co., Ltd., Luyi County Jiemei Wind Power Co., Ltd. and Yongcheng Luguan Wind Energy Co., Ltd. (together referred to as the "Target Companies III") for an aggregate consideration of RMB291,911,000. Upon completion, as the Group maintained the control and decision-making power of the Target Companies III through its control over the SPV III, their financial statements continued to be consolidated with the financial statements of the Group. Therefore, the Group recognized an increase of RMB241,443,000 in the non-controlling interests and a decrease of RMB8,111,000 in other reserves.

In August 2024, the Group and Anda Longdian Quanrong New Energy Partnership Enterprise (Limited Partnership) (referred to as the "SPV IV") entered into an equity transfer agreement, pursuant to which the Group agreed to sell and the SPV IV agreed to acquire 99% equity interests of Anda Longdian New Energy Co., Ltd. (referred to as the "Target Company IV") for a consideration of RMB351,648,000. Upon completion, as the Group maintained the control and decision-making power of Target Company IV through its control over the SPV IV, its financial statements continued to be consolidated with the financial statements of the Group. Therefore, the Group recognized an increase of RMB255,044,000 in the non-controlling interests and an increase of RMB23,188,000 in other reserves.

46. DISPOSAL OF INTERESTS IN SUBSIDIARIES (CONTINUED)

(a) Without loss of control *(Continued)*

In October 2024, the Group and Tianjin Helong Energy Development Co., Ltd. (referred to as the "SPV V") entered into five equity transfer agreements, pursuant to which the Group agreed to sell and the SPV V agreed to acquire 60.47%, 100%, 100%, 100% and 100% equity interests respectively in Gansu China Power Baiyin Photovoltaic Power Generation Co., Ltd. ("Baiyin Photovoltaic"), Gansu China Power Qiaowan Wind Power Generation Co., Ltd., Gansu China Power Wuwei Photovoltaic Power Generation Co., Ltd., Panzhihua China Power Photovoltaic Power Generation Co., Ltd. and Puxian Boyuan Wind Power Co., Ltd. (together referred to as the "Target Companies V") for an aggregate consideration of RMB1,382,395,000. Upon completion, as the Group maintained the control and decision-making power of the Target Companies V through its control over the SPV V, their financial statements continued to be consolidated with the financial statements of the Group. Therefore, the Group recognized an increase of RMB1,096,720,000 in the non-controlling interests.

(b) Loss of control

In November 2024, the Company entered into an equity transfer agreement with China Resources Environmental Protection Development Co., Ltd. ("China Resources Environmental Protection"), pursuant to which the Company agreed to sell and China Resources Environmental Protection agreed to acquire 51% equity interests of Xinyuan Jinwu (Beijing) Technology Co., Ltd. ("Xinyuan Jinwu"), a 51%-owned subsidiary of the Company, at a consideration of RMB39,450,000. Upon completion, Xinyuan Jinwu ceased to be a subsidiary of the Company.

In December 2024, the Company, Huainan Mining Industry (Group) Company Limited ("Huainan Mining") and Pingwei Power, a 60%-owned subsidiary of the Company, entered into a capital injection agreement, pursuant to which Huainan Mining agreed to acquire 11% equity interests of Pingwei Power at a consideration of RMB152,824,000 by way of injection to the registered capital of Pingwei Power. Upon completion of the capital injection, the Company's equity interests in Pingwei Power were diluted from 60% to 49%, Pingwei Power ceased to be a subsidiary and became an associate of the Company.

In December 2024, the Group entered into an equity transfer agreement with Zhejiang Zhite Enterprise Management Co., Ltd. ("Zhejiang Zhite"), pursuant to which the Group agreed to sell and Zhejiang Zhite agreed to acquire 51% equity interests of Pu'an Qingpu, a wholly-owned subsidiary of the Group, at a consideration of RMB34,525,000. Upon completion, Pu'an Qingpu ceased to be a subsidiary and became a joint venture of the Group.

In March 2024, the non-controlling shareholders of Zhejiang Energy Investment, a 51%-owned subsidiary of the Company, made a RMB70,000,000 cash contribution to Zhejiang Energy Investment. As the Company's voting power has been diluted and unable to control Zhejiang Energy Investment. Accordingly, Zhejiang Energy Investment ceased to be a subsidiary and became an associate of the Company.

46. DISPOSAL OF INTERESTS IN SUBSIDIARIES (CONTINUED)

(b) Loss of control *(Continued)*

	Xinyuan Jinwu RMB'000	Pingwei Power RMB'000	Pu'an Qingpu RMB'000	Zhejiang Energy Investment RMB'000	Total RMB'000
Non-current assets					
Property, plant and equipment	122,967	3,579,156	–	9,613	3,711,736
Right-of-use assets	9,160	59,614	56,141	–	124,915
Prepayment for construction of power plants	1,355	871,219	–	1,286	873,860
Other non-current assets	23,342	1,634	3,202	1,116	29,294
Deferred income tax assets	–	1,793	–	–	1,793
Current assets					
Inventories	5,596	58,154	–	167	63,917
Accounts receivable	–	128,874	401	–	129,275
Prepayments, deposits, other receivables	10,197	475,622	372	67,593	553,784
Amounts due from related parties	3,326	842	–	132,241	136,409
Tax receivable	–	8,959	–	–	8,959
Cash and cash equivalents	20,357	27,616	1,846	803	50,622
Non-current liabilities					
Bank borrowings	(103,764)	(330,110)	–	–	(433,874)
Other borrowings	–	(641,987)	–	–	(641,987)
Lease liabilities	(10,129)	(59,941)	–	–	(70,070)
Deferred income tax liabilities	(146)	–	–	–	(146)
Current liabilities					
Construction cost payable	(20,961)	(286,023)	–	(4,225)	(311,209)
Other payables and accrued charges	(12,277)	(260,832)	(19)	(176)	(273,304)
Amounts due to related parties	(2,079)	(240,059)	(4,027)	–	(246,165)
Bank borrowings	–	(2,698,442)	–	(1,830)	(2,700,272)
Other borrowings	–	(44,321)	–	–	(44,321)
Lease liabilities	–	(6,846)	–	–	(6,846)
Tax payable	–	–	–	(205)	(205)
Net assets	46,944	644,922	57,916	206,383	956,165
Non-controlling interests	23,003	257,969	–	41,621	322,593
Equity attributable to owners of the respective company	23,941	386,953	57,916	164,762	633,572
Net assets subject to disposal	23,941	70,941	29,537	–	124,419
Consideration	39,450	–	34,525	–	73,975
Gain/(loss) on disposal of subsidiaries (pre-tax) (Note 7)	15,509	(70,941)	4,988	–	(50,444)
Gain on remeasurement of remaining equity interests in associates and a joint venture after loss of control over subsidiaries (Note 7)	N/A	89,619	3,597	N/A	93,216
Total gain on disposal	15,509	18,678	8,585	–	42,772

46. DISPOSAL OF INTERESTS IN SUBSIDIARIES (CONTINUED)

(b) Loss of control *(Continued)*

Net cash (outflows)/inflows arising on disposal

	Xinyuan Jinwu RMB'000	Pingwei Power RMB'000	Pu'an Qingpu RMB'000	Zhejiang Energy Investment RMB'000	Total RMB'000
Consideration received in cash	–	–	34,525	–	34,525
Less: Cash and cash equivalents disposed	20,357	27,616	1,846	803	50,622
Net cash (outflows)/inflows	(20,357)	(27,616)	32,679	(803)	(16,097)

47. ACQUISITIONS OF SUBSIDIARIES

In 2024, the Group acquired 51% equity interests in each of six entities and 100% equity interests in each of other six entities (the twelve entities in total are collectively referred to as the "CP Nongchuang Entities") from Huayuan Aneng (Zibo) Energy Investment Partnership (Limited Partnership), Huayuan Aneng (Zhuhai) Energy Investment Partnership (Limited Partnership), and China Power Investment New Agricultural Innovation (Beijing) Construction Co., Ltd. respectively, all of which are subsidiaries of CP Nongchuang, an associate of the Company, at a total cash consideration of RMB730,030,000. These acquisitions have been accounted for using the acquisition method when being acquired. Each of the CP Nongchuang Entities was not individually material.

In 2024, a subsidiary of the Company, SPIC Shandong Energy Development Co., Ltd. ("Shandong Energy"), acquired 6.5% equity interests of SPIC (Haiyang) New Energy Development Co., Ltd. ("Haiyang New Energy") held by Jianyuan Haixin Equity Investment Fund (Jinan) Partnership (Limited Partnership), at a cash consideration of RMB134,581,000. After that, the Group obtained control over Haiyang New Energy and Haiyang New Energy then became a subsidiary of the Group. The acquisition has been accounted for using the acquisition method when being acquired.

In 2024, the Group acquired 51% equity interests in each of five entities (the five entities are collectively referred to as the "Hubei Entities") from Lvdong Ronghe, an associate of the Group, at a total cash consideration of RMB225,416,000. The acquisitions have been accounted for using the acquisition method when being acquired. Each of the Hubei Entities was not individually material.

In 2024, SPIC Inner Mongolia New Energy Co., Ltd. ("Inner Mongolia New Energy") (a subsidiary of the Group) acquired 100% equity interests of Yingjisha Shangjian Photovoltaic Power Generation Co., Ltd. ("Yingjisha Shangjian") from a third party, at a cash consideration of RMB53,989,000. Yingjisha Shangjian then became a subsidiary of the Group. The acquisition has been accounted for using the acquisition method when being acquired.

The above acquisitions are collectively referred to as the "Acquired Entities".

47. ACQUISITIONS OF SUBSIDIARIES (CONTINUED)

Consideration transferred

	CP Nongchuang Entities RMB'000	Haiyang New Energy RMB'000	Hubei Entities RMB'000	Yingjisha Shangjian RMB'000	Total RMB'000
Cash paid	721,838	134,581	112,708	53,989	1,023,116
Consideration payable as at 31 December 2024	8,192	–	112,708	–	120,900
Total	730,030	134,581	225,416	53,989	1,144,016

Assets and liabilities recognized at the date of acquisition

	CP Nongchuang Entities RMB'000	Haiyang New Energy RMB'000	Hubei Entities RMB'000	Yingjisha Shangjian RMB'000	Total RMB'000
Non-current assets					
Property, plant and equipment	3,948,545	8,972,303	1,421,715	81,940	14,424,503
Right-of-use assets	103,602	144,833	15,298	828	264,561
Prepayment for construction of power plants	38,727	190,049	–	–	228,776
Other non-current assets	229,250	745,857	62,999	–	1,038,106
Deferred income tax assets	29,061	–	–	6,012	35,073
Current assets					
Inventories	7	–	–	–	7
Accounts receivable	214,385	176,748	94,343	127,276	612,752
Prepayments, deposits, other receivables	120,424	5,865	83,180	340	209,809
Amounts due from related parties	80,903	98,217	20,400	–	199,520
Tax receivable	–	–	–	942	942
Cash and cash equivalents	80,295	868,918	79,828	31	1,029,072
Non-current liabilities					
Bank borrowings	(1,559,126)	(5,656,900)	(1,055,099)	(36,115)	(8,307,240)
Other borrowings	(1,724,890)	–	–	–	(1,724,890)
Lease liabilities	(16,855)	(113,034)	–	–	(129,889)
Deferred income tax liabilities	(26,018)	–	–	–	(26,018)
Current liabilities					
Construction cost payable	(125,101)	(2,806,685)	(16,366)	(153)	(2,948,305)
Other payables and accrued charges	(33,793)	(168,862)	(128,414)	(116,112)	(447,181)
Amounts due to related parties	(53,538)	(3,565)	(89,790)	–	(146,893)
Bank borrowings	(111,874)	(227,600)	(44,060)	(11,000)	(394,534)
Other borrowings	(102,288)	–	–	–	(102,288)
Lease liabilities	–	(4,414)	–	–	(4,414)
Tax payable	(5,187)	(9)	(1,657)	–	(6,853)
Net identifiable assets acquired	1,086,529	2,221,721	442,377	53,989	3,804,616

47. ACQUISITIONS OF SUBSIDIARIES (CONTINUED)

Non-controlling interests

The non-controlling interests in the Acquired Entities recognized at the acquisition date were measured by reference to the proportionate share of the recognized fair value of net assets of the Acquired Entities amounting to RMB1,596,489,000.

Negative goodwill arising on acquisition

	CP Nongchuang Entities RMB'000	Haiyang New Energy RMB'000	Hubei Entities RMB'000	Yingjisha Shangjian RMB'000	Total RMB'000
Cash consideration	730,030	134,581	225,416	53,989	1,144,016
Add: Non-controlling interests	346,624	1,033,100	216,765	–	1,596,489
Add: Remeasurement of previously held equity interest	N/A	1,044,209	N/A	N/A	1,044,209
Less: Net identifiable assets acquired	1,086,529	2,221,721	442,377	53,989	3,804,616
Gain on recognition of negative goodwill* (Note 7)	(9,875)	(9,831)	(196)	–	(19,902)

* The negative goodwill arose from the difference between the consideration for the acquisition of the Acquired Entities and the fair value of the acquired net identifiable assets, due to bargaining purchases achieved by the Group's regional coordination with its existing renewable entities in operation.

Net cash outflows/(inflows) arising on acquisition

	CP Nongchuang Entities RMB'000	Haiyang New Energy RMB'000	Hubei Entities RMB'000	Yingjisha Shangjian RMB'000	Total RMB'000
Consideration paid in cash	721,838	134,581	112,708	53,989	1,023,116
Less: Cash and cash equivalents acquired	80,295	868,918	79,828	31	1,029,072
Net cash outflows/(inflows)	641,543	(734,337)	32,880	53,958	(5,956)

During the year ended 31 December 2024, the Acquired Entities contributed RMB532,573,000 to the Group's revenue and RMB32,330,000 to the Group's profit since the acquisitions.

Had the business combinations disclosed taken place at the beginning of the current year, the revenue and the profit for the year contributed by the Acquired Entities to the Group would have been RMB1,448,282,000 and RMB212,322,000, respectively.

48. RELATED PARTY TRANSACTIONS

The Group is controlled by CPI Holding, an intermediate holding company which directly holds approximately 22.9% (2023: 22.9%) of the Company's shares, and indirectly holds approximately 21.5% (2023: 21.5%) of the Company's shares through CPDL. In addition, SPIC Finance HK and SPIC Innovation Investment Co., Ltd. ("SPIC Fund"), both are wholly-owned subsidiary of SPIC and also a fellow subsidiary of the Company, holds approximately 3.6% (2023: 3.6%) and 1.7% (2023: 0.8%) respectively of the Company's shares. CPNE, an indirect non-wholly subsidiary of SPIC, holds approximately 15.0% (2023: 14.9%) of the Company's shares at 31 December 2024. SPIC, the beneficial owner of CPI Holding and SPIC Finance HK, SPIC Fund and CPNE, owned approximately 64.7% (2023: 63.7%) of the equity interest in the Company in aggregate as at 31 December 2024.

SPIC is controlled by the PRC government which also owns a significant portion of the productive assets in the PRC. In accordance with HKAS 24 (Revised), government-related entities and their subsidiaries, directly or indirectly controlled, jointly controlled or significantly influenced by the PRC government are defined as related parties of the Group. On that basis, related parties include SPIC, its subsidiaries, joint ventures and associates (other than the Group), other government-related entities and their subsidiaries, other entities and corporations in which the Company is able to control or exercise significant influence and key management personnel of the Company and SPIC as well as their close family members.

For the purpose of the related party transactions disclosures, the Directors believe that it is also meaningful to disclose the related party transactions with SPIC companies for the interests of financial statements users. The Directors believe that the information of related party transactions has been adequately disclosed in the consolidated financial statements. Some of the related party transactions also constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules.

The following is a summary of significant related party transactions which, in the opinion of the Directors, are entered into in the ordinary course of the Group's business in addition to the related party information shown elsewhere in the consolidated financial statements.

48. RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Income

	Notes	2024 RMB'000	2023 RMB'000
Interest income from:	(i)		
— SPIC Financial		**29,600**	43,226
— A joint venture		**9,670**	90,375
— Associates		**6,218**	32,538
— Companies controlled by SPIC other than CPI Holding and SPIC Financial		**24,675**	11,193
Dividend income from：	(ii)		
— Shanghai Power		**72,658**	12,715
— Huainan Mining		**14,237**	9,112
— Zhongdian Clean Industry Entrepreneurship Investment Fund (Tianjin) Partnership Enterprise (Limited Partnership)		**16,127**	3,671
Rental income from:	(iii)		
— Companies controlled by SPIC other than CPI Holding and SPIC Financial		**1,607**	1,319
— A joint venture		**1,359**	1,359
— An associate		**1,408**	1,179
— Non-controlling interests		**–**	3,907
Income from provision of repairs and maintenance services to:	(iii)		
— Companies controlled by SPIC other than CPI Holding and SPIC Financial		**123,969**	118,217
— Associates		**–**	6,556
Income from provision of entrusted management services to:	(iii)		
— CPI Holding		**85,782**	70,378
— Companies controlled by SPIC other than CPI Holding and SPIC Financial		**31,470**	25,346
Income from provision of IT and other services to:	(iii)		
— SPIC		**472**	660
— CPI Holding		**566**	4,953
— Companies controlled by SPIC other than CPI Holding and SPIC Financial		**319,765**	169,498
— Associates		**705,405**	616,523
— Joint ventures		**17,184**	481
Sales of coal, coal by-products and spare parts to:	(iii)		
— Companies controlled by SPIC other than CPI Holding and SPIC Financial		**48,500**	23,202
— Associates		**19,060**	62,135
Sales of heat to:	(iii)		
— A company controlled by SPIC other than CPI Holding and SPIC Financial		**937**	–
Sales of energy storage equipment to companies controlled by SPIC other than CPI Holding and SPIC Financial	(iii)	**848,779**	772,763
Loss on disposal of a subsidiary (pre-tax) (Note 46(b))	(iv)	**(70,941)**	(46,925)
Gain on remeasurement of remaining equity interests in an associate after loss of control over a subsidiary (Note 46(b))	(iv)	**89,619**	–

48. RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Income (Continued)

Notes:

(i) Interest income from these related parties was charged at interest rates from 0.30% to 5.66% (2023: 0.30% to 5.66%) per annum.

(ii) Dividend income were recognized based on dividends declared by the respective boards of directors in proportion to the Group's equity interest in these companies.

(iii) These incomes were charged in accordance with the terms of the relevant agreements.

(iv) As disclosed in Note 46(b), Huainan Mining, a non-controlling shareholder of Pingwei Power, acquired 11% equity interests of Pingwei Power. Upon completion of the capital injection, Pingwei Power ceased to be a subsidiary and became an associate of the Company.

(b) Expenses

	Notes	2024 RMB'000	2023 RMB'000
Purchases of coal, coal by-products and spare parts from:	(i)		
— Companies controlled by SPIC other than CPI Holding and SPIC Financial		–	10,056
— Non-controlling interests		**5,312,791**	6,570,945
Construction costs and other services fees to:	(ii)		
— Companies controlled by SPIC other than CPI Holding and SPIC Financial		**2,531,706**	2,057,900
— Non-controlling interests		**111,918**	1,026,981
— Associates		**56,476**	68,304
— SPIC		**3,679**	–
Interest expenses to:	(iii)		
— SPIC		**477,509**	416,207
— CPI Holding		**852**	1,823
— SPIC Financial		**270,609**	190,266
— Associates		**7,536**	618
— Companies controlled by SPIC other than CPI Holding and SPIC Financial		**96,522**	73,201
— Companies controlled by SPIC other than CPI Holding and SPIC Financial on lease liabilities		**45,394**	42,555
Acquisition of subsidiaries from associates (Note 47)	(iv)	**955,446**	–
Acquisition of subsidiaries from SPIC		–	8,816,249
Acquisition of subsidiaries from companies controlled by SPIC other than CPI Holding and SPIC Financial		–	1,974,017
Acquisition of non-controlling interests from companies controlled by SPIC other than CPI Holding and SPIC Financial		–	1,033,853

48. RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Expenses *(Continued)*

Notes:

(i) Purchases of coal, coal by-products and spare parts were charged in accordance with the terms of the relevant agreements.

(ii) Construction costs and other services fees were mainly related to construction services, repairs and maintenance services, transportation services and other services which were charged based on mutually agreed prices.

(iii) Interest expenses to these related parties are charged at interest rates ranged from 1.75% to 4.95% (2023: ranged from 2.15% to 6.11%) per annum.

(iv) As disclosed in Note 47, the Group entered into equity transfer agreements with three subsidiaries of an associate, acquiring control rights of twelve entities, at a consideration of RMB730,030,000. The Group entered into an equity transfer agreement with an associate, acquiring control rights of five entities, at a consideration of RMB225,416,000.

(c) Financial assistance provided by a related party

As disclosed in Note 34, the Company and certain of its subsidiaries entered into the perpetual debt investment contracts with Bridge Trust. For the year ended 31 December 2024, the Group received RMB32,050,000 perpetual debts.

(d) Year-end balances with related parties

Year-end balances with related parties are disclosed in Notes 17, 27, 28, 31, 34 and 37.

(e) Lease arrangements with related parties

Details of lease arrangements with related parties are disclosed in Note 39.

(f) For the years ended 31 December 2024 and 2023, the Group's significant transactions and balances with entities that were controlled, jointly-controlled or significantly influenced by the PRC government mainly include:

(i) bank deposits in state-owned banks and the related interest income

(ii) bank borrowings from state-owned banks and the related interest expenses

(iii) sales of electricity to provincial power grid companies owned by the PRC government and the related receivables

(iv) purchases of coal from state-owned enterprises and the related payables

(v) reservoir maintenance and usage fees to the PRC government

(vi) service fees to state-owned enterprises

(vii) compensation for inundation to the PRC government

The prices and terms of these transactions are set out in the relevant agreements governing these transactions or as mutually agreed.

48. RELATED PARTY TRANSACTIONS (CONTINUED)

(g) Key management personnel compensation

	2024 RMB'000	2023 RMB'000
Fees, basic salaries, housing allowance, other allowances and benefits in kind, discretionary bonuses and other benefits (Note 14(c))	**17,511**	8,580
Employer's contribution to pension plans	**591**	547
Share-based payment expenses	**1,691**	647

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES

The following is a list of the principal subsidiaries as at 31 December 2024:

Name of companies	Place of establishment and operation	Registered/ paid up capital	Proportion of ownership interest Held by the Company	Held by subsidiaries	Type of legal entity	Principal activities
Huainan Pingwei No. 2 Electric Power Generation Co., Ltd. (淮南平圩第二發電有限責任公司)	The PRC	USD104,153,000	60%	-	Sino-foreign equity joint venture	Generation and sale of electricity
Huainan Pingwei No. 3 Electric Power Generation Co., Ltd. (淮南平圩第三發電有限責任公司)	The PRC	RMB1,571,800,000/ RMB1,460,079,000	60%	-	Sino-foreign equity joint venture	Generation and sale of electricity
Wu Ling Power (五凌電力有限公司)	The PRC	RMB10,185,454,000	63%	-	Sino-foreign equity joint venture	Generation and sale of electricity
Sichuan CPI Fuxi Power Company Limited (四川中電福溪電力開發有限公司)	The PRC	RMB968,000,000	51%	-	Sino-foreign equity joint venture	Generation and sale of electricity
China Power Guorui Supply Chain Management Co., Ltd. (中電國瑞供應鏈管理有限公司)	The PRC	RMB3,450,000,000/ RMB1,762,614,000	100%	-	Wholly foreign-owned enterprise	Provision of logistic services
Wuhu Electric Power Generating Company Limited (蕪湖發電有限責任公司)	The PRC	USD142,500,000	-	100%	Limited liability company	Generation and sale of electricity
China Power (Pu'an) Power Generating Company Limited (中電(普安)發電有限責任公司)	The PRC	RMB999,120,000/ RMB940,023,000	95%	-	Sino-foreign equity joint venture	Generation and sale of electricity
Shanxi China Power Shentou No.2 Power Generating Company Limited (山西中電神頭第二發電有限責任公司)	The PRC	RMB2,385,317,000/ RMB1,784,776,000	100%	-	Wholly foreign-owned enterprise	Generation and sale of electricity
Datong China Power Photovoltaic Power Generating Company Limited (大同中電光伏發電有限公司)	The PRC	RMB680,430,000	-	100%	Limited liability company	Generation and sale of electricity
China Power (Jiangmen) Comprehensive Energy Company Limited (中電(江門)綜合能源有限公司)	The PRC	RMB204,000,000	100%	–	Wholly foreign-owned enterprise	Investment on new energy power resources
China Power (Shangqiu) Thermal Power Company Limited (中電(商丘)熱電有限公司)	The PRC	RMB1,435,523,000/ RMB1,197,000,000	100%	-	Wholly foreign-owned enterprise	Generation and sale of electricity

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

The following is a list of the principal subsidiaries as at 31 December 2024: *(Continued)*

Name of companies	Place of establishment and operation	Registered/ paid up capital	Proportion of ownership interest Held by the Company	Held by subsidiaries	Type of legal entity	Principal activities
China Power Integrated Smart Energy Co., Ltd. (中電智慧綜合能源有限公司)	The PRC	RMB1,000,000,000/ RMB872,196,000	100%	–	Wholly foreign-owned enterprise	Investment on new energy power resources
Guizhou Qingshuijiang Hydropower Co., Ltd. (貴州清水江水電有限公司)	The PRC	RMB3,400,000,000/ RMB3,285,500,000	–	95%	Limited liability company	Generation and sale of electricity
Huaihua Yuanjiang Power Development Co., Ltd. (懷化沅江電力開發有限責任公司)	The PRC	RMB3,800,000,000	–	100%	Limited liability company	Generation and sale of electricity
China Power Changshu Thermoelectric Co., Ltd. (中電常熟熱電有限公司)	The PRC	RMB307,960,000	100%	–	Wholly foreign-owned enterprise	Generation and sale of electricity
Wuling Shanshan Electric Power Co., Ltd. (五凌鄯善電力有限公司)	The PRC	RMB274,000,000	–	100%	Limited liability company	Generation and sale of electricity
Wuling Linxiang Electric Power Co., Ltd. (五凌臨湘電力有限公司)	The PRC	RMB279,000,000	–	100%	Limited liability company	Generation and sale of electricity
Gulang Yonghe New Energy Investment Co., Ltd. (古浪縣雍和新能源投資有限責任公司)	The PRC	RMB140,000,000	–	70%	Limited liability company	Generation and sale of electricity
SPIC Guangxi Electric Power Co., Ltd. ("Guangxi Company") (國家電投集團廣西電力有限公司)	The PRC	RMB2,500,000,000/ RMB1,944,000,000	100%	–	Wholly foreign-owned enterprise	Generation and sale of electricity
SPIC Guangxi Changzhou Hydropower Development Co., Ltd. ("Changzhou Hydropower") (國家電投集團廣西長洲水電開發有限公司)	The PRC	RMB901,518,000	–	64.93%	Limited liability company	Generation and sale of electricity
SPIC Guangxi Xing'an Wind Power Co., Ltd. (國家電投集團廣西興安風電有限公司)	The PRC	RMB1,471,253,000/ RMB1,426,036,000	–	95%	Limited liability company	Generation and sale of electricity
Shandong Energy (國家電投集團山東能源發展有限公司)	The PRC	RMB5,000,000,000/ RMB2,804,752,000	100%	–	Wholly foreign-owned enterprise	Generation and sale of electricity
Anqiu Hengtai New Energy Technology Co., Ltd. (安丘恒泰新能源科技有限公司)	The PRC	RMB331,820,000	–	51%	Limited liability company	Generation and sale of electricity
SPIC Anhui Electric Power Co., Ltd. (國家電投集團安徽電力有限公司)	The PRC	RMB1,437,000,000/ RMB1,045,282,000	100%	–	Wholly foreign-owned enterprise	Generation and sale of electricity
Huainan SPIC New Energy Co., Ltd. (淮南市國家電投新能源有限公司)	The PRC	RMB300,000,000	–	100%	Limited liability company	Generation and sale of electricity
SPIC Hubei Power Co., Ltd. (國家電投集團湖北電力有限公司)	The PRC	RMB4,830,000,000/ RMB3,378,693,000	100%	–	Wholly foreign-owned enterprise	Investment on new energy power resources
Zhongning Longji Photovoltaic New Energy Co., Ltd. (中寧縣隆基光伏新能源有限公司)	The PRC	RMB300,000,000	–	70%	Limited liability company	Generation and sale of electricity

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

The following is a list of the principal subsidiaries as at 31 December 2024: *(Continued)*

Name of companies	Place of establishment and operation	Registered/ paid up capital	Proportion of ownership interest Held by the Company	Held by subsidiaries	Type of legal entity	Principal activities
China Power (Chaoyang) New Energy Co., Ltd. (中電(朝陽)新能源有限公司)	The PRC	RMB1,500,000,000/ RMB984,704,000	-	100%	Limited liability company	Generation and sale of electricity
Daixian Xinhuaneng Energy Development Co., Ltd. (代縣新華能能源開發有限公司)	The PRC	RMB270,000,000	-	51%	Limited liability company	Provision of technical services in relation to generation of electricity
Jingle Xinfeng Energy Development Co., Ltd. (靜樂縣新風能源發展有限公司)	The PRC	RMB180,000,000	-	70%	Limited liability company	Provision of technical services in relation to generation of electricity
Jingle Hongyi Energy Development Co., Ltd. (靜樂弘義能源開發有限公司)	The PRC	RMB360,000,000	-	70%	Limited liability company	Provision of technical services in relation to generation of electricity
Shenchi Jinyuan Xinfeng Energy Development Co., Ltd. (神池晉源新風能源開發有限公司)	The PRC	RMB180,000,000	-	70%	Limited liability company	Provision of technical services in relation to generation of electricity
SPIC Gushi New Energy Co., Ltd. (國家電投固始新能源有限公司)	The PRC	RMB324,000,000/ RMB323,998,000	-	100%	Limited liability company	Provision of technical services in relation to generation of electricity
SPIC Jingmen Lvdong Energy Company Limited (國家電投集團荊門綠動能源有限公司)	The PRC	RMB200,000,000/ RMB123,000,000	-	90%	Limited liability company	Generation and sale of electricity
Shandong Tianrui New Energy Co., Ltd. (山東天瑞新能源有限公司)	The PRC	RMB169,100,000	-	70%	Limited liability company	Generation and sale of electricity
Shanghe Guorui Power Investment Wind Power Co., Ltd. (商河國瑞電投風力發電有限公司)	The PRC	RMB332,000,000/ RMB168,881,000	-	66%	Limited liability company	Generation and sale of electricity
Qingyun Guorui Power Investment New Energy Co., Ltd. (慶雲國瑞電投新能源有限公司)	The PRC	RMB172,000,000	-	66%	Limited liability company	Generation and sale of electricity
Qianjiang Lvdong Wind Power Co., Ltd. (潛江綠動風電有限公司)	The PRC	RMB152,000,000/ RMB144,125,000	-	90%	Limited liability company	Generation and sale of electricity
Ruicheng Lvlong Clean Energy Co., Ltd. (芮城縣綠隆清潔能源有限公司)	The PRC	RMB192,000,000/ RMB189,118,000	-	100%	Limited liability company	Generation and sale of electricity
Haiyang Power Investment Wind Power Generation Co., Ltd. (海陽電投風力發電有限公司) (formerly known as SPIC Haiyang Offshore Wind Power Co., Ltd. (國家電投集團海陽海上風電有限公司))	The PRC	RMB1,100,000,000/ RMB1,039,850,000	-	100%	Limited liability company	Generation and sale of electricity
SPIC Haiyang Energy Development Co., Ltd. (國家電投集團海陽能源發展有限公司)	The PRC	RMB730,000,000	45.21%	54.79%	Sino-foreign equity joint venture	Generation and sale of electricity

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

The following is a list of the principal subsidiaries as at 31 December 2024: *(Continued)*

Name of companies	Place of establishment and operation	Registered/ paid up capital	Proportion of ownership interest Held by the Company	Held by subsidiaries	Type of legal entity	Principal activities
Datong Xinrong Ruilong Clean Energy Co., Ltd. (大同市新榮區瑞隆清潔能源有限公司)	The PRC	RMB651,000,000	-	100%	Limited liability company	Generation and sale of electricity
Xinyuan Smart Storage Energy Development (Beijing) Co., Ltd. (新源智儲能源發展(北京)有限公司)	The PRC	RMB632,511,000	55.32%	-	Sino-foreign equity joint venture	Generation and sale of electricity
Xilinhot Mingyang Smart Energy Co., Ltd. (錫林浩特市明陽智慧能源有限公司)	The PRC	RMB146,000,000/ RMB120,428,000	-	100%	Limited liability company	Generation and sale of electricity
Dafeng Wind Power (中電大豐風力發電有限公司)	The PRC	RMB704,406,000/ RMB526,298,000	-	100%	Wholly foreign-owned enterprise	Generation and sale of electricity
Hubei China Power Chunyang Mountain Wind Power Co., Ltd. (湖北中電純陽山風電有限公司)	The PRC	RMB186,930,000/ RMB149,500,000	100%	-	Wholly foreign-owned enterprise	Generation and sale of electricity
Baiyin Photovoltaic (甘肅中電白銀光伏發電有限公司)	The PRC	RMB372,190,000/ RMB362,447,000	-	60.47%	Limited liability company	Generation and sale of electricity
Gansu China Power Jiuquan Third Wind Power Company Limited (甘肅中電酒泉第三風力發電有限公司)	The PRC	RMB2,317,058,000	-	100%	Limited liability company	Generation and sale of electricity
Guangxi Nanning Lvdong New Energy Investment Co., Ltd. (廣西南寧綠動新能源投資有限公司)	The PRC	RMB310,000,000/ RMB292,000,000	-	100%	Limited liability company	Generation and sale of electricity
China Power (Hubei) New Energy Co., Ltd. (中電(湖北)新能源有限公司)	The PRC	RMB1,433,100,000/ RMB514,140,000	70%	-	Sino-foreign equity joint venture	Generation and sale of electricity
Guyuan County Guangsheng Photovoltaic Power Generation Co., Ltd. (沽源縣光晟光伏發電有限公司)	The PRC	RMB428,000,000/ RMB408,114,000	-	100%	Limited liability company	Generation and sale of electricity
Haikou China Power Second Environmental Power Generation Co., Ltd. (海口中電第二環保發電有限公司)	The PRC	RMB193,270,000/ RMB175,000,000	-	100%	Limited liability company	Generation and sale of electricity
Qionghai China Power Environmental Power Generation Co., Ltd. (瓊海中電環保發電有限公司)	The PRC	RMB226,540,000	-	100%	Limited liability company	Generation and sale of electricity
Xinyuan Green Energy Power (Beijing) Co., Ltd. ("Xinyuan Green Power") (新源綠能電力(北京)有限公司)	The PRC	RMB3,665,713,000	54.56%	-	Sino-foreign equity joint venture	Investment on new energy power resources
Ninghai Xindian Power Development Co., Ltd. (甯海新電電力開發有限公司)	The PRC	RMB250,000,000	-	100%	Limited liability company	Generation and sale of electricity
Fanzhi County Xiehe Wind Power Generation Co., Ltd. (繁峙縣協合風力發電有限公司)	The PRC	RMB160,000,000/ RMB62,500,000	-	100%	Limited liability company	Generation and sale of electricity

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

The following is a list of the principal subsidiaries as at 31 December 2024: *(Continued)*

Name of companies	Place of establishment and operation	Registered/ paid up capital	Proportion of ownership interest Held by the Company	Held by subsidiaries	Type of legal entity	Principal activities
Jieyang Qianzhan Wind Power Generation Co., Ltd. (揭陽前詹風電有限公司)	The PRC	RMB7,200,000,000/ RMB1,401,537,000	100%	–	Wholly foreign-owned enterprise	Generation and sale of electricity
SPIC Damaoqi New Energy Power Generation Co., Ltd. (國家電投集團達茂旗新能源發電有限公司)	The PRC	RMB321,900,000/ RMB361,900,000	–	100%	Limited liability company	Generation and sale of electricity
Anda Xingdian New Energy Co., Ltd. (安達市興電新能源有限公司)	The PRC	RMB736,600,000/ RMB684,440,000	–	100%	Limited liability company	Generation and sale of electricity
Shanxi Yulong Group Youyu Niuxinbao Wind Power Generation Co., Ltd. (山西玉龍集團右玉牛心堡風力發電有限公司)	The PRC	RMB375,920,000	–	100%	Limited liability company	Generation and sale of electricity
SPIC Shanxi Power Co., Ltd. (國家電投集團山西電力有限公司)	The PRC	RMB2,800,000,000/ RMB904,344,000	100%	–	Wholly foreign-owned enterprise	Generation and sale of electricity
Changzi Xiehe Wind Power Co., Ltd. (長子縣朗晴協合風電有限公司)	The PRC	RMB164,000,000	–	100%	Limited liability company	Generation and sale of electricity
Yangshan Jinshunli Power Generation Co., Ltd. (陽山縣金順力發電有限公司)	The PRC	RMB205,000,000	–	100%	Limited liability company	Generation and sale of electricity
SPIC Beijing Electric Power Co., Ltd. ("Beijing Company") (國家電投集團北京電力有限公司)	The PRC	RMB6,116,057,000/ RMB6,116,112,000	55.15%	–	Sino-foreign equity joint venture	Generation and sale of electricity
Chengde Shenyuan Solar Power Generation Co., Ltd. (承德神源太陽能發電有限公司)	The PRC	RMB346,428,000/ RMB278,346,000	–	100%	Limited liability company	Generation and sale of electricity
Kezhou Lvdong Energy Development Co., Ltd. (克州綠動能源發展有限公司)	The PRC	RMB512,000,000/ RMB203,000,000	–	100%	Limited liability company	Generation and sale of electricity
Qingtongxia Jieyuan New Energy Co., Ltd. (青銅峽市潔源新能源有限公司)	The PRC	RMB35,000,000	–	100%	Limited liability company	Generation and sale of electricity
SPIC Heilongjiang Power Co., Ltd. (國家電投集團黑龍江電力有限公司)	The PRC	RMB2,500,000,000/ RMB676,780,000	100%	–	Wholly foreign-owned enterprise	Generation and sale of electricity
SPIC Fujian Electric Power Co., Ltd. (國家電投集團福建電力有限公司)	The PRC	RMB2,000,000,000/ RMB895,124,000	100%	–	Wholly foreign-owned enterprise	Generation and sale of electricity
Wuling Yuanling Electric Power Co., Ltd. (五凌沅陵電力有限公司)	The PRC	RMB172,600,000	–	100%	Limited liability company	Generation and sale of electricity
Guangxi Fuwei New Energy Co., Ltd. (廣西福維新能源有限公司)	The PRC	RMB100,000,000/ RMB374,105,000	–	85%	Limited liability company	Generation and sale of electricity

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

The following is a list of the principal subsidiaries as at 31 December 2024: *(Continued)*

Name of companies	Place of establishment and operation	Registered/ paid up capital	Proportion of ownership interest Held by the Company	Held by subsidiaries	Type of legal entity	Principal activities
SPIC Tong Dao Wind Power Generation Co., Ltd. (國家電投集團通道風力發電有限公司)	The PRC	RMB138,000,000/ RMB181,930,000	-	100%	Limited liability company	Generation and sale of electricity
Liaoning Zhitong Dongguan Photovoltaic Power Co., Ltd. (遼寧直通東關光伏電力有限公司)	The PRC	RMB150,000,000/ RMB20,000,000	-	100%	Limited liability company	Generation and sale of electricity
Ruzhou Yaodian Linru New Energy Co., Ltd. (汝州市姚電臨汝新能源有限公司)	The PRC	RMB154,000,000/ RMB129,660,000	-	100%	Limited liability company	Generation and sale of electricity
Tongxin Yuezhong New Energy Co., Ltd. (同心縣粵中新能源有限公司)	The PRC	RMB181,400,000	-	100%	Limited liability company	Generation and sale of electricity
Qingtongxia Guxia New Energy Co., Ltd. (青銅峽市古峽新能源有限公司)	The PRC	RMB155,200,000	-	100%	Limited liability company	Generation and sale of electricity
Yangxin Dehui Wind Power Generation Co., Ltd. (陽信德惠風力發電有限公司)	The PRC	RMB218,000,000/ RMB340,000,000	-	100%	Limited liability company	Generation and sale of electricity
SPIC Urad Middle Banner New Energy Co., Ltd. (國家電投集團烏拉特中旗新能源發電有限公司)	The PRC	RMB84,000,000/ RMB94,000,000	-	100%	Limited liability company	Generation and sale of electricity
Huai'an Zhongheng New Energy Co., Ltd. (淮安中恒新能源有限公司)	The PRC	RMB300,000,000/ RMB170,968,000	-	80%	Limited liability company	Generation and sale of electricity
SPIC Lan County New Energy Co., Ltd. (國家電投集團嵐縣新能源有限公司)	The PRC	RMB247,800,000/ RMB298,800,000	-	100%	Limited liability company	Generation and sale of electricity
Haiyang New Energy (國電投(海陽)新能源發展有限公司)	The PRC	RMB1,954,000,000/ RMB1,200,000,000	-	53.5%	Limited liability company	Generation and sale of electricity
SPIC (Haiyang) Offshore Wind Power Co., Ltd. (國電投(海陽)海上風電有限公司)	The PRC	RMB1,200,000,000	-	100%	Limited liability company	Generation and sale of electricity
China Power (Pu'an) New Energy Co., Ltd. (中電(普安)新能源有限責任公司)	The PRC	RMB492,920,000/ RMB259,895,000	-	100%	Limited liability company	Generation and sale of electricity

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

Material non-controlling interests

The table below shows details of non-wholly-owned subsidiaries of the Group that have material non-controlling interests:

Name of subsidiaries	Place of incorporation	Proportion of ownership interests and voting rights held by non-controlling interests		Total comprehensive income/(loss) allocated to non-controlling interests		Accumulated non-controlling interests	
		2024	2023	**2024**	2023	**2024**	2023
		RMB'000	RMB'000	**RMB'000**	RMB'000	**RMB'000**	RMB'000
Wu Ling Power and its subsidiaries (collectively known as "Wu Ling Group")	The PRC	**37%**	37%	**449,367**	(112,558)	**6,143,718**	5,702,608
Beijing Company and its subsidiaries (collectively known as "Beijing Group")	The PRC	**44.85%**	44.85%	**137,301**	(15,764)	**4,518,605**	4,533,455
Subsidiaries with individually immaterial non-controlling interests						**41,972,607**	31,144,908
Total						**52,634,930**	41,380,971

For the rest of non-wholly owned subsidiaries with non-controlling interest, their non-controlling interests were individually not material. Set out below are the summarized financial information in respect of each of the Group's subsidiaries that has material non-controlling interests.

(1) Wu Ling Group

Summarized consolidated statement of financial position

	Wu Ling Group	
	2024	2023
	RMB'000	RMB'000
Non-current assets	**66,243,289**	65,693,617
Current assets	**5,507,717**	4,249,535
Non-current liabilities	**(27,650,757)**	(35,328,682)
Current liabilities	**(19,068,448)**	(10,740,060)
Total equity	**25,031,801**	23,874,410
Equity attributable to shareholders of Wu Ling Power	**16,604,646**	15,412,455
Non-controlling interests of Wu Ling Power (at 37%)	**6,143,718**	5,702,608

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

Material non-controlling interests *(Continued)*

(1) Wu Ling Group *(Continued)*

Summarized consolidated income statement and consolidated statement of comprehensive income

	Wu Ling Group	
	2024 RMB'000	2023 RMB'000
Revenue	**7,783,143**	6,159,673
Profit for the year	**1,652,457**	260,779
Profit/(loss) attributable to shareholders of Wu Ling Power	**1,212,877**	(299,847)
Profit/(loss) attributable to the non-controlling interests of Wu Ling Power (at 37%)	**448,764**	(110,943)
Other comprehensive income/(loss) for the year	**1,632**	(4,337)
Other comprehensive income/(loss) attributable to shareholders of Wu Ling Power	**1,631**	(4,364)
Other comprehensive income/(loss) attributable to the non-controlling interests of Wu Ling Power (at 37%)	**603**	(1,615)
Total comprehensive income for the year	**1,654,089**	256,442
Total comprehensive income/(loss) attributable to shareholders of Wu Ling Power	**1,214,508**	(304,211)
Total comprehensive income/(loss) attributable to the non-controlling interests of Wu Ling Power (at 37%)	**449,367**	(112,558)

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

Material non-controlling interests *(Continued)*

(1) Wu Ling Group *(Continued)*

Summarized consolidated statement of cash flows

	Wu Ling Group	
	2024	2023
	RMB'000	RMB'000
Dividends paid	**–**	(165,633)
Dividends paid to non-controlling interests	**(313,592)**	(209,854)
Net cash inflow from operating activities	**4,230,719**	4,389,766
Net cash outflow from investing activities	**(3,598,249)**	(5,082,700)
Net cash (outflow)/inflow from financing activities	**(539,193)**	1,024,872
Net decrease in cash and cash equivalents	**(220,315)**	(43,549)
Cash and cash equivalents at 1 January	**632,913**	676,462
Cash and cash equivalents at 31 December	**412,598**	632,913

The financial information presented above is before inter-company eliminations.

(2) Beijing Group

Summarized consolidated statement of financial position

	Beijing Group	
	2024	2023
	RMB'000	RMB'000
Non-current assets	**29,645,704**	29,465,945
Current assets	**10,562,500**	9,108,759
Non-current liabilities	**(14,320,910)**	(14,767,197)
Current liabilities	**(10,971,460)**	(9,505,434)
Total equity	**14,915,834**	14,302,073
Equity attributable to shareholders of Beijing Company	**10,074,928**	10,108,039
Non-controlling interests of Beijing Company (at 44.85%)	**4,518,605**	4,533,455

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

Material non-controlling interests *(Continued)*

(2) Beijing Group *(Continued)*

Summarized consolidated income statement and consolidated statement of comprehensive income

	Beijing Group	
	2024	2023
	RMB'000	RMB'000
Revenue	**4,172,941**	1,060,513
Profit for the year	**499,735**	48,193
Profit/(loss) attributable to shareholders of Beijing Company	**306,134**	(35,149)
Profit/(loss) attributable to the non-controlling interests of Beijing Company (at 44.85%)	**137,301**	(15,764)

Summarized consolidated statement of cash flows

	Beijing Group	
	2024	2023
	RMB'000	RMB'000
Dividends paid to non-controlling interests	**(1,057,048)**	–
Net cash inflow/(outflow) from operating activities	**1,176,396**	(501,728)
Net cash outflow from investing activities	**(1,958,355)**	(282,303)
Net cash inflow/(outflow) from financing activities	**1,511,280**	(12,908)
Net decrease in cash and cash equivalents	**(327,727)**	(796,939)
Cash and cash equivalents at 1 January/1 October	**1,065,110**	1,862,049
Cash and cash equivalents at 31 December	**737,383**	1,065,110

The financial information presented above is before inter-company eliminations.

50. CONTINGENT LIABILITIES

There are no material contingent liabilities of the Group at 31 December 2024.

51. EVENT AFTER THE REPORTING PERIOD

In respect of the Proposed Assets Restructuring as announced by the Company on 18 October 2024, the Company and Guangxi Company entered into the Restructuring Framework Agreement I and Restructuring Framework Agreement II with SPIC Yuanda Environmental-Protection Co., Ltd. respectively. Prior to implementation of the Proposed Asset Restructuring, Wu Ling Power and Changzhou Hydropower, will undergo the Proposed Asset Pre-Restructuring which consisted of three parts: (1) external acquisitions by Wu Ling Power, (2) formation of joint ventures and (3) intragroup reorganizations. On 17 January 2025, Wu Ling Power entered into the Wu Ling External Acquisitions Agreements to acquire Wu Ling External Acquisitions Interests. On the same day, Wu Ling Power also entered into a sale and purchase agreement to acquire 100% equity interest in Lanshanxian Zhuoyue New Energy Development Co., Ltd.

In February 2025, Wu Ling Power has completed the issuance of a Sci-Tech Note of RMB400,000,000, with a maturity period of 240 days. The unit face value is RMB100 and the interest rate is 1.90% per annum.

52. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
ASSETS		
Non-current assets		
Property, plant and equipment	**12,290**	14,350
Right-of-use assets	**32,409**	29,742
Investments in subsidiaries	**50,219,803**	48,808,317
Interests in associates	**4,541,202**	3,876,891
Interests in joint ventures	**765,707**	715,707
Equity instruments at FVTOCI	**3,331,389**	3,073,452
Other non-current assets	**25,478**	4,696
	58,928,278	56,523,155
Current assets		
Loans to subsidiaries	**3,009,293**	3,511,263
Prepayments, deposits and other receivables	**81,151**	2,233
Amounts due from related parties	**258,207**	381,452
Amounts due from subsidiaries	**255,019**	714,042
Dividends receivable	**668,534**	187,853
Cash and cash equivalents	**1,267,594**	878,049
	5,539,798	5,674,892
Total assets	**64,468,076**	62,198,047

52. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (CONTINUED)

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
EQUITY		
Share capital (Note 32)	**24,508,986**	24,508,986
Other equity instruments (Note 34)	**3,015,213**	3,015,213
Reserves (note)	**5,731,675**	5,402,360
Total equity	**33,255,874**	32,926,559
LIABILITIES		
Non-current liabilities		
Bank borrowings	**2,526,231**	–
Other borrowings	**7,500,000**	8,000,000
Deferred income tax liabilities	**513,617**	451,487
	10,539,848	8,451,487
Current liabilities		
Other payables and accrued charges	**332,500**	285,001
Amounts due to related parties	**251,716**	7,510,374
Amounts due to subsidiaries	**1,976,953**	2,298,752
Bank borrowings	**6,983,428**	1,300,000
Borrowings from related parties	**3,100,000**	2,400,000
Other borrowings	**8,000,000**	7,000,000
Lease liabilities	**27,757**	25,874
	20,672,354	20,820,001
Total liabilities	**31,212,202**	29,271,488
Total equity and liabilities	**64,468,076**	62,198,047
Net current liabilities	**(15,132,556)**	(15,145,109)
Total assets less current liabilities	**43,795,722**	41,378,046

The statement of financial position was approved and authorized for issue by the Board on 20 March 2025 and is signed on its behalf by:

HE Xi
Director

GAO Ping
Director

52. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (CONTINUED)

Note:

Movements in the Company's reserves

	FVTOCI reserve RMB'000	Share-based payment reserve RMB'000	Other reserves RMB'000	Retained earnings RMB'000	Total RMB'000
At 1 January 2024	**1,368,368**	**36,224**	**(1,800)**	**3,999,568**	**5,402,360**
Profit for the year	**–**	**–**	**–**	**2,367,947**	**2,367,947**
Fair value gain on equity instruments at FVTOCI, net of tax	**193,453**	**–**	**–**	**–**	**193,453**
Share-based payment expenses	**–**	**19,283**	**–**	**–**	**19,283**
2023 final dividend	**–**	**–**	**–**	**(1,632,860)**	**(1,632,860)**
2024 special dividend	**–**	**–**	**–**	**(618,508)**	**(618,508)**
At 31 December 2024	**1,561,821**	**55,507**	**(1,800)**	**4,116,147**	**5,731,675**
At 1 January 2023	1,790,695	28,802	–	2,633,167	4,452,664
Profit for the year	–	–	–	2,727,118	2,727,118
Fair value loss on equity instruments at FVTOCI, net of tax	(422,327)	–	–	–	(422,327)
Share-based payment expenses	–	7,422	–	–	7,422
Issuance of perpetual medium-term notes	–	–	(1,800)	–	(1,800)
2022 final dividend	–	–	–	(1,360,717)	(1,360,717)
At 31 December 2023	1,368,368	36,224	(1,800)	3,999,568	5,402,360

Five-Year Financial and Operations Summary

	2024 RMB million	2023 RMB million	2022 RMB million	2021 RMB million (restated)	2020 RMB million
Revenue	54,212.8	44,261.8	43,689.1	35,476.7	28,427.7
Profit before taxation	8,010.7	5,426.6	3,344.0	1,038.2	3,826.1
Income tax expense	(1,470.8)	(892.6)	(658.7)	(361.9)	(900.6)
Profit for the year	6,539.9	4,534.0	2,685.3	676.3	2,925.5
Attributable to:					
Equity holders of the Group	3,861.8	3,084.5	2,648.0	(256.3)	1,708.3
Non-controlling interests	2,678.1	1,449.5	37.3	932.6	1,217.3
Basic earnings per share (RMB)	0.27	0.22	0.22	(0.04)	0.17
Dividend per share (RMB) (Note)	0.212	0.132	0.110	0.050	0.130
Total non-current assets	288,817.2	260,164.6	180,519.2	156,675.6	137,842.8
Total current assets	51,638.4	45,642.2	30,885.7	18,570.4	18,105.9
Total assets	340,455.6	305,806.8	211,404.9	175,246.0	155,948.7
Total current liabilities	93,182.4	75,170.6	45,925.0	45,535.8	43,277.9
Total non-current liabilities	139,740.8	135,615.5	96,889.8	77,333.5	66,880.9
Net assets	107,532.4	95,020.7	68,590.1	52,376.7	45,789.9
Equity attributable to equity holders of the Company	54,897.5	53,639.7	46,968.6	36,052.5	33,397.8
Non-controlling interests	52,634.9	41,381.0	21,621.5	16,324.2	12,392.1
Total equity	107,532.4	95,020.7	68,590.1	52,376.7	45,789.9
Consolidated installed capacity (MW)	49,390.9	45,018.8	31,599.2	28,931.9	26,845.8
Attributable installed capacity (MW)	39,717.1	37,639.5	29,333.6	24,960.8	23,878.2
Gross power generation (MWh)	133,065,568	107,582,860	112,942,437	104,926,234	91,902,510
Total electricity sold (MWh)	127,959,080	103,239,505	108,170,802	100,612,928	88,255,525
Net coal consumption rate (g/kWh)	298.06	298.72	302.37	301.16	303.31

Note: Included final and special dividends.

"ABC Financial"	ABC Financial Asset Investment Co., Ltd.* (農銀金融資產投資有限公司), a substantial shareholder of SPIC Beijing Electric Power Co., Ltd. (國家電投集團北京電力有限公司), a subsidiary of the Company
"attributable installed capacity"	the proportionate amount of installed capacities of a power plant attributable to a company based on the percentage of equity interest held by the company in that power plant
"average utilization hours"	for a specified period, the amount of electricity (MWh) produced in such period divided by the average installed capacity (MW) in such period
"Bazhou Environmental"	Bazhou China Power Environmental Power Generation Company Limited* (霸州中電環保發電有限公司), a subsidiary of the Company
"Board"	the board of Directors of the Company
"CG Code"	the Corporate Governance Code as set out in Appendix C1 of the Listing Rules, as amended from time to time
"Changshu Power Plant"	Jiangsu Changshu Electric Power Generating Company Limited, an associate of the Company
"Changzhou Hydropower"	SPIC Guangxi Changzhou Hydropower Development Co., Ltd.* (國家電投集團廣西長洲水電開發有限公司), a subsidiary of the Company
"China Power" or "Company"	China Power International Development Limited
"CITIC Financial AMC"	China CITIC Financial Asset Management Co., Ltd.
"consolidated installed capacity"	100% installed capacity of a company that is deemed as a subsidiary in the Group's consolidated financial statements
"CP Nongchuang"	China Power Investment Xinnongchuang Technology Co., Ltd.* (中電投新農創科技有限公司), an associate of the Company
"CPDL"	China Power Development Limited (中國電力發展有限公司*) a substantial shareholder of the Company and a subsidiary of CPI Holding
"CPI Holding"	China Power International Holding Limited (中國電力國際有限公司), the intermediate holding company of the Company and a subsidiary of SPIC

Technical Glossary and Definitions

"CPNE"	China Power (New Energy) Holdings Limited (中國電力(新能源)控股有限公司), a subsidiary of CPI Holding and an associate of SPIC
"date of this annual report"	20 March 2025, the day this annual report was approved by the Board
"Deyang Environmental"	Deyang He Xin Environmental Power Generation Company Limited* (德陽和新環保發電有限責任公司), a subsidiary of the Company
"Dual Carbon Goals"	the climate commitment made by the Chinese government which sets the targets of peaking carbon emissions by 2030 and achieving carbon neutrality by 2060
"Director(s)"	director(s) of the Company
"ESG"	environmental, social and governance
"Group" or "We"	the Company and its subsidiaries from time to time
"Guangxi Company"	SPIC Guangxi Electric Power Co., Ltd.* (國家電投集團廣西電力有限公司), a wholly-owned subsidiary of the Company
"Guangxi Overseas"	Guangxi SPIC Overseas Energy Investment Co., Ltd.* (廣西國電投海外能源投資有限公司), a joint venture of the Company
"Guazhou Wind Power"	Gansu China Power Guazhou Wind Power Generation Company Limited* (甘肅中電瓜州風力發電有限公司), a subsidiary of the Company
"GW"	gigawatt, that is, one billion watts
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	Hong Kong Special Administrative Region of the PRC
"Hong Kong Companies Ordinance"	Companies Ordinance, Chapter 622 of the Laws of Hong Kong (as amended from time to time)
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Huainan Mining"	Huainan Mining Industry (Group) Company Limited* (淮南礦業(集團)有限責任公司), a substantial shareholder of certain subsidiaries of the Company
"installed capacity"	the manufacturers' rated power output of a generating unit or a power plant, usually denominated in MW
"Jilin Electric"	Jilin Electric Power Co., Ltd.* (吉林電力股份有限公司), an associate of SPIC and listed on the Shenzhen Stock Exchange
"kWh"	kilowatt-hour, a standard unit of energy used in the electric power industry. One kilowatt-hour is the amount of energy that would be produced by a generator producing one thousand watts for one hour

"Listing Rules"	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
"market-power"	electricity buy and sell in the open market
"MW"	megawatt, that is, one million watts. The installed capacity of a power plant is generally expressed in MW
"MWh"	megawatt-hour, which is equal to one thousand kWh
"NAFMII"	National Association of Financial Market Institutional Investors
"NDRC"	National Development and Reform Commission of the People's Republic of China
"NEA"	the National Energy Administration
"net coal consumption rate"	average consumption of standard coal for supplying 1 kWh power (deducting self-used power)
"PBOC"	中國人民銀行 (People's Bank of China*)
"Pingwei II"	Huainan Pingwei No. 2 Electric Power Co., Ltd. (淮南平圩第二發電有限責任公司), a subsidiary of the Company
"Pingwei III"	Huainan Pingwei No. 3 Electric Power Co., Ltd. (淮南平圩第三發電有限責任公司), a subsidiary of the Company
"Pingwei Power"	Anhui Huainan Pingwei Electric Power Company Limited (安徽淮南平圩發電有限責任公司), an associate of the Company
"PRC" or "China" or "State"	the People's Republic of China
"Pu'an Power Plant"	China Power (Pu'an) Power Generating Company Limited* (中電(普安)發電有限責任公司), a subsidiary of the Company
"Qiyuanxin Power"	Shanghai Qiyuanxin Power Technology Co., Ltd.* (上海啟源芯動力科技有限公司), an associate of the Company
"RMB"	Renminbi, the lawful currency of the PRC
"SASAC"	the State-owned Assets Supervision and Administration Commission of the State Council
"Shanghai Power"	Shanghai Electric Power Co., Ltd.* (上海電力股份有限公司), a company listed on the Shanghai Stock Exchange which the Company holds certain of its A shares for investment purpose
"Shangqiu Thermal Power"	China Power (Shangqui) Thermal Power Company Limited* (中電(商丘)熱電有限公司), a subsidiary of the Company

Technical Glossary and Definitions

"Share Incentive Scheme"	the share option incentive scheme approved and adopted by the Company at an extraordinary general meeting held on 15 June 2022. For details, please refer to the circular of the Company dated 27 May 2022
"Sichuan Energy Investment"	Sichuan Energy Investment Development Co., Ltd.* (四川能投發展股份有限公司), an associate of the Company
"SPIC"	State Power Investment Corporation Limited (國家電力投資集團有限公司), the ultimate holding company of the Company
"SPIC Finance HK"	SPIC International Finance (Hong Kong) Company Limited (國家電投香港財資管理有限公司), a subsidiary of SPIC
"SPIC Financial"	SPIC Financial Company Limited* (國家電投集團財務有限公司), a subsidiary of SPIC
"SPIC Fund"	SPIC Innovation Investment Co., Ltd. (國家電投集團創新投資有限公司), a subsidiary of SPIC
"standard coal"	coal with an energy content of 7,000 kilocalories per kilogram
"Wu Ling Power"	Wu Ling Power Corporation* (五凌電力有限公司), a subsidiary of the Company
"Xinyuan Smart Storage"	Xinyuan Smart Storage Energy Development (Beijing) Co., Ltd.* (新源智儲能源發展(北京)有限公司), a subsidiary of the Company
"Yuanda Environmental"	SPIC Yuanda Environmantal-Protection Co., Ltd. (國家電投集團遠達環保股份有限公司), an associate of SPIC

* *For identification purpose only*

ANNUAL REPORT

This annual report has been posted on the websites at **www.chinapower.hk** and **www.hkexnews.hk** on 24 April 2025. Physical reports are sent to the shareholders of the Company who have selected to receive the printed version of corporate communication only.

ANNUAL GENERAL MEETING (AGM)

The Company's AGM will be held on 5 June 2025 by way of virtual meeting via online platform. Information regarding the business to be considered in the AGM is set out in the circular to the shareholders of the Company dated 25 April 2025 together with a proxy form.

INVESTOR CALENDAR

Closure of register of members for determining shareholders' eligibility to attend and vote at the AGM	2 June 2025 to 5 June 2025 (both days inclusive)
AGM date	5 June 2025
Ex-dividend date	9 June 2025
Closure of register of members for determining shareholders' entitlement to 2024 Final Dividend	11 June 2025 to 13 June 2025 (both days inclusive)
Record date for 2024 Final Dividend	13 June 2025
Proposed 2024 Final Dividend payable* ***RMB0.162 (equivalent to HK$0.1754) per ordinary share***	30 June 2025

* Subject to approval by shareholders of the Company at the AGM to be held on 5 June 2025.

Useful Information for Investors

INVESTOR ENQUIRIES AND FEEDBACK

For enquiries about share transfer and registration, please contact the share registrar of the Company:

Computershare Hong Kong Investor Services Limited
Shops 1712–1716, 17/F, Hopewell Centre
183 Queen's Road East, Wanchai, Hong Kong
Tel.: (852) 2862 8555
Fax: (852) 2865 0990
Email: chinapower.ecom@computershare.com.hk
Website: www.computershare.com/hk/en/online_feedback

For enquiries and feedback from investors and securities analysts, please contact:

Capital Markets & Investor Relations Department
China Power International Development Limited
Suite 6301, 63/F, Central Plaza
18 Harbour Road, Wanchai, Hong Kong
Tel.: (852) 2802 3861
Fax: (852) 2802 3922
Email: ir@chinapower.hk
Website: www.chinapower.hk/en/ir/investor-information-collection.php

China Power International Development Limited
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Beijing, China
Tel: (86-10) 6260 1888
Fax: (86-10) 6260 1777