



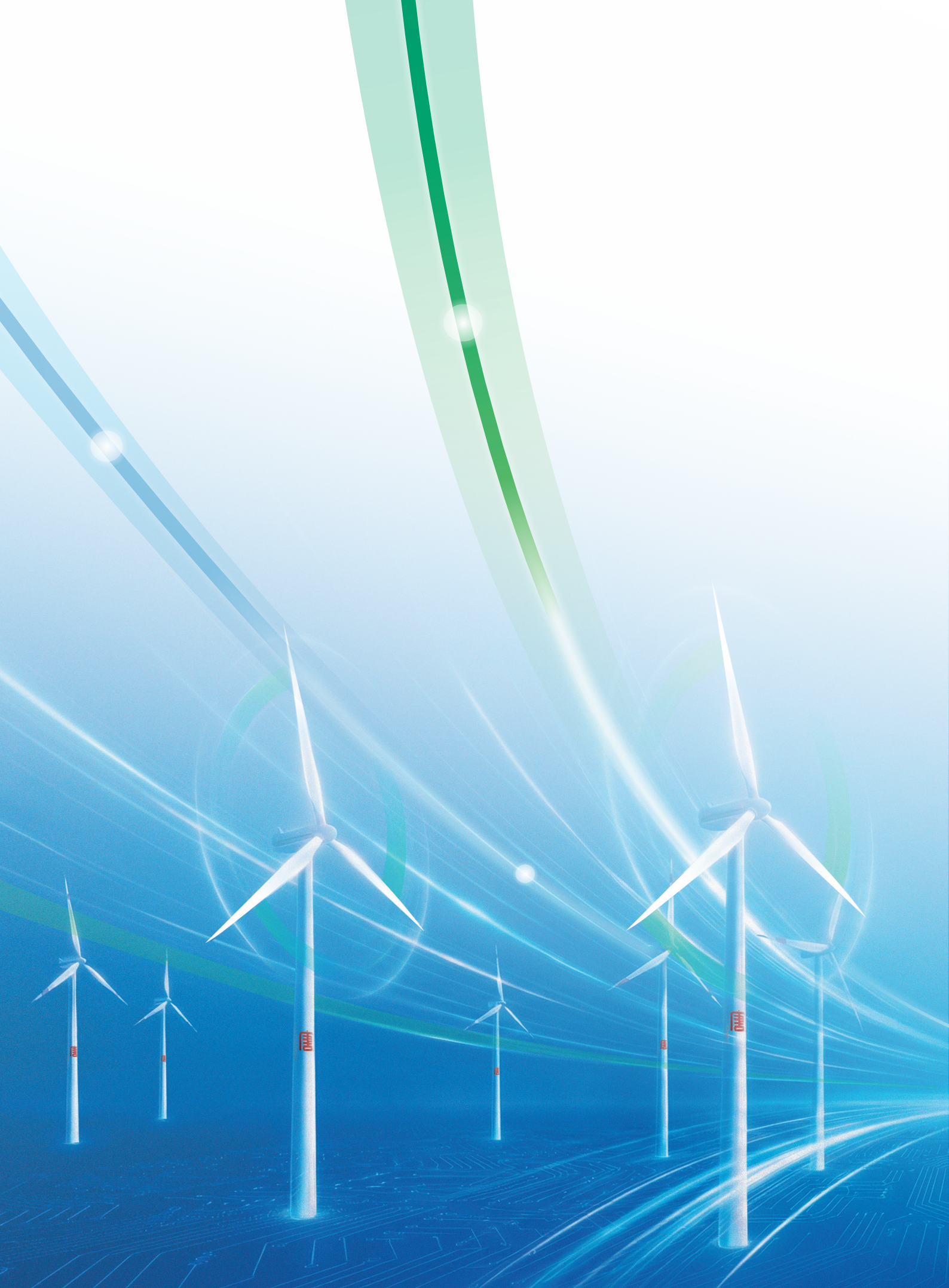
大唐国际发电股份有限公司

DATANG INTERNATIONAL POWER GENERATION CO., LTD.

Stock Code: 00991

Trust Brings Power

2025 ANNUAL REPORT



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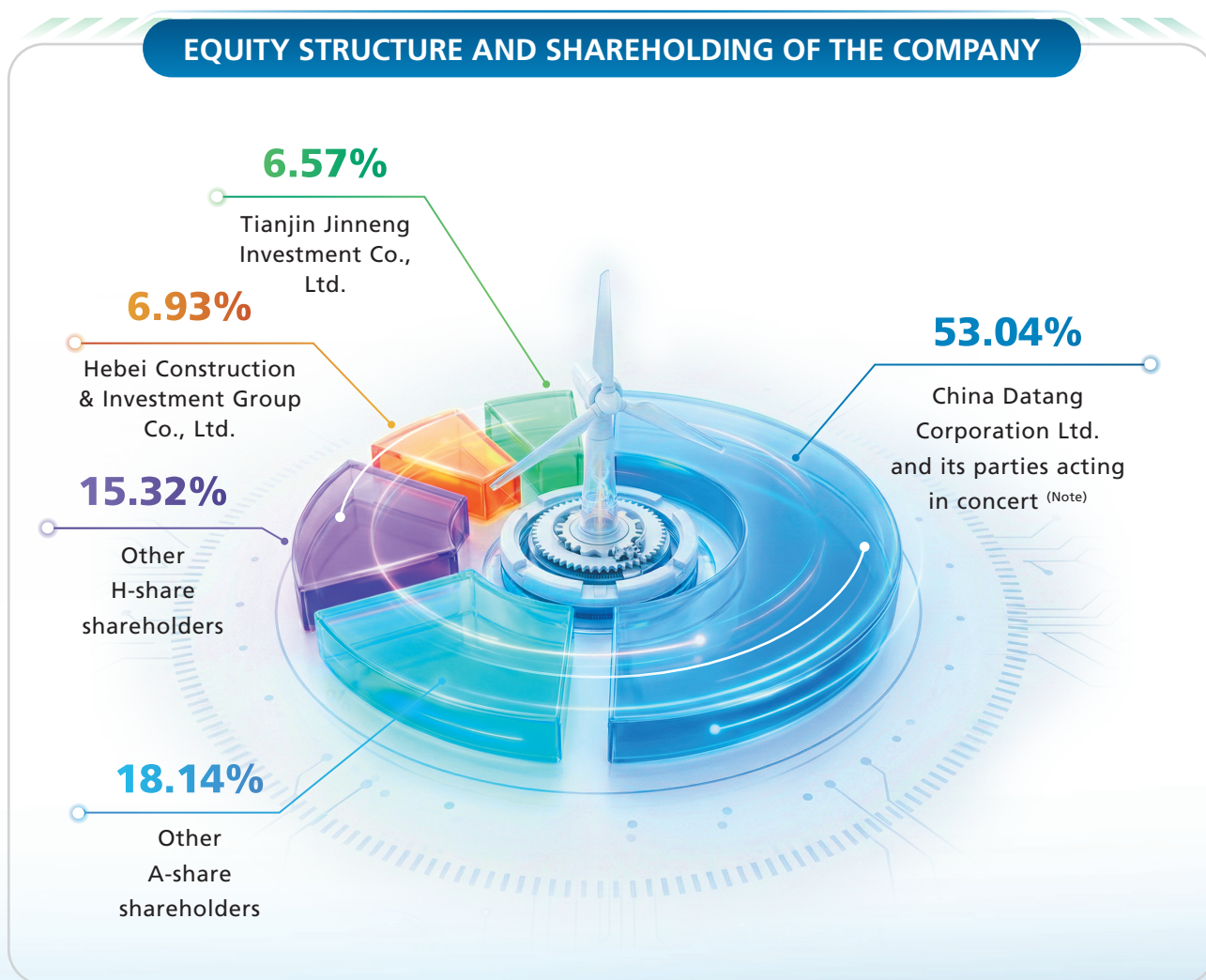
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COMPANY PROFILE

Company overview

Datang International Power Generation Co., Ltd. (“Datang Power”, “Datang International” or the “Company” and, together with its subsidiaries, the “Group”) is a Sino-foreign joint venture controlled by China Datang Corporation Ltd. Established in 1994, the Company is the first Chinese enterprise listed in London, the first Chinese power enterprise listed in Hong Kong and the first Chinese enterprise triple listed in Hong Kong, London and Shanghai.

Datang Power is one of the largest independent power generation companies in China. After 32 years of development, its operating subsidiaries and projects under construction have spread across 20 provinces and regions across the country, and now it has developed into a large-scale comprehensive energy listed company in terms of green and low-carbon, multiple energy complementarity and high efficiency and coordination.



Note:

As of 31 December 2025, the total number of shares of the Company was 18,506,710,504 shares, China Datang Corporation Ltd. (“CDC”) and its subsidiaries held a total of 9,816,330,340 shares of the Company, representing approximately 53.04% of the Company’s total issued shares in aggregate, being the controlling shareholder of the Company, of which, CDC directly held 6,540,706,520 A shares of the Company, representing approximately 35.34% of the Company’s total issued shares; and China Datang Overseas (HK) Co., Limited, a wholly-owned subsidiary of CDC, directly held 3,275,623,820 H shares of the Company, representing approximately 17.70% of the Company’s total issued shares.

COMPANY PROFILE

As of the end of 2025, the total assets of the Company were approximately RMB333.636 billion, and the installed capacity reached 86,192.081 MW.

Datang Power implements the target requirements of “dual carbon”, takes the realization of green and low-carbon transformation as its development direction, and takes “green and low-carbon, multi-energy complementarity, efficient coordination and digital intelligence” as its development vision.

As of the end of 2025, the newly installed capacity of the Company was

7,080.9 MW, including:



Newly installed capacity of coal-fired power of

1,960 MW



Newly installed capacity of gas-fired power of

2,846.6 MW



Newly installed capacity of wind power of

1,138.2 MW



Newly installed capacity of photovoltaic power of

1,136.1 MW

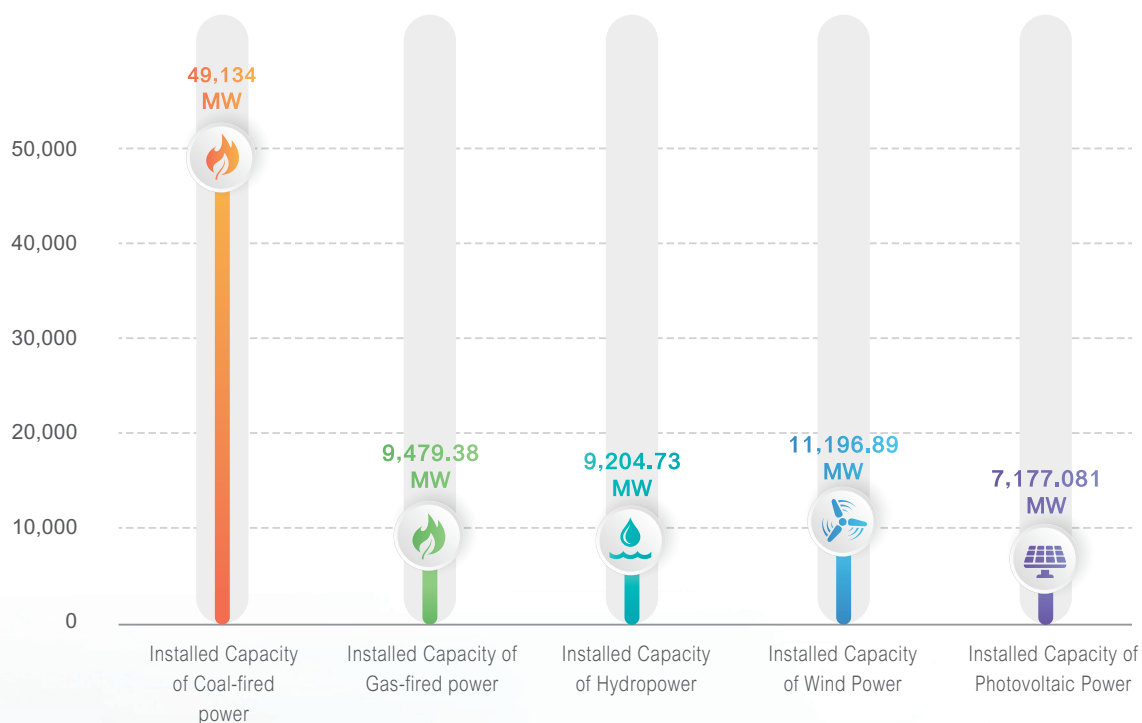
The proportion of the Company's installed capacity of low-carbon and

clean energy further increased to **42.99%**

Representing an increase of **2.62** percentage points compared with the end of last year

COMPANY PROFILE

INSTALLED CAPACITY STRUCTURE OF THE COMPANY



Managed an installed capacity of approximately

86,192.081 MW

Completed power generation of approximately

288.955 billion kWh



Completed on-grid power generation of approximately

273.109 billion kWh

COMPANY HISTORY

1994

Datang Power was founded with the installed capacity of 2.85 GW

1997

Datang Power was listed on the Stock Exchange of Hong Kong (SEHK) and London Stock Exchange (LSE), becoming the first Chinese power company listed in Hong Kong and the first Chinese company listed in London

2006

Datang Power was listed on the Shanghai Stock Exchange (SSE), making it the first power company to be listed simultaneously on SEHK, LSE and SSE, with the installed capacity exceeding 20 GW

2009

Datang Power was included in the Fortune Global 500 list for the first time and was awarded the golden prize of the Corporate Awards by The Asset magazine, with the installed capacity exceeding 30 GW

2022

Datang Power won awards such as the "Best Investment Value Award for Listed Companies" of China Securities Golden Bauhinia, with the installed capacity exceeding 70 GW

2021

Total installed capacity of Datang Power reached 68.77 GW, with the installed capacity of clean energy and renewable energy contributing to 30.27% of the total. Tuoketuo Power and Yuxian bases were included in the first batch of large wind and photovoltaic power stations in China, marking a good start of green transformation of the "14th Five-Year Plan"

2018

Total installed capacity of Datang Power reached 62.853 GW. Datang Power generated 269.704 billion kWh of electricity, representing a year-on-year increase of 35.74%; Datang Power was listed into the "Top 250 Global Energy Companies" by Platts for the 12th consecutive year

2014

Datang Power was included in the "Top 250 Global Energy Companies" by Platts for the 8th consecutive year, with the installed capacity exceeding 40 GW

2023

Total installed capacity of Datang Power reached 73.29 GW, with the proportion of low-carbon and clean energy further increasing to 37.75%, accelerating the green transformation and development and laying a solid foundation for achieving the objectives of the "14th Five-Year Plan"

2024

Total installed capacity of Datang Power reached 79.11 GW, with the proportion of clean energy hitting 40.37%, further strengthening the green foundation for the Company's high-quality development

2025

Total installed capacity of Datang Power reached 86.19 GW, with the proportion of clean energy further increasing to 42.99%, outlining a new vision for green transition

DISTRIBUTION OF PROJECTS

Unit: MW

Region	Total	Coal power	Gas power	Hydro Power	Wind Power	Photovoltaic Power
Total	86,192.081	49,134.000	9,479.380	9,204.730	11,196.890	7,177.081
Beijing City	1,389.930	/	1,380.000	/	/	9.930
Tianjin City	1,441.600	1,200.000	/	/	30.000	211.600
Hebei Province	14,726.466	11,100.000	/	38.500	1,677.500	1,910.466
Shanxi Province	2,907.500	2,640.000	/	/	217.500	50.000
Guangdong Province	10,399.990	5,260.000	4,241.740	/	698.800	199.450
Jiangsu Province	3,766.000	2,664.000	872.000	/	/	230.000
Fujian Province	3,196.078	2,520.000	/	/	362.600	313.478
Zhejiang Province	5,366.997	2,600.000	1,892.040	/	28.000	846.957
Ningxia Hui Autonomous Region	596.000	/	/	/	496.000	100.000
Liaoning Province	3,842.430	2,000.000	/	/	1,755.000	87.430
Yunnan Province	2,153.000	/	/	1,953.000	/	200.000
Jiangxi Province	6,222.350	4,000.000	/	/	965.740	1,256.610
Inner Mongolia Autonomous Region	11,021.750	6,720.000	/	90.000	3,181.750	1,030.000
Chongqing City	5,432.590	700.000	1,093.600	2,844.630	685.500	108.860
Guizhou Province	70.000	/	/	70.000	/	/
Sichuan Province	3,851.600	/	/	3,801.600	/	50.000
Qinghai Province	520.000	/	/	190.000	150.000	180.000
Anhui Province	3,900.300	3,280.000	/	184.000	50.000	386.300
Heilongjiang Province	5,287.500	4,450.000	/	33.000	798.500	6.000
Xizang Autonomous Region	100.000	/	/	/	100.000	/

FINANCIAL HIGHLIGHTS

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(Amounts expressed in millions of RMB)

For the year ended 31 December	2021	2022	2023	2024年	2025年
Operating revenue	103,610	116,828	122,427	123,474	121,255
Profit/(loss) before tax	(11,077)	77	5,706	8,666	12,986
Income tax expense	(631)	(857)	(2,603)	(1,768)	(2,828)
Profit/(loss) for the year attributable to:					
– Ordinary shares	(10,540)	(1,705)	(210)	3,046	5,991
– Other equity instruments	1,437	1,378	1,651	1,492	1,548
– Non-controlling interests	(2,605)	(453)	1,663	2,361	2,618

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Amounts expressed in millions of RMB)

As at 31 December	2021	2022	2023	2024年	2025年
Total assets	296,676	305,422	304,279	322,624	333,636
Total liabilities	220,139	229,002	215,741	229,190	234,030
Other equity instruments	32,845	34,844	46,211	46,272	46,303
Non-controlling interests	14,012	13,684	14,887	16,943	19,223
Equity attributable to owners of the Company	29,680	27,892	27,439	30,220	34,080

CHAIRMAN'S STATEMENT

2025 marks the decisive year for concluding the "14th Five-Year Plan" and a pivotal year for the energy industry to accelerate its clean and low-carbon transition. The Company fully implemented the guiding principles of the Fourth Plenary Session of the 20th Central Committee of the Communist Party of China and deeply understood the spirit of General Secretary Xi Jinping's important instructions on the work of central state-owned enterprises. Upholding its corporate mission "Providing Green Energy, Lighting Up a Better Life", the Company integrated its development into the overall pursuit of Chinese-style modernization and achieved breakthroughs in three key areas: energy supply security, quality and efficiency improvement, and green transition. With solid actions and tangible results, the Company delivered an outstanding report card for the conclusion of the "14th Five-Year Plan".

This year, acting as a central state-owned enterprise committed to the "National Priorities", we consolidated the cornerstone of energy supply security. The Company always regards energy supply security as our top political responsibility. Through the "Five Standardization Campaigns" and "Thunder Operations", the Company has comprehensively improved intrinsic safety and established a multi-energy complementary and coordinated security system of wind power, solar power, thermal power and CHP. The Company successfully accomplished significant energy supply tasks for, *inter alia*, summer and winter peaks, the 80th anniversary of the victory of the Chinese People's War of Resistance Against Japanese Aggression and the SCO Tianjin Summit. At such critical moments, the Company demonstrated strong reliability as a central state-owned enterprise, providing solid energy support for the stable performance of the economy and society.

This year, guided by the core principle of value creation, we reached new heights in operational efficiency and effectiveness. Facing the industry challenge of "two lows and one high" brought about by the full market trading of new energy, the Company proactively aligns with the reform of the power market and aims to build a market-oriented, profit-centered, marketing-led, fuel-backed and production-based "grand business" pattern. Benefitting from the refined management to strengthen cost control and achieve dual reductions in fuel and financing costs, the optimization of resource allocation with market-oriented strategies, and the further advancement of special initiatives for quality improvement, efficiency enhancement and loss control, the Company's total profit for the year hit a new record, and operational quality and efficiency reached a new level, fully demonstrating the Company's core competitiveness in adapting to market changes and resisting industry risks.

This year, under the strategic guidance of the "Dual Carbon" goals, we painted a new picture of green transition. During the transition to clean, low-carbon, safe and efficient development in a determined manner, the Company focuses on the establishment of new energy systems by intensifying the development of high-quality resources including large-scale wind and solar bases, new-generation clean coal power, pumped hydro storage and offshore wind power. The construction of several gigawatt base projects, such as Tuoketuo Power (phase 2), Yuxian (phase 2) and Ganzi, were fully commenced. The Yinpan Pumped Hydro Storage Project in Wulong, Chongqing delivered the Company's first breakthrough in the pumped hydro storage sector. In Chaozhou, Fuzhou, Lüsi and elsewhere, the planning of a number of gigawatt high-efficiency clean coal power projects were on the way. And the approval of Jiangsu offshore wind projects further expanded the Company's offshore wind footprint. In 2025, the Company had 9.95 GW being approved, 7.08 GW put into operation, and 13.94 GW under construction. The proportion of clean energy capacity rose to 43%, up 2.6 percentage points over last year, injecting green momentum into building a strong energy nation with practices.

CHAIRMAN'S STATEMENT

The "15th Five-Year Plan" period is crucial for China to lay a solid foundation and make all-out efforts to basically achieve socialist modernization, to deliver on "carbon peaking" as scheduled, and to accelerate the building of a strong energy nation. It is also an important period for the Company to actively respond to opportunities and challenges, proactively resolve difficulties and problems, and achieve green transition and high-quality development. As a central stated-owned energy enterprise, we are deeply aware of our important mission and strong responsibilities. In 2026, the inaugural year of the "15th Five-Year Plan", the Company aims to launch the "Management Enhancement Year" campaign by further optimizing its management system and elevating its management capabilities to upgrade existing assets, strengthen incremental growth and expand overall size. With the advancement of high-quality development, high-level security and high-efficiency operations, the Company aims to secure a sound start to the "15th Five-Year Plan".

First, we will stay true to our original mission of ensuring supply and forge core capabilities for Energy security guarantee. We will always uphold bottom-line and red-line thinking, continue to consolidate the foundation of safety management, and improve the reliability of power generation and heating to ensure stable, reliable, adequate and high-quality supply at critical moments. Focusing on the requirements of building a new power system and centering on regulation capability, we will enhance the peak-shaving depth and load response speed of coal-fired power, optimize new energy power forecasting systems, build a coordinated supply system of wind power, solar power, thermal power, CHP and energy storage, and strengthen the national energy security barrier.

Second, deepen value creation and activate the endogenous driving force of high-quality development. Adhering to market orientation and marketing leadership, we will focus on key factors such as marginal cost and regulation value, and accelerate the transformation of the business model to "production based on sales". We will tap the full potential for cost reduction, strengthen analysis of the coal market and refined control of fuel costs, and achieve dual reductions in financing scale and financing interest rates. We will strengthen the awareness of investor returns, steadily improve profitability and dividend stability, and enable investors to share the fruits of the Company's development.

Third, cultivate green genes and improve the supporting ability of new-type energy system construction. Focusing on the key strategies of building a strong energy nation and a beautiful China, we will set priorities based on resource endowments and development stages, and form a new development pattern of "launching a batch, implementing a batch, and planning a batch". We will advance high-quality "genetic engineering", strengthen cost awareness, and promote the optimization and upgrading of coal-fired power. We will further develop new business forms, technologies and models such as virtual power plants, direct green power connections, source-grid-load-storage integration, and zero-carbon parks to broaden new paths for industrial development.

Fourth, deepen compliance governance and build a solid foundation for the modern enterprise development system. We will integrate the Party's leadership into all aspects of corporate governance, improve the modern enterprise system with Chinese characteristics, enhance the efficiency of the four-in-one management of legal affairs, compliance, risk and internal control, and continuously strengthen risk prevention and control capabilities. We will take market value management as a long-term strategic task, attach greater importance to shareholder returns, steadily promote the reasonable return of the Company's value, and elevate the brand value of "Datang Power".

CHAIRMAN'S STATEMENT

The blueprint draws a thousand scenes, and hard work sets sail for a long journey. Datang Power will always align with national strategies, keep pace with industry development, and move in line with market demand. With firm confidence, pioneering spirit and pursuit of excellence, we will ensure the full accomplishment of all goals and tasks of the "Management Enhancement Year" and achieve a sound start to the "15th Five-Year Plan", aiming to become a first-class listed company that is loyal to the Party, well-governed, high-performing, reputable, responsible to shareholders, accountable to employees and favored by investors, and reward shareholders and society with even more outstanding performance.

Li Xiaofei
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

The year 2025 is the final year of the “14th Five-Year Plan”. Facing the profound changes in the external environment and industry situation, as well as the arduous tasks of production and operation, the Company took advantage of the momentum, worked hard and forged ahead, and achieved new and important breakthroughs in energy supply security, quality and efficiency improvement, transformation and development, etc.



MANAGEMENT DISCUSSION AND ANALYSIS

(I) Overview

The Company is one of the largest independent power generation companies in the People's Republic of China (the "PRC"). The power generation businesses of the Company and its subsidiaries mainly cover 20 provinces, municipalities and autonomous regions across the country. Whereas thermal power generators of the Company are centralised in the Beijing-Tianjin-Hebei and southeast coastal regions, most of the hydropower projects are located in the southwest region, and wind power and photovoltaic power projects are distributed across the country in areas with abundant resources.

(II) Review on the Operating Results of Principal Businesses

1. Energy supply security was guaranteed in a strong and powerful manner. The Company steadfastly shouldered its political and social responsibilities for ensuring supply, leveraging the synergistic power of wind, solar and thermal energy through multi-energy complementarity. Production safety has been maintained in a stable, orderly and continuously improving manner. By 2025, the Company had cumulatively delivered on-grid power generation of approximately 273.1092 billion kWh, successfully accomplishing significant supply guarantee tasks during summer and winter seasons of high loads, the gathering marking the 80th anniversary of the victory in the Chinese People's War of Resistance against Japanese Aggression, and the Fourth Plenary Session of the 20th Central Committee of the Communist Party of China, highlighting the cornerstone role of the Company as a central energy enterprise.
2. Business performance hit another record high. In 2025, targeting at high-quality development, the Company continuously built a "market-oriented, profit-centered, marketing-led, fuel-backed and production-based" "grand business (大經營)" pattern. By optimizing operating strategies on a market-oriented basis and fully exploring profit potential through lean management, the Company achieved profit before tax of RMB12.986 billion, representing a year-on-year increase of 49.85%, with net profit attributable to holders of equity instruments of the Company reaching RMB7.539 billion, representing a year-on-year increase of 66.13%. The Company's profitability has been steadily improved.
3. The pace of low-carbon transformation was accelerating. The Company steadfastly pursued the "dual carbon" goals by continuously advancing low-carbon transformation, and actively promoting the three reforms linkages (三改聯動) for coal-fired power generation. Consequently, our energy utilization efficiency was steadily improved with positive results achieved in energy conservation and emission reduction. The proportion of clean energy continued to rise. In 2025, the newly added installed capacity of clean energy of the Company was 5,120.854 MW, bringing the total installed capacity of clean energy to 37,058.081 MW. This represented approximately 42.99% of its total installed capacity, an increase of 2.62 percentage points as compared to the Previous Year.

MANAGEMENT DISCUSSION AND ANALYSIS

4. Financing costs continued to decline. Based on refined capital management, the Company continuously optimized its financing structure, actively seized opportunities during the market interest rate downturn, vigorously expanded low-cost financing channels, and effectively reduced financing costs. The coupon rate has continued to remain industry-leading, providing stable support for the Company's high-quality development. The comprehensive financing cost was completed at 2.33%, a reduction of 30 basis points year-on-year, reaching the lowest level for the Company during the "14th Five-Year Plan" period.
5. Stabilization and control of fuel cost being effective. In 2025, the national coal market featured stable supply, moderate demand and a rational price recovery. Against the background, the Company deepened its procurement strategy, precisely aligned with market dynamics, strengthened lean operations, and integrated cost management throughout the entire supply chain. In 2025, the Company procured a total of 119.7749 million tons of coal, with a coal-fired unit price for standard coal-into-furnace of RMB742.4 per ton (excluding tax), representing a year-on-year decrease of RMB128.94 per ton, a reduction of 14.80%, laying a solid foundation for the Company's operational profitability.
6. Corporate governance standards were steadily improving. Operated in strict compliance with laws and regulations, the Company continuously refined its governance structure. During the Reporting Period, the Company successfully completed the re-election of the Board, further enhancing the professionalism and effectiveness in terms of decision making of the Board. Meanwhile, the Company completed the abolishment of its supervisory committee and the amendments to its articles of association. Thus, the overall modernization of the governance system and governance capabilities has achieved steady progress, laying a solid foundation for the high-quality development of the Company.

(III) Analysis of Core Competitiveness

1. Power Layout and Development Advantages

The Company is one of the large independent power generation companies in China. The power generation business of the Company and its subsidiaries is mainly distributed in 20 provinces, municipalities, and autonomous regions across the country. As of the end of 2025, the Company's total installed capacity was 86,192.081 MW, including thermal power installed capacity of 58,613.38 MW, mainly concentrated in the Beijing-Tianjin-Hebei region and the southeastern coastal areas; hydropower installed capacity of 9,204.73 MW, with most projects located in the southwest region; and the combined installed capacity of wind power and photovoltaic power of 18,373.971 MW, mainly distributed across various resource-rich regions nationwide. This has effectively formed an energy development pattern featuring "green and low-carbon development, diversified energy complementarity, and efficient coordination."

MANAGEMENT DISCUSSION AND ANALYSIS

2. Equipment and Technology Advantages

Among the Company's coal-fired units, there are a total of 20 ultra-supercritical units with a capacity of 15,320 MW, including 8 million-kilowatt ultra-supercritical units. The Company strictly complies with the requirements of the national environmental protection department and continuously strengthens environmental protection work. A total of 100 in-service coal-fired thermal power units of the Company have completed ultra-low emission environmental protection transformation, and all have met the standards for ultra-low emission environmental protection transformation limits. In the energy efficiency benchmarking of thermal power units by China Electricity Council, a total of 24 units of the Company won the excellent performance award, and 1 unit won the title of the best in a single indicator.

3. Financing Capacity Advantages

The Company has a good reputation in both domestic and overseas markets and has a wide range of financing channels, which can ensure the smoothness of the Company's overall capital chain and effectively reduce the Company's financing costs. In combination with the Company's capital needs and the trend of interest rates in the money market, a total of 17 issues of medium-term notes, ultra-short-term financing bonds and corporate bonds were issued during the year, with a total issuance scale of RMB36.5 billion. Each issue of bonds has well been in the proper time of issuance, effectively reducing the Company's comprehensive financing interest rate level.

4. Enterprise Management Advantages

The members of the Company's Board of Directors have diverse backgrounds. The knowledge structure and professional fields of the Directors are both professional and complementary to each other, ensuring the scientific nature of the Board of Directors' decision-making. The Company actively implements the strategy of strengthening the enterprise through talents, establishes an effective employee incentive mechanism and evaluation and employment system, focuses on talent cultivation, growth and development, and has formed a professional and high-quality talent team. The Company has been deeply engaged in the energy industry for many years. The management team has rich knowledge of the energy industry and enterprise management experience. At the same time, they have a deep understanding of relevant regulatory mechanisms, actively plan to expand new industrial directions, keep up with the development trend of the industry, and can continuously promote the expansion of the Company's business and create value for shareholders.

MANAGEMENT DISCUSSION AND ANALYSIS

(IV) Major Financial Indicators and Analysis

1. Operating Revenue

During the Year, the Group realised operating revenue of approximately RMB121,255 million, representing a decrease of approximately 1.80% compared with the Previous Year, which was mainly attributable to the 1.80% year-on-year decrease in operating revenue from the power and heat generation segment.

2. Operating Costs

During the Year, total operating costs of the Group amounted to approximately RMB105,658 million, representing a decrease of approximately RMB6,665 million or approximately 5.93% compared with the Previous Year, which was mainly attributable to the decrease in cost of fuel.

3. Finance Costs

During the Year, finance costs of the Group amounted to approximately RMB4,427 million, representing a decrease of approximately RMB877 million or approximately 16.54% compared with the Previous Year, which was primarily due to lower interest rates of borrowings.

4. Total Profit

During the Year, the Group reported total profit before tax from continuing operations amounting to approximately RMB12,986 million, representing an increase of approximately 49.85% compared with the Previous Year. Net profit attributable to equity holders of the Company for the Year amounted to approximately RMB7,539 million, while net profit attributable to equity holders of the Company for the Previous Year amounted to approximately RMB4,538 million.

During the Year, the power generation segment of the Group realised total profit before tax from continuing operations amounting to approximately RMB11,532 million, representing a year-on-year increase of approximately RMB4,220 million.

MANAGEMENT DISCUSSION AND ANALYSIS

5. Financial Position

As at 31 December 2025, total assets of the Group amounted to approximately RMB333,636 million, representing an increase of approximately RMB11,013 million compared with the end of 2024. The increase in total assets was mainly due to the addition of property, plant and equipment of new power projects.

As at 31 December 2025, total liabilities of the Group amounted to approximately RMB234,030 million, representing an increase of approximately RMB4,840 million compared with the end of 2024. The increase in total liabilities was mainly due to increase in demand of debt financing for new power projects.

Net profit attributable to equity holders of the Company for the Year amounted to approximately RMB7,539 million, representing an increase of approximately RMB3,001 million compared with the end of 2024; net asset value per share attributable to ordinary shareholders of the Company for the Year amounted to approximately RMB1.84, representing an increase of approximately RMB0.21 per share compared with the end of 2024.

6. Liquidity

As at 31 December 2025, the debt ratio of the Group was approximately 70.15%. The net debt-to-equity ratio (i.e. (loans + short-term bonds + long-term bonds – cash and cash equivalents)/owner's equity) was approximately 180.48%.

As at 31 December 2025, cash and cash equivalents of the Group amounted to approximately RMB9,267 million, among which deposits that were equivalent to approximately RMB128 million were foreign currency deposits. The Group had no entrusted deposits and overdue fixed deposits during the Year.

As at 31 December 2025, short-term loans of the Group amounted to approximately RMB41,116 million, bearing annual interest rates ranging from 0.83% to 3.70%. Long-term loans (excluding those repayable within one year) amounted to approximately RMB113,819 million and long-term loans repayable within one year amounted to approximately RMB21,994 million. Long-term loans (including those repayable within one year) were at annual interest rates ranging from 1.15% to 4.20%. The Group paid close attention to foreign exchange market fluctuations and cautiously assessed risks.

MANAGEMENT DISCUSSION AND ANALYSIS

7. Welfare Policy

As at 31 December 2025, the Group had 27,149 employees. The Group adopts a basic performance-based compensation system, and keeps distribution according to work as the mainstay with multiple forms of distribution existing alongside it, where an employee's compensation is determined by reference to his/her performance and contribution. The Group continuously deepens the "matching between work and performance" by aligning total enterprise compensation with economic benefits, and labour efficiency with labour productivity, and it is the Group's policy to give priority to enterprises located in the impoverished and remote areas and plateau areas, and enterprises with excellent performance and good benefits for the purpose of compensation distribution. The Group improves the performance evaluation and assessment system for all employees to give full play to the effect of evaluation and distribution in motivating and guiding employees, allowing employees' earnings to be tied to their job value and performance contribution and subject to adjustment. Besides, the Group has established and keeps improving the market-oriented income distribution mechanism to promote the internal income of enterprises to flow more to the front line of production, and other dirty, difficult and dangerous positions, increase the incentives for scientific and technological innovation talents and highly skilled talents, and provide special incentives to its core employees and employees with outstanding contributions, thereby widening the income gap in a reasonable manner and fully stimulating employee innovation and creativity.

(V) Possible Risks and Countermeasures

Electricity Volume Risk: It is expected that China's overall power supply and demand will be relatively loose in 2026. The rapid growth of new energy installed capacity has led to structural surpluses in some regions, putting pressure on the utilization hours of thermal power. Coupled with inadequate power grid access and peak-shaving resource supporting facilities in certain areas, the wind and solar power curtailments increase, affecting the power generation and revenue of new energy projects. Meanwhile, the deepening reform of the power market, the full implementation of medium – and long-term market rules, the expanded coverage of the spot market, and shorter trading cycles have significantly raised requirements for electricity volume forecasting and trading execution capabilities, exacerbating challenges to annual electricity volume.

Countermeasures: Strengthen marketing and improve trading capabilities. Deepen the signing of medium – and long-term contracts to ensure that annual contracted electricity volume accounts for no less than 70% of the on-grid electricity volume of the Previous Year, lock in basic electricity volume and prices, and mitigate market fluctuation risks. Establish a trading system featuring "accurate forecasting + dynamic optimization + agile execution" to improve the accuracy of electricity volume forecasting and optimize bidding strategies for the spot market and auxiliary services market. Expand cross-provincial and cross-regional power transactions, develop outward transmission channels, and fully leverage regional price differences to enhance comprehensive electricity revenue. Implement lean management over unit maintenance, optimize maintenance schedules, reduce unplanned outages, and improve equipment availability factors.

MANAGEMENT DISCUSSION AND ANALYSIS

Electricity Price Risk: Intensifying market competition has increased downward pressure on electricity prices. In 2026, fierce competition is expected in the annual power transactions in some regions, pushing long-term agreement prices to low levels. Following Circular No.136, all new energy power prices have become market-oriented, with a large number of new energy projects entering the market. The intensified volatility of green power trading prices has affected their revenue stability. Meanwhile, the participation of new energy in the spot market may further drag down the overall market price level. Amid continuous reforms of the electricity price mechanism, fixed time-of-use electricity price policies have been abolished in some regions, leading to greater volatility in market-based time-of-use electricity prices.

Countermeasures: Fully leverage favorable policies and optimize the electricity price structure. Proactively seek support from capacity electricity price policies to ensure full recovery of coal-fired power capacity prices and ease fixed cost pressures. Optimize electricity price bidding strategies, and reasonably bid for spot and auxiliary service prices based on market supply and demand and unit marginal costs in different periods to raise overall electricity prices. Participate in green power trading and the carbon market to tap into environmental value and improve the comprehensive revenue of new energy projects. Deepen market research and enhance electricity price management capabilities; closely track policy changes and market trends, forecast electricity price movements in advance, and adjust operation strategies in a timely manner.

Fuel Risk: The complex and severe international situation and the escalating geopolitical conflicts in the Middle East have driven up international oil and gas prices, triggering a sharp rise in international coal prices, and significantly increasing uncertainties in the global energy market. The imported coal supply continues to tighten: Indonesia has implemented export quota controls and export tariff policies, while supplies from major exporting countries such as Russia and Australia are restricted. As a result, imported coal has lost its price advantage and weakened supplementary capacity, reducing its role in stabilizing domestic market prices. Domestic production capacity controls are becoming stricter, with “anti-involution” and regular safety and environmental supervision restricting excess production. The supply elasticity of high-quality resources is insufficient, some mines are gradually withdrawing, and the overall supply remains tight amid stability. The long-term agreement pricing mechanism is becoming more market-oriented, increasing pressure from price fluctuations and performance supervision. Under the combined effect of multiple factors, China’s coal market supply and demand will shift to a tight balance in 2026 with intensified price fluctuations, significantly enhanced overall market uncertainties, and prominent dual pressures on supply security and price control.

Countermeasures: Strengthen market research, judgment and early warning, closely monitor changes in the international situation, import policies, and domestic supply and demand, improve the mechanisms of daily monitoring, weekly analysis and monthly judgment, and enhance the initiative of risk forecasting and response. Consolidate the bottom line of long-term agreement supply security, improve the performance quality of long-term agreements, strengthen cooperation with strategic suppliers, strictly implement national long-term agreement policies, stabilize core resource channels, and prevent short-term fluctuations from undermining the overall supply security. Optimize procurement strategies, adhere to storing fuel in low seasons and consuming in peak seasons, grasp market windows to flexibly adjust procurement paces, strictly control the proportion of market coal and procurement costs, and steadily carry out supplementary procurement of imported coal. Deepen whole-chain control, implement “daily control and weekly dispatch”, promote intelligent fuel blending and lean management, and continuously reduce costs.

MANAGEMENT DISCUSSION AND ANALYSIS

Resource Development Risk: Along with adjustments to resource allocation methods, competition for high-quality resources has intensified, and project development costs remain high. Coupled with comprehensive factors such as land leasing costs for mountain photovoltaic projects, power curtailment rates and market-oriented electricity prices, the profitability of new energy projects may decline.

Countermeasures: The Company will coordinate the synergistic development of investment scale and investment quality, accelerate the transformation of existing projects, fully promote the construction of large-scale energy bases, efficiently develop onshore and offshore wind power, and boost the optimization and upgrading of coal-fired power projects. Based on regional realities, the Company will further advance pilot demonstrations of new business forms and technologies such as direct green power connectivity, coordinated computing and power trading, zero-carbon industrial parks and clean energy heating, to build differentiated competitive advantages. The Company will focus on design optimization, cost control and compliance management, strengthen the on-schedule rate control of construction and commissioning plans, and strive to create high-quality “genetic engineering” projects.

(VI) Outlook for 2026

2026 marks the inaugural year of the “15th Five-Year Plan”. In 2026, the Company will focus on “achieving a good start” and drive further optimization of management systems and enhancement of management standards. Meanwhile, the Company will accelerate the development of management and capability frameworks aligned with high-quality development, practically carry out all works under the “Management Enhancement Year (管理提升年)” initiative, so as to ensure a good start of the “15th Five-Year Plan”.

1. Focusing on advancing the improvements of essential safety. The Company will strengthen the foundation of safety management, and conclude the three-year action plan of “root and branch (治本攻堅)” with the theme of “tackling root causes and boosting effectiveness (治本攻堅, 效能提升)”. The Company will attach importance to high-quality heating and power supply by enhancing the reliability of power generation and heating services, in order to ensure reliable output and peak-load capacity during critical periods. The Company will implement production quality and efficiency improvements. Centered on “regulation capacity (調節能力)”, the Company enhances the depth of peak regulation and load response rates for coal-fired units, improves the accuracy of power prediction systems for new energy equipment, thereby strengthening the core competitiveness of units. The Company will strengthen ecological and environmental management and control, and reinforce the bottom line of legal compliance by focusing on management systems and workflows.

MANAGEMENT DISCUSSION AND ANALYSIS

2. Focusing on advancing value creation and enhancement. The Company will optimize operational mechanisms by prioritizing marketing as the driving force, closely monitoring key factors such as marginal costs and value adjustment, and accelerating the transformation of the business model toward “production based on sales”, so as to enhance the synergistic profit-generating capabilities of production and operations. The Company will strengthen marketing efforts, intensify market research tailored to various types of transactions, coordinate unit operation modes, and maximize the generation of profitable electricity. The Company will ensure supply security and price control by strengthening fuel cost management, enhancing coal market analysis and judgement, optimizing procurement strategies, as well as exploring price control potential. The Company will focus on profit growth and loss reduction by fully leveraging the value-driven role of comprehensive budgeting, maintaining a dual-reduction orientation for financing scale and interest rates, and persistently advancing cost leadership solutions.
3. Focusing on advancing green transformation and upgrading. The Company will improve development mechanisms, deepen the “one strategy for one project (一項目一策略)” approach, prioritize projects based on different resource endowments and developmental stages, and accelerate resource acquisition and conversion. It will implement high-quality “genetic engineering” initiatives, firmly establish cost awareness, and promote the optimization and upgrading of coal power. The Company will deeply advance the development of new patterns, new technologies and new models with green and low-carbon as the foundation, and broaden new pathways for industrial growth. It will strictly enforce construction safety, rigorously manage quality, leverage the advantages of large-scale procurement, actively control and reduce project costs, and fully commit to project construction.
4. Focusing on advancing corporate governance enhancement. The Company will continuously improve corporate governance as a modern enterprise with Chinese characteristics, ensure the standardized operation of the Board, strengthen the performance of Board members’ duties, and vigorously promote the development of a scientific, rational, standardized and efficient Board. It will deepen the “legal governance of central enterprises (法治央企)” construction, firmly enhance the effectiveness of the integrated legal, compliance, risk and internal control, and continue to strengthen risk prevention and control capabilities. The Company will improve the quality of information disclosure as needed by investors and guard the bottom line of listed company compliance management; continue to maintain multi-level investor communication channels, strengthen the importance of shareholder returns, promote the reasonable return of corporate value in an effective and orderly manner, systematically carry out market value management, and enhance the brand value of “Datang Power”.

HUMAN RESOURCES OVERVIEW

(I) Composition of Employees (Specialty, Educational Background, Gender)

Specialty	
Specialty category	Number of individuals
Production personnel	16,052
Sales personnel	428
Technicians	4,642
Financial personnel	543
Administrative personnel	5,484
Total	27,149
Educational background	
Educational background category	Number of individuals
Postgraduate or above	1,297
Undergraduate	17,709
College graduate	5,182
Secondary technical or below	2,961
Total	27,149
Gender Composition	
Gender	Proportion
Male	83.3%
Female	16.7%

Gender diversity of employees

Differences in education background, cultural background, professional background and job requirements of employees are the main influencing factors of gender diversity of employees. The Company is principally engaged in power generation and power plant development business, and the industry has historically had a high concentration of male employees. To promote gender diversity as much as possible, and on the premise of providing equal employment opportunities, career development and promotion opportunities, the Company continued to introduce various professional talents of different genders and nationalities according to its own development needs, and cultivated and nurtured a talent team with moderate scale, high-end leadership, reasonable structure and excellent quality, so as to establish and maintain the Company's talent advantage in the industry, and lay a solid talent foundation for achieving the Company's development strategy.

HUMAN RESOURCES OVERVIEW

(II) Staff Management

In 2025, on the human resources management front, by focusing on core tasks of the enterprise, we vigorously implemented the strategy of strengthening the enterprise with talents. We focused on optimizing the allocation of human resources and efficiency enhancement, continued to strengthen the construction of leadership and cadre teams at all levels, continuously improved and strengthened salary incentives and performance evaluation, further increased training efforts, consolidated the foundation for talent growth, successfully implemented various reform measures of the Company, and successfully completed various tasks of the year.

(III) Staff Training

The Company has fully implemented the annual training plan, deeply implemented hierarchical and classified training for all employees, continuously deepened training innovation with a focus on cultivating “high-end talents + urgently needed talents”, and strived to improve the effectiveness of job training. On this basis, we have always focused on continuous efforts in various aspects of talent cultivation, selection and motivation, and accelerate the building of three teams: composite enterprise management talents who “understand management and are good at management”, expert professional technical talents who are “familiar with business and good at innovation”, and artisan production skill talents who are “proficient in skills and good at inheritance”. The leading role of leading talents is increasingly evident.

The Company continued to deepen the multichannel construction of employees’ career paths with a focus on professional technical and production skilled talents to promote their growth and success based on positions, which effectively mobilized internal motivation of the employees to achieve success in their positions, and played an important role in accelerating the construction of the Company’s talent team. In addition to implementing the annual training plan and conducting hierarchical and classified training for all employees, the Company continuously improved the training system of “face-to-face + remote + on-site training”. We have developed an online training system for mobile phones to enhance training effectiveness. We also deepened the construction of the skill competition system, and the skill competition system led by superior competitions, with skill competitions as the main body, and based on job skill training, has become increasingly mature with Datang characteristics. We extensively carried out skill competitions at all levels around key business sectors and important positions, and effectively improved the technical skills level of professional talents.

HUMAN RESOURCES OVERVIEW

(IV) Implementation Measures

1. The construction of the cadre team has been further strengthened. We focused on increasing the selection of young cadres, which has promoted the younger generation of the Company's cadres. We focused on exercising and training, strengthened cadre communications, and accelerated the experience and growth of cadres. We also focused on assessment and evaluation, and innovatively developed the "Internet +" cadre evaluation system, which provided important support for the selection and appointment of cadres. We emphasized the construction of qualities, increased the efforts in cultivating young cadres, and enhanced the ability of cadres to perform their duties.
2. The in-depth reform has been further promoted. We comprehensively consolidated the existing effect of reform, continuously deepened the reform of the three systems of "labor, personnel and distribution", actively established an internal human resource market, and continuously improved the incentive mechanism for self-examination to promote the flow of human resources within the system and fully stimulate vitality. We continued to optimize the distribution mechanism of total wages, insisted on efficiency orientation, focused on efficiency improvement, reasonably widened the income gap among different enterprises, guided enterprises to actively adjust employment strategies, optimized employment structure, and improved labor production efficiency.
3. The vitality of the talent team has been stimulated. We paid attention to the training and recommendation of talents, and strived to play the leading and exemplary role of high-level talents. We continued to deepen the multi-channel construction of employees' careers focusing on professional technical and production skilled talents as well as appointment with certificates for all employees, which promoted the growth and success of employees based on their positions, effectively mobilized the internal motivation for development of the majority of employees in the system, and played an important role in accelerating the construction of the Company's talent team.
4. The assessment and distribution system has been further improved. A four-in-one performance assessment system integrating "monthly assessment, annual assessment, term assessment and special assessment" has been established. Following the principle of formulating differentiated assessment indicators based on "one strategy for one enterprise and one strategy for one industry", we further advanced the tenure system and contract-based management for the management personnel and carried out precise assessment. We strengthened the management and control of the matching between labor efficiency and effectiveness, deepened the market-oriented linkage between compensation and performance, optimized the internal compensation distribution relationship, promoted the compensation to tilt towards core key personnel and front-line production personnel, and focused on scientific and technological innovation and high-skilled talents. We also improved the performance assessment of all employees, clarified the orientation of linking income with performance and contributions, achieved timely process management and control, highlighted key objectives, and showed obvious incentive differences. The incentive effect of the assessment and distribution system has been further enhanced.

HUMAN RESOURCES OVERVIEW

(V) Directors (the “Directors”) and Senior Management of the Company (as at the Latest Practicable Date¹)

1. Biographies of Directors



Li Xiaofei
Chairman, Executive Director

Mr. Li, aged 49, holds a master’s degree and is a professorate senior engineer. He previously served as the deputy secretary of the Party Committee and deputy general manager of Datang Xinjiang Power Generation Co., Ltd. (大唐新疆發電有限公司); the deputy general manager, the secretary of disciplinary committee, the chairman of the labour union, the general manager and the deputy secretary of the Party Committee of China Datang Coal Industry Co., Ltd. (中國大唐集團煤業有限責任公司); the director of the technical and economic center of CDC; the executive director, secretary of the Party Committee and general manager of China Datang Corporation Technology and Economics Research Institute Co., Ltd. (中國大唐集團技術經濟研究院有限公司); the director of the strategic planning department (enterprise management department and comprehensive deepening reform office) of CDC; the director of the operation and management department of CDC. He currently serves as the deputy general manager of CDC, and the secretary of the Party Committee and chairman of the Company



Jiang Jianhua
Non-executive Director

Mr. Jiang, aged 55, is a senior political engineer with a bachelor’s degree. He served as the league secretary of CDC; a member of the Party Group, the head of the discipline inspection team and the chairman of the labour union of Datang Anhui Power Generation Co., Ltd. (大唐安徽發電有限公司); a member of the Party Committee and the secretary of the disciplinary committee of Datang Anhui Power Generation Co., Ltd.; the secretary of the Party Committee and deputy general manager of Zhejiang Branch of Datang International; the secretary of the Party Committee and deputy general manager of Zhejiang Branch of CDC; the deputy secretary of the Party Committee, deputy general manager and secretary of the disciplinary committee of Datang Jiangsu Power Generation Co., Ltd. (大唐江蘇發電有限公司); the deputy secretary of the Party Committee and secretary of the disciplinary committee of China Datang Corporation Overseas Investment Co., Ltd. (中國大唐集團海外投資有限公司); and the deputy head of the inspection team of the Party Group of CDC. He currently serves as a Director, the deputy secretary of the Party Committee and chairman of the Labour Union of the Company.

¹ The latest practicable date of this annual report (the “Latest Practicable Date”) is 23 April 2026.

HUMAN RESOURCES OVERVIEW



Pang Xiaojin
Non-executive Director

Mr. Pang Xiaojin, aged 55, is a professorate senior engineer with a doctoral degree. He served as the deputy director of the market trading office of the marketing department, the deputy director of the marketing office of the planning and marketing department, the director of the commercial logistics office of the materials management department, the director of the commercial logistics office, the director of the supply management office of the materials management department (tendering and bidding center) of China Datang Corporation, the deputy general manager and a member of the Party Committee of Shanxi Branch of China Datang Corporation, the deputy general manager and a member of the Party Committee of Datang Shanxi Power Generation Co., Ltd. (大唐山西發電有限公司), the deputy director of the sales department (marketing center), and the deputy director of the marketing department of China Datang Corporation Ltd. He currently serves as the deputy director of the operation and management department of China Datang Corporation Ltd, a non-executive director of Datang Environment Industry Group Co., Ltd. (1272.HK), and a Director of the Company.



Ma Jixian
Non-executive Director

Mr. Ma, aged 60, is a senior engineer with a doctoral degree. He served as the deputy director of the import and export division of the foreign economic department and director of the comprehensive division of the State Economic and Trade Commission, researcher of the important industrial products import division, director of the trade promotion division, director of the important industrial products import division and director of the import division of the Department of Foreign Trade of the Ministry of Commerce, deputy head and member of the Party Group of the Department of Commerce of Guangxi Zhuang Autonomous Region, deputy chief of the general office, deputy chief of the office of the board of directors of CDC, deputy chief of commercial cooperation and public relations department (international cooperation department) of CDC, deputy general manager, member of the Party Committee of China Datang Corporation Overseas Investment Co., Ltd. (中國大唐集團海外投資有限公司), and deputy chief of the international business department (foreign affairs office) of CDC (responsible for general operations). He currently serves as a full-time director of CDC, and a Director of the Company.

HUMAN RESOURCES OVERVIEW



Zhu Mei
Non-executive Director

Ms. Zhu, aged 59, is a professorate senior economist with a master's degree. She served as a teacher at North China Power Administration Bureau University for Staff (華北電管局職工大學); an economist of comprehensive planning department of North China Power Group Company (華北電力集團公司); the head of the capital market department of Beijing Datang Power Generation Co., Ltd. (北京大唐發電股份有限公司); an investment planning director of the comprehensive planning department of North China Grid Company Limited (華北電網有限公司); a staff member of the capital operation division of the development and planning department of CDC; a staff member and the deputy division chief of the capital operation division under the planning, investment and financing department of CDC; the deputy division chief and division chief of the capital operation division and the division chief of securities finance first division under the capital operation and assets management department of CDC; the deputy general manager, secretary to the board of directors, joint company secretary and authorised representative of Datang Environment Industry Group Co., Ltd. (大唐環境產業集團股份有限公司) (1272.HK); the deputy general manager of China Datang Group Capital Holding Co., Ltd. (中國大唐集團資本控股有限公司); and a director of China Datang Corporation Renewable Power Co., Limited (中國大唐集團新能源股份有限公司) (1798.HK) ("Datang Renewable Power"). She currently serves as a full-time director of CDC and a Director of the Company.



Wang Jianfeng
Non-executive Director

Mr. Wang, aged 57, is a professorate senior engineer with a master's degree. He served as a deputy department cadre of the energy branch of Hebei Construction Investment Company (河北省建設投資公司) and concurrently deputy general manager of Hebei Xibaipo Power Generation Co., Ltd. (河北西柏坡發電有限責任公司), deputy general manager of the energy business department I of Hebei Construction Investment Company and concurrently deputy general manager of Hebei Xibaipo Second Power Generation Co., Ltd. (河北西柏坡第二發電有限責任公司), deputy general manager of Guodian Construction and Investment Inner Mongolia Energy Co., Ltd. (國電建投內蒙古能源有限公司) and concurrently deputy director and director of Hebei and Inner Mongolia coal power project department of Hebei Construction & Investment Group Co., Ltd. (河北建設投資集團有限責任公司), the Party branch secretary of Hebei Construction and Investment Small Loan Co., Ltd. (河北建投小額貸款有限責任公司), general manager of Construction and Investment Xingtai Thermal Power Co., Ltd. (建投邢台熱電有限責任公司), and deputy general manager, deputy secretary of the Party Committee and general manager of Jointo Energy Investment Co., Ltd. Hebei (河北建投能源投資股份有限公司) (000600.SZ). He is currently the secretary of the Party Committee, director and general manager of Jointo Energy Investment Co., Ltd. Hebei, and a Director of the Company.

HUMAN RESOURCES OVERVIEW



Zhao Xianguo
Non-executive Director

Mr. Zhao, aged 57, is a senior engineer with a postgraduate degree. He had been the engineer head of the office of the electric repair branch of Xingtai Power Generation Plant, an assistant to the head of the electric repair branch and an assistant to the head, deputy head and head of the operation and planning department of Hebei Xingtai Power Generation Company Limited (河北興泰發電有限責任公司); the deputy chief economist and the head of the operation and planning department of Hebei Xingtai Power Generation Company Limited; the deputy general manager of Hebei Construction & Investment Xuanhua Thermal Power Company Limited (河北建投宣化熱電有限責任公司); the deputy general manager of the appraisal and evaluation department of Hebei Construction & Investment Group Co., Ltd. He is currently the general manager of the operation and management department of Hebei Construction & Investment Group Co., Ltd. and a Director of the Company.



Li Zhongmeng
Non-executive Director

Mr. Li, aged 54, is a senior engineer with a bachelor's degree and a master's degree in engineering. He was the deputy director of the equipment department, the director of the equipment department as well as the chief inspector of Phase III, the assistant to the general manager, the chief engineer and the deputy general manager of Tianjin Chentang Thermoelectricity Limited (天津陳塘熱電有限公司), and the deputy manager of the power industry department of Tianjin Energy Investment Group Limited (天津能源投資集團有限公司). He is currently the deputy manager of the power and new energy industry department of Tianjin Energy Investment Group Limited, and a Director of the Company.

HUMAN RESOURCES OVERVIEW



Han Fang
Non-executive Director

Mr. Han, aged 41, is an economist with a bachelor's degree. He has served as deputy director of the securities and legal affairs department of Tianjin Jinran Public Utilities Company Limited (天津津燃公用事業股份有限公司), the league secretary, assistant manager of the capital operation department (financial industry department) and deputy manager of the capital operation department (financial industry department) of Tianjin Energy Investment Group Limited (天津能源投資集團有限公司), and the Vice Chairman of the Supervisory Committee of the Company. He currently serves as the league secretary and deputy manager of the financial department of Tianjin Energy Investment Group Limited, a director of Tianjin Binhai Rural Commercial Bank Corporation (天津濱海農村商業銀行股份有限公司), and a Director of the Company.



Jin Shengxiang
Non-executive Director

Mr. Jin, aged 51, is a professorate senior engineer with a postgraduate degree and a doctoral degree of engineering. Mr. Jin was a cadre of Turbine Research Institute of Beijing Electric Power Research Institute, a cadre of Turbine Research Institute of North China Electric Power Research Institute Co., Ltd., the manager of the infrastructure commissioning project of Turbine Research Institute and the deputy head of Turbine Research Institute. He served as the manager of the production safety department and the vice president of Beijing Jingneng International Energy Co., Ltd. (北京京能國際能源股份有限公司), and the deputy director and the director of electricity production and operation department and the director of the production management department of Beijing Energy Investment Holding Co., Ltd. (北京能源投資(集團)有限公司). He has been the director of the production management department of Beijing Energy Holding Co., Ltd. (北京能源集團有限責任公司), the director of Beijing Jingneng Clean Energy Co., Limited (北京京能清潔能源電力股份有限公司) (0579.HK), the deputy secretary of party committee, director and general manager of Beijing Jingneng Power Co., Ltd. (北京京能電力股份有限公司) (600578.SH), the safety director and the head of safety, technology and environmental protection department of Beijing Energy Holding Co., Ltd. (北京能源集團有限責任公司), and the safety director and the head of safety and environmental protection supervision department of Beijing Energy Holding Co., Ltd. (北京能源集團有限責任公司). He is currently the vice general manager of Beijing Energy Holding Co., Ltd. (北京能源集團有限責任公司) and a Director of the Company.

HUMAN RESOURCES OVERVIEW



Zong Wenlong
Independent Non-executive Director

Mr. Zong, aged 52, holds a doctoral degree in accounting. He served as an independent director of many companies including Huadian Power International Corporation Limited (華電國際電力股份有限公司) (600027.SH), Beijing Dongfang Guoxin Technology Co., Ltd. (北京東方國信科技股份有限公司) (300166.SZ), Datang Telecom Technology Co., Ltd. (大唐電信科技股份有限公司) (600198.SH) and Ningxia Jiaze Renewables Corporation Limited (寧夏嘉澤新能源股份有限公司) (601619.SH). He is currently a professor of the School of Accounting and the head of the department of financial accounting of Central University of Finance and Economics, an independent director of CNOOC Energy Technology and Services Limited (中海油能源發展股份有限公司) (600968.SH), an independent director of Rongtong Fund Management Co., Ltd. (融通基金管理有限公司), and an independent non-executive Director of the Company.



Zhao Yi
Independent Non-executive Director

Mr. Zhao, aged 65, holds a master's degree. He is a professional senior engineer and an expert entitled to a special government allowance provided by the State Council. He successively worked in Shaanxi Chemical Industry Research Institute, Xi'an Thermal Power Research Institute and China Huaneng Group Co., Ltd. (中國華能集團有限公司), and served as positions such as the leader of the turbine professional team, deputy director of the science and research division, director of the science and research department, deputy chief engineer, deputy president and president of Xi'an Thermal Power Research Institute, and the director of the technology and environmental protection department and director of the technology and innovation department of China Huaneng Group Co., Ltd. He is currently the thermal power technical director and chairman of the special committee for power generation equipment and technical supervision of China Electric Equipment Management Association, a distinguished research fellow of the expert committee of China Electricity Council, an independent non-executive director of Yantai Longyuan Power Technology Co., Ltd. (煙台龍源電力技術股份有限公司) (300105.SZ), and an independent non-executive Director of the Company.

HUMAN RESOURCES OVERVIEW



You Yong
Independent Non-executive Director

Mr. You, aged 52, holds a master's degree. He served as the legal counsel of the legal affairs department, deputy general manager of the legal affairs department and general manager of the legal affairs department of China Minmetals Corporation Limited (中國五礦股份有限公司), and co-tutor of the postgraduate students of Master of Laws of the Law School of Tsinghua University. He is currently the vice chairman of the Competition Commission of ICC China, arbitrator of the China International Economic and Trade Arbitration Commission, the Beijing Arbitration Commission and Hong Kong International Arbitration Center, adjunct professor of MBA Education Center of China University of Political Science and Law, an independent director of Sino Biological, Inc. (北京義翹神州科技股份有限公司) (301047.SZ), and an independent non-executive Director of the Company.



Pan Kunhua
Independent Non-executive Director

Mr. Pan, aged 63, is a senior engineer with a bachelor's degree. He served as positions such as deputy general manager of SDIC Power Company of State Development & Investment Group Co., Ltd. (國家開發投資集團公司國投電力公司), director of Yalong Hydropower Development Co., Ltd. (雅礕江流域水電開發公司), chairman of Yunnan Dachaoshan Hydropower Co., Ltd. (雲南大朝山水電有限公司), and director of the information management department of State Development & Investment Group Co., Ltd. (國家開發投資集團公司). He is currently an independent non-executive Director of the Company.



Xie Qiuye
Independent Non-executive Director

Mr. Xie, aged 66, is a professorate senior engineer with a bachelor's degree. He is an expert entitled to a special government allowance provided by the State Council and a national master in engineering survey and design (全國工程勘察設計大師). He served as vice president of Northwestern Electric Power Design Institute, deputy president and chief engineer of China Power Construction Engineering Consulting Corporation (中國電力建設工程諮詢公司), general manager of power generation branch of China Power Engineering Consulting (Group) Corporation (中國電力工程顧問集團公司), president of Central Southern China Electric Power Design Institute, secretary of the Party Committee and president of the Electric Power Planning and Engineering Institute, and secretary of the Party Committee and chairman of Electric Power Planning and Engineering Institute Co., Ltd. He is currently an independent non-executive Director of the Company.

HUMAN RESOURCES OVERVIEW

2. Biographies of senior management



Qiao Yang
General Legal Advisor

Mr. Qiao, aged 53, is a professorate senior economist with a bachelor's degree. He successively served as the deputy director (presiding) and director of division I of the legal affairs department, deputy director of the legal affairs department of State Development & Investment Corp., Ltd., and the senior legal advisor of CDC. He is currently the Party Committee Member and the General Legal Advisor of the Company.



Sun Yanwen
Chief Accountant, the Secretary to
the Board, Joint Company Secretary

Mr. Sun, aged 56, holds a bachelor's degree. Mr. Sun successively served as a capital management professional and cost management professional in North China Power Group Company; deputy director of the accounting division, director of the capital and property rights division of the finance and property rights management department, and director of the capital and asset division of the finance management department of CDC, director of the finance department of Datang International Power Generation Co., Ltd. (大唐國際發電股份有限公司), chief accountant and member of the Party Committee of Datang Jingjinji Power Development Company Limited (大唐京津冀能源開發有限公司), chief accountant and member of the Party Committee of Datang Renewable Power (1798.HK), and deputy director of the investment cooperation department (capital operation department), deputy director of the investment development department of CDC, and a director of Datang Huayin Electric Power Co., Ltd. (大唐華銀電力股份有限公司) (600744.SH). He is currently the Party Committee Member, the Chief Accountant, the Secretary to the Board and Joint Company Secretary of the Company.



Lu Ping
Deputy General Manager

Mr. Lu, aged 58, is a principal senior economist with a postgraduate degree. He has served as the deputy general manager of Yan'an Electric Power Kaiyuan Industrial Corporation (延安電力開源實業總公司), executive deputy general manager of Yan'an Power Plant Kaiyuan Corporation (延安發電廠開源總公司), deputy director of Datang Yan'an Power Plant (大唐延安發電廠), executive deputy general manager (presiding) of Ordos Yinhe Hongtai Coal Power Company Limited (鄂爾多斯市銀河鴻泰煤電有限責任公司), deputy director of Datang Shaanxi Power Generation Fuel Management Center (大唐陝西發電燃料管理中心), deputy general manager of Datang Shaanxi Power Generation Fuel Company (大唐陝西發電燃料公司), director of the Planning and Transportation Division of the Fuel Management Department of CDC, deputy director of the Fuel Management Department of CDC, deputy director of the Fuel Allocation Center of CDC, and deputy general manager and member of the Party Committee of Datang Power Fuel Co., Ltd. (大唐電力燃料有限公司). He is currently the Party Committee Member and the Deputy General Manager of the Company.

HUMAN RESOURCES OVERVIEW



Leng Yaojun
Deputy General Manager

Mr. Leng, aged 56, holds a bachelor's degree, and is a professorate senior engineer. He served as an engineer of the heat engine room of the power generation division and the deputy secretary of the Party Branch of the power generation department of Heilongjiang Electric Power Design Institute (黑龍江省電力設計院); the secretary of the Party Branch of the mechanical division of Heilongjiang Electric Power Design Institute; the director of the engineering management department, the senior director of the planning and marketing department and the senior director of the planning and development department of Datang Heilongjiang Power Generation Co., Ltd. (大唐黑龍江發電有限公司); the deputy head of the thermal power preliminary management division, the head of the thermal power preliminary division and the head of the regional development division of the planning and development department of CDC; the deputy director of Xinjiang Planning and Development Center of CDC; and the member of the Party Committee, the deputy general manager and the chairman of the Labor Union of Datang Xinjiang Power Generation Co., Ltd. (大唐新疆發電有限公司). He currently serves as the Party Committee Member and the Deputy General Manager of the Company.



Guo Chunyuan
Deputy General Manager

Mr. Guo, aged 46, a professorate senior engineer with a university degree. He served as the assistant to the general manager of Hebei Datang International Tangshan Thermal Power Company Limited (河北大唐國際唐山熱電有限責任公司), the chief engineer of Hebei Datang International Fengrun Thermal Power Company Limited (河北大唐國際豐潤熱電有限責任公司), the deputy secretary of the Party Committee (presiding work) and the deputy head of Douhe Thermal Power Plant (陡河發電廠) of Datang International Power Generation Co., Ltd., the deputy general manager (presiding work), the deputy secretary of the Party Committee, the general manager, the secretary of the Party Committee and an executive director of Hebei Datang International Zhangjiakou Thermal Power Generation Company Limited (河北大唐國際張家口熱電有限責任公司), the secretary of the Party Committee and an executive director of Zhangjiakou Power Branch of Datang International Power Generation Co., Ltd., and the manager of the economic operation division of the operation management department of CDC. He is currently the Party Committee Member and the Deputy General Manager of the Company.

HUMAN RESOURCES OVERVIEW

(VI) Resigned Directors and Senior Management (as at the Latest Practicable Date)

1. Following the election of new Directors at the general meeting of the Company, Mr. Li Kai, an executive Director, ceased to act as executive Director with effect from 28 October 2025 due to work adjustment; Mr. Tian Dan, Mr. Wang Wennen and Mr. Sun Yongxing, all being non-executive Directors, as well as Mr. Niu Xiaodong and Mr. Zhu Dahong, both being independent non-executive Directors, ceased to act as Directors of the Company with effect from 27 June 2025 upon the expiry of their terms of office; Mr. Zhu Shaowen, a non-executive Director, ceased to act as Director with effect from 25 March 2025 due to retirement.
2. As resolved at the general meeting of the Company, the Company abolished the Supervisory Committee, and Mr. Yan Xizheng, Mr. Han Fang, Mr. Liu Liming and Mr. Xu Xiangyang, members of the Supervisory Committee, retired from their offices as Supervisors with effect from 27 June 2025.
3. The biographies of the former Directors and senior management as at the Latest Practicable Date are set out below:

Li Kai: Mr. Li, aged 58, is a professorate senior engineer with a master's degree. He served as the deputy general manager and a member of the Party Committee of Jiangsu Xutang Power Generation Co., Ltd. (江蘇徐塘發電有限責任公司); the director of the safety production department and the director of the engineering management department of Jiangsu Branch of CDC; the head of Datang Nanjing Xiaguan Power Plant (大唐南京下關發電廠); the head of Datang Nanjing Power Plant (大唐南京發電廠); the deputy general manager and a member of the Party Group of Jiangsu Branch of CDC; the deputy director of the human resources department of CDC; the general manager and the deputy secretary of the Party Committee of Guangxi Branch of CDC; the general manager and the deputy secretary of the Party Group of Longtan Hydro Power Development Co., Ltd. (龍灘水電開發有限公司); the director of Guangxi Planning and Development Center of CDC; the general manager and the deputy secretary of the Party Committee of Guangxi Guiguan Electric Power Co., Ltd. (廣西桂冠電力股份有限公司) (600236.SH) ("Guiguan Electric Power"); the chairman, the secretary of the Party Committee and the general manager of Guiguan Electric Power; the director of the corporate governance department (comprehensively deepening reforms office) of CDC; the secretary of the Party Committee and the chairman of Datang Renewable Power (1798.HK), and the secretary of the Party Committee and the Chairman of the Company. He currently serves as the chief engineer of China Datang Corporation Ltd.

Zhu Shaowen: Mr. Zhu, aged 60, is a senior engineer with a master's degree. Mr. Zhu served as an engineer and the deputy head of specialty department at Tianjin Electric Power Science Research Institute, head of planning and design department of State Grid Tianjin Electric Power Company (天津市電力公司), deputy head of project department, vice-manager (presiding) and manager of power development department and manager of project development department of Tianjin Jinneng Investment Co., Ltd. (天津市津能投資公司), general manager (concurrent) of Tianjin Jinneng Wind Power Co., Ltd. (天津市津能風電有限責任公司), the manager of electric power department of Tianjin Energy Investment Group Limited, the deputy chief engineer of Tianjin Energy Investment Group Limited and a Director of the Company.

HUMAN RESOURCES OVERVIEW

Tian Dan: Mr. Tian, aged 61, is a professorate senior engineer with a bachelor's degree. He served as positions such as an engineer of the Thermal Power Simulation Training Center of Shanxi Electric Power Company (山西省電力公司); an engineer of the Engineering and Technology Department, manager of the Production Preparation Department, manager of the Power Generation Department, deputy chief engineer, deputy general manager, general manager and secretary of the Party Committee of Yangcheng International Power Generation Co., Ltd. (陽城國際發電有限責任公司); the secretary of the Party Committee and general manager of the Chongqing Branch of Datang International Power Generation Co., Ltd. (大唐國際發電股份有限公司重慶分公司); the general manager and deputy secretary of the Party Committee of Chongqing Yuneng Industry (Group) Co., Ltd. (重慶渝能產業(集團)有限責任公司); the general manager, chairman and secretary of the Party Committee of the Ningxia branch of CDC (大唐集團寧夏分公司); the chairman and secretary of the Party Committee of China Datang Corporation Xiongan Energy Co., Ltd. (中國大唐集團雄安能源有限公司); the secretary of the Party Committee and general manager of Datang Environment Industry Group Co., Ltd. (大唐環境產業集團股份有限公司) (1272.HK), and a Director of the Company.

Wang Wennan: Mr. Wang, aged 41, is a senior engineer with a master's degree. He served as a thermal control technician at Tianjin Datang International Panshan Power Generation Company Limited (天津大唐國際盤山發電有限責任公司); the chief engineer in the engineering management department, the section chief assistant (responsible for daily operations) of the heating department, the deputy section chief (responsible for daily operations) of the heating department, the deputy section chief of the market development department and a middle-level officer in Gwadar Power Plant Project (瓜達爾電廠項目(中層正職)) of Tianjin Jinneng Engineering Management Co. Ltd. (天津市津能工程管理有限公司), and a Director of the Company.

Sun Yongxing: Mr. Sun, aged 59, is a senior engineer with a bachelor's degree. He successively served as a technician of the boiler team of No. 2 maintenance division and boiler specialist of the production technology department of Shijingshan Power Plant (石景山發電總廠), a boiler specialist in the technical engineering department of Shijingshan Thermal Power Plant (石景山熱電廠), a boiler specialist in the production technology department of Beijing Shijingshan Power Plant, the director of the production technology department of Maintenance Company of Beijing Shijingshan Power Plant (北京石景山發電總廠檢修公司), the director of the production technology department of Power Equipment Maintenance Branch of Beijing Jingneng Thermal Power Co., Ltd. (北京京能熱電股份有限公司), the chief engineer of Inspection Branch of Beijing Jingneng Thermal Power Co., Ltd., project manager of the power investment department of Beijing International Power Development and Investment Company (北京國際電力開發投資公司), deputy director (presiding work) of the preparation division of Ningxia Shuidonggou Power Plant (寧夏水洞溝電廠), deputy general manager (presiding work) of Ningxia Jingneng Ningdong Electric Power Co., Ltd., general manager of Jingneng (Chifeng) Energy Development Co., Ltd. (京能(赤峰)能源發展有限公司), deputy officer of safety, technology and environmental protection department of Beijing Energy Investment Holding Co., Ltd. (北京能源投資(集團)有限公司), deputy officer of the security and technological environmental department of Beijing Energy Group Co., Ltd. (北京能源集團有限責任公司) and a Director of the Company. He is currently a fulltime director of invested enterprises of Beijing Energy Group Co., Ltd., a director of Beijing Jingneng Power Co., Ltd. (北京京能電力股份有限公司) (600578.SH) and a director of Beijing Jingneng Thermal Co., Ltd. (北京京能熱力股份有限公司) (002893.SZ).

HUMAN RESOURCES OVERVIEW

Niu Dongxiao: Mr. Niu, aged 63, is a Ph.D., professor and doctoral supervisor with a doctoral degree majoring in technology economics and management. He served as a professor in the Department of Basic Sciences of North China Electric Power University, a professor and dean of the School of Economics and Management of North China Electric Power University. He is a distinguished professor under the Yangtze River Scholars Programme, a national candidate for the multimillion talent project in the new century and a decision making consultant expert of the China Association for Science and Technology, and is entitled to special government allowances by the State Council and served as the director of the China Energy Economic Management Research Center, executive director of the Chinese Committee of the International Association for Energy Economics (IAEE), chairman of the Overall Planning Department of Chinese Society of Optimization, Overall Planning and Economical Mathematics, member of Academic Committee of Chinese Society for Electrical Engineering and an independent non-executive Director of the Company. He is currently a professor in the School of Economics and Management of North China Electric Power University; the deputy director of the North China Electric Power University Academic Committee and the director of China Green Power Development Research (III) Discipline Innovation Base, vice chairman of the Chinese Society of Technical Economics.

Zhu Dahong: Mr. Zhu, aged 65, holds a bachelor's degree. He is a professional senior engineer and the National Registered Public Facilities Engineer (power). He is awarded the title of "Master of Electric Power Survey and Design" by China Electric Power Planning & Engineering Association. He served as positions such as an assistant professor of Tsinghua University; chief designer, section chief, division chief, deputy chief engineer, chief engineer and deputy general manager of thermal machine major of North China Power Engineering Institute (華北電力設計院); and the vice president, deputy director of the Expert Committee of North China Power Engineering Co., Ltd. of China Power Engineering Consulting Group (中國電力工程顧問集團華北電力設計院有限公司) and an independent non-executive Director of the Company.

The resignations of the abovementioned Directors and senior management were all in compliance with the listing rules of the place where the Company's shares are listed and the relevant procedures and relevant regulations of The Stock Exchange of Hong Kong Limited.

MANAGEMENT OF INVESTOR RELATIONS

Since its listing, Datang Power has always attached great importance to the management of investor relations. The philosophy of Datang Power's investor relations practice hinges on integrity as the basis and communication as the means. In order to maintain smooth communication with investors, the Company has set up special office and specialised personnel to be responsible for the management of investor relations work, formulated the Management System for Investor Relations of Datang International Power Generation Co., Ltd. and established various channels (such as results presentations, telephone conferences and on-site meetings) to enable investors to establish contact with the Company and provide channels for shareholders and investors to express opinions.

In 2025, Datang Power conducted active and sincere communication with investors and analysts by various channels including results presentations, telephone conferences and attending strategy meetings of securities firm. After reviewing different channels of communication with shareholders, the Company considers that the shareholder communication policy was appropriately implemented and effective during the year.

INVESTOR Q&A

1. The 15th Five-Year Development Strategy of the Company.

Guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, the Company will ground itself in the new development stage, adhere to the new development philosophy, thoroughly implement the new energy security strategy of "Four Revolutions and One Cooperation", fully align with the Group's strategies for structural adjustment and green transition, and actively integrate into and serve major national strategies including the coordinated development of the Beijing-Tianjin-Hebei region, the construction of Xiong'an New Area, the integrated development of the Yangtze River Delta, the development of the Yangtze River Economic Belt, the development of the Guangdong-Hong Kong-Macao Greater Bay Area, and ecological protection and high-quality development in the Yellow River Basin. With the goals of carbon peaking and carbon neutrality, the Company will unswervingly pursue innovation-driven and green low-carbon development, vigorously expand renewable energy, and comprehensively promote energy mix adjustment. Leveraging our role as a state-controlled listed company in building a new power system dominated by new energy, the Company will effectively enhance capabilities in asset management and capital preservation and appreciation, and build a first-class listed energy company with standardized management, outstanding performance, green and low-carbon operations, sustainable development, strong competitiveness, and recognition from investors.

MANAGEMENT OF INVESTOR RELATIONS

2. What Specific Measures for Market Capitalization Management did the Company take in 2026?

First, the Company will continue to reduce costs and increase efficiency to consolidate our operational fundamentals. Adhering to the principle of maximizing comprehensive benefits, the Company will prioritize marketing, closely monitor key factors such as marginal costs and adjustment value, accelerate the transition to a "production based on sales" operating model, and enhance the capability to generate synergistic benefits across production and operations. Second, the Company will continuously improve the quality of information disclosure, enabling investors to timely and accurately understand the Company's latest progress in green and low-carbon transition, production and operations. Efforts will also be made to enhance the quality of investor engagement, strengthen capital market media communication, and effectively convey the Company's value to the market. Third, the Company will strengthen dividend returns to investors by establishing a stable and sustainable profit distribution system. By conducting in-depth studies on dividend payout ratios and frequency and fostering a long-term stable investment return framework, the Company aims to safeguard investors' right to benefit from the Company's growth and operational achievements.

3. Capital Expenditure Performance of the Company in 2025.

In 2025, the Company's capital expenditure was RMB25.557 billion, comprising RMB12.947 billion for thermal power, RMB1.13 billion for hydropower, RMB5.543 billion for wind power, RMB5.767 billion for photovoltaic power and RMB0.17 billion for others.

CORPORATE GOVERNANCE REPORT

The Company was incorporated in December 1994. Its H shares were listed in both Hong Kong and London in March 1997, while its A shares were listed on the Shanghai Stock Exchange in December 2006. Since its incorporation, the Company has established a standardised and sound corporate governance structure under the Company Law of the People's Republic of China (the "Company Law"), the Securities Law of the People's Republic of China (the "Securities Law") and the Articles of Association of Datang International Power Generation Co., Ltd. (the "Articles of Association"). General meeting is the highest authority of the Company; the Board is the business decision-making body of the Company. The Board is accountable to general meetings and execute the resolutions made at general meetings. The management is specifically responsible for conducting day-to-day production and business activities of the Company, and implementing the decision schemes of the Board. Over the years, the general meetings, the Board and the management have been operating according to the laws and protecting the interests of shareholders, having received high recognition from the capital market.

Compliance with Corporate Governance Code

In 2025, the actual situation of corporate governance of the Company did not deviate substantially from the rules and requirements under the China Securities Regulatory Commission (the "CSRC") and other relevant regulatory authorities. None of the Company, the Board or the Directors of the Company was subject to the investigation, administrative penalty or criticism by means of circular by the CSRC, or penalty by other regulatory authorities and censure from stock exchanges.

The Company has adopted the principles and code provisions (the "Code Provision(s)") set out in Part II of the Corporate Governance Code contained in Appendix C1 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange") as the basis of the Company's corporate governance. During the period from 1 January 2025 to 31 December 2025 (the "Year"), the Company fully complied with all the Code Provisions except for the following:

During the Year, Mr. Tian Dan, Mr. Zhu Shaowen, Mr. Wang Jianfeng, Mr. Zhao Xianguo and Mr. Jin Shengxiang, the then non-executive Directors, were unable to attend in person the 2025 first extraordinary general meeting of the Company due to business engagements. Mr. Tian Dan, Mr. Wang Wennan, Mr. Zhao Xianguo and Mr. Sun Yongxing, the then non-executive Directors, and Mr. Zhu Dahong, the then independent non-executive Director, were unable to attend in person the 2024 annual general meeting of the Company due to business engagements. Mr. Li Kai, the then executive Director, and Mr. Xie Qiuye, the then independent non-executive Director, were unable to attend in person the 2025 second extraordinary general meeting of the Company due to business engagements. Mr. Wang Jianfeng and Mr. Han Fang, the then non-executive Directors, were unable to attend in person the 2025 third extraordinary general meeting of the Company due to business engagements. The above non-attendance did not comply with the relevant requirements on directors' attendance at general meetings under Code Provision C.1.5. Nevertheless, a sufficient number of Directors (including other non-executive Directors and independent non-executive Directors) were present at the respective meetings to ensure that the Directors had a full and fair understanding of the views of the shareholders of the Company.

CORPORATE GOVERNANCE REPORT

During the Year, the Nomination Committee, the Remuneration and Appraisal Committee, the Audit Committee as well as the Strategic Development and Risk Control Committee set up by the Board of Directors carried out their work in accordance with their respective working rules. Their terms of reference have covered the responsibilities to be performed as required by the Code Provisions B.3.1, E.1.2 and D.3.3, with only discrepancies in the expressions or sequence.

The Company places great importance on fulfilling its corporate responsibilities. The Directors and the staff of the Company are fully dedicated to discharging their duties in ways to ensure that the Company is operating in compliance with the principle of maintaining fairness and impartiality as well as safeguarding the interests of all shareholders.

Corporate Culture

The Company attaches great importance to and continues to deepen the construction of corporate culture and strengthen the transmission of values. Details of the corporate culture of the Company are set out in the section headed "Corporate Culture" of the 2025 Sustainability Report (Environmental, Social and Governance Report) of the Company.

Corporate Governance Organization and Its Operation

1. Shareholders and General Meeting

Over the years, apart from committing itself to the operation and expansion of its businesses in order to deliver appropriate returns for shareholders, the Company also provides details on the Company's operations management and relevant information to shareholders in a timely and accurate manner through a variety of channels and methods, including: convening and holding general meetings in strict compliance with the Articles of Association, the Listing Rules and relevant regulations stipulated by the Securities and Futures Commission in Hong Kong, and timely announcing relevant information to shareholders from time to time according to the requirements of the Listing Rules.

During the Year, the Company held a total of 6 general meetings, considering and approving 15 ordinary resolutions and 5 special resolutions, and a professional lawyer was invited to each general meeting as a witness to ensure all shareholders were treated equally and exercised their rights adequately. The matters considered at the general meetings of the Company in 2025 mainly included work reports of the Board (Supervisory Committee) of the Company for the year 2024, amendments to the Articles of Association and its appendices, abolishment of the Supervisory Committee, change of Directors of the Company, financing budget plan, final annual accounts, finance guarantees, major connected transactions, profit distribution and appointment of accounting firm, etc.

CORPORATE GOVERNANCE REPORT

As of the year end of 2025, the implementation of the resolutions in the general meetings are as follows:

1. Guarantees: Within the scope approved by the general meeting, the provision of guarantees to its subsidiaries totalled RMB194 million.
2. Financing: The debt financing of the parent company in 2025 was RMB54.788 billion. The equity financing was RMB22.5 billion.
3. Completed the 2024 profit distribution based on RMB0.0621 per share (tax inclusive); and the 2025 interim profit distribution based on RMB0.055 per share.
4. Completed the change of Directors and the Board re-election.
5. Purchased liability insurance for the Directors, Supervisors and senior management of the Company.
6. Carried out connected transactions in compliance with the approval of the general meeting and entered into the Financial Services Agreement with Datang Finance Company.
7. Appointed Baker Tilly China (Special General Partnership) and Baker Tilly Hong Kong Limited as the domestic and overseas financial statement auditors of the Company for the year 2025 respectively, and Zhongxinghua Certified Public Accountants LLP as the internal control auditor of the Company for the year 2025.

CDC, the controlling shareholder of the Company, adhering to the principle of not competing with the Company directly or indirectly, has made relevant undertakings at the initial public offering of A shares by the Company in 2006 and in October 2010, respectively, so as to address the issue of business competition. CDC has provided supplementation and improvement to the aforementioned undertakings in June 2014, May 2015 and September 2015, respectively. As at 31 December 2025, CDC has strictly and actively complied with the relevant undertakings. For details, please refer to the announcements of the Company dated 27 June 2014, 1 June 2015 and 13 October 2015.

For the year 2025, the Company placed particular emphasis on shareholders' relations, maintaining communication with shareholders through various channels to facilitate mutual understanding between the Company and its shareholders. In particular, the Company has established a division and assigned designated staff to receive visitors, making its contact numbers publicly available and to answer telephone enquiries at any time. In addition, the Company's website was set up to present the latest updates and past results of the Company as well as the management body of the Company, so as to facilitate shareholders' or investors' comprehensive understanding of the Company.

For details about the Company's communication with shareholders and investors for the year 2025, please refer to the "Management of Investor Relations" section of this annual report. Please refer to the section headed "Shareholders' Rights and Communication with Shareholders" in this chapter for shareholders' rights and procedures and channels of inquiry.

CORPORATE GOVERNANCE REPORT

2. Directors and the Board

The Company has established a Board with members coming from diverse backgrounds. The Board members possess remarkable professional characteristics. In the overall composition of the Board, the knowledge mix and the area of expertise of each of the Directors are both specialised and complementary, thus ensuring that the Board can make decisions in a scientific manner. Pursuant to the Articles of Association, the Board of the Company currently comprises 15 members, including five independent non-executive Directors (the "Independent Directors" or "Independent Non-executive Directors"). The Directors have extensive experiences in various areas such as macro economy management, management of power industry, financial accounting management and legal affairs, thus ensuring that major decisions made by the Company are effective and scientific.

As at the Latest Practicable Date, the members of the Board of Directors are set out below:

Executive Director

Li Xiaofei (Chairman)

Non-executive Directors

Jiang Jianhua, Pang Xiaojin, Ma Jixian, Zhu Mei, Wang Jianfeng, Zhao Xianguo, Li Zhongmeng, Han Fang, Jin Shengxiang

Independent Non-executive Directors

Zong Wenlong, Zhao Yi, You Yong, Pan Kunhua, Xie Qiuye

There are no relationships (including financial, business, family or other material or relevant relationships) between members of the Board and the senior management.

The Board formulates the overall strategy of the Company, monitors its financial performance and maintains effective oversight over the management. The Board members are fully committed to their roles and have acted in good faith to maximise the shareholders' value in the long run, and have aligned the Company's goals and directions with the prevailing economic and market conditions. Daily operations and administration are delegated to the management.

CORPORATE GOVERNANCE REPORT

The Directors fully understood their responsibilities, powers and obligations, and were able to discharge their duties with truthfulness, integrity and diligence. In order to enhance the decision-making mechanism, increase the scientific nature of decision-making and improve the quality of substantial decisions, the Board has established four specialised committees, namely the Nomination Committee, the Audit Committee, the Strategic Development and Risk Control Committee and the Remuneration and Appraisal Committee, with detailed work rules devised for the respective committees. In particular, the chairmen of the Nomination Committee, the Audit Committee, and the Remuneration and Appraisal Committee are all Independent Directors, and Independent Directors make up a majority in these committees.

The Company has put in place mechanisms to ensure that the Board is provided with independent views and opinions. Specifically: At Board meetings, Directors can express their opinions freely, and major decisions shall be made only after thorough discussions. Directors may also engage independent professional institutions at the Company's expense after going through due procedures, if they deem it necessary to get independent professional opinions. If any Director has interests in a proposal to be considered by the Board, he or she should abstain from discussion and voting on the relevant proposal, and will not be counted in the quorum of the relevant proposal. In addition, Independent Non-executive Directors should also express objective and impartial independent opinions on the matters discussed by the Company and their participation ensures that the Board has a strong and sufficient element of independence. The Chairman shall meet with the Independent Non-executive Directors at least annually without the presence of other Directors. Where a substantial shareholder or a Director has a material conflict of interest, in the opinion of the Board, in any matter to be considered by the Board, such matter shall be dealt with by way of Board meeting instead of written resolution. Independent Non-executive Directors who or whose close associates have no material interest in the relevant transaction shall attend the aforesaid Board meeting. For details of the duties of the Independent Non-executive Directors, please refer to the section headed "4. Non-executive Directors and Independent Directors" in this chapter. The Board reviews the implementation and effectiveness of the aforementioned mechanism on an annual basis. During 2025, the Board of Directors reviewed the implementation of the above mechanism and considered it to be effective.

CORPORATE GOVERNANCE REPORT

The Board formulated the Rules of Procedure for Board Meetings, which, amongst others, clarified matters to be decided by the Board, its scope of power and the meeting procedures. During the Year, the Board of the Company held 15 meetings. The convening and voting procedures of the meetings were in compliance with the requirements under the Articles of Association and the Rules of Procedures for Board Meetings. Major particulars of the resolutions made at the Board meetings include:

1. Reviewing relevant work reports of the Company, which primarily include:
 - (1) the 2024 work report of the Board and work report of the general manager of the Company;
 - (2) the 2024 internal control evaluation report and audit report of the Company;
 - (3) the 2024 Sustainability Report (Environmental, Social and Governance Report) of the Company;
 - (4) the 2024 Compliance Management Work Report of the Company;
 - (5) the ongoing risk assessment report of Datang Group Finance Company;
 - (6) preparation of the assessment report on the performance of the accounting firm and the report on the performance of supervisory duties by the Audit Committee.
2. Reviewing matters related to the operating results of the Company, which primarily include:
 - (1) the 2024 final accounting report and 2025 financial budget plan of the Company;
 - (2) the 2024 annual report and the 2025 first quarterly, interim and third quarterly reports of the Company;
 - (3) the 2024 profit distribution proposal and the 2025 interim profit distribution proposal of the Company.

CORPORATE GOVERNANCE REPORT

3. Reviewing matters related to capital operation and investment of the Company, which primarily include:
 - (1) capital increases to Datang Haitou (Taizhou) Power Generation Company Limited, China Datang Corporation Nuclear Power Company Limited, etc.;
 - (2) capital increase and share expansion of Datang Shantou Renewable Power Company Limited;
 - (3) investment in the construction of Sichuan Changheba Hydro-photovoltaic Complementary Phase I (Danba) 500MW Photovoltaic Project, Chongqing Wulong Yinpan 1.2 Million KW Pumped Storage Power Station Project, Xia Hua Yuan Plant 2×660MW Thermal Power Cogeneration Expansion Project, etc.;
 - (4) transfer of equity interest of three affiliated entities of Datang Heilongjiang Renewable Power Development Co., Ltd. at nil consideration;
 - (5) absorption and merger of Datang Pingshan Renewable Energy Co., Ltd. and Datang Tangshan Fengrun District Renewable Energy Company Limited;
 - (6) acceptance of 100% equity interest in Tangshan Jidong Electric Power Maintenance Co., Ltd. as free gift;
 - (7) acquisition of 50% equity interests in Anhui Electric Power Co., Ltd.
4. Reviewing guarantee and financing plans:
 - (1) determination of the financing proposal of Datang International as the parent company for the year 2026;
 - (2) entrusted loans, guarantees and “lending and repayment” loan budget for the year 2025.
5. Reviewing related financial matters:
 - (1) provisions of impairment of assets, asset retirement and write-off of preliminary expenses and loss of assets for certain affiliated enterprises;
 - (2) the non-operating funds appropriation and other related funds transactions for the year 2024;
 - (3) change of the budget for external long-term equity investments, entrusted loan budget and external donation budget;
 - (4) application for 2025-2027 rural revitalization assistance fund of Datang International;
 - (5) centralized registration of non-financial corporate debt financing instruments and shelf offering of corporate bonds.

CORPORATE GOVERNANCE REPORT

6. Reviewing connected transactions:
 - (1) confirmation of the connected transactions of the Company for 2024 and the first half of 2025;
 - (2) entering into financial service agreements, entrusted loan agreements and capital increase agreements with connected persons.
7. Change of Board members and organization:
 - (1) change of Directors of the Company: it was proposed that Mr. Wang Wennan be appointed as a Non-executive Director of the eleventh session of the Board of the Company, and Mr. Zhu Shaowen cease to serve as a Non-executive Director of the eleventh session of the Board of the Company;
 - (2) change of Directors of the Company: it was proposed that Mr. Li Xiaofei be appointed as an Executive Director of the twelfth session of the Board of the Company, and Mr. Li Kai cease to serve as an Executive Director of the twelfth session of the Board of the Company;
 - (3) election of Mr. Li Xiaofei as the Chairman of the twelfth session of the Board;
 - (4) Board re-election and election of members of the twelfth session of the Board;
 - (5) change of Joint Company Secretary of the Company;
 - (6) Change of members of each specialised committee of the Board according to the change of Directors of the Company.
8. Engagement of the Company' s auditors for the year 2025:
 - (1) appointment of Baker Tilly China (Special General Partnership) and Baker Tilly Hong Kong Limited as the domestic and overseas financial statement auditors of the Company for the year 2025;
 - (2) appointment of Zhongxinghua Certified Public Accountants LLP as the internal control auditor of the Company for the year 2025.
9. Amendments to regulations and rules, primarily including:
 - (1) amendments to the Articles of Association and its appendices, amendments to the terms of reference of secretary to the Board, the Information Disclosure Management System, the List of Important Decision-making Matters Regarding "Three Importance and One Significance", and preparation of the Measures for Market Value Management.

CORPORATE GOVERNANCE REPORT

The Board of the Company reviewed the 2025 Internal Control Evaluation Report and confirmed that the existing internal control management system of the Company was in compliance with the requirements of relevant state laws and regulations and regulatory authorities. The Board confirmed that there were no funds of the listed companies utilised by substantial shareholders.

For the year 2025, the Board members of the Company attended all the meetings either in person or by authorising other Directors to attend the meetings on their behalf.

Fifteen Board meetings were held in 2025, of which seven were on-site meetings and eight were meetings held by means of communication.

During the year 2025, the attendance of the Directors was as follows:

	Attendance at general meetings		Attendance at Board meetings	
Executive Directors	Attendance rate (%)	Attendance in person/attendance by proxy/ attendance required	Attendance rate (%)	Attendance rate in person (%)
Li Xiaofei (Chairman) *	100	4/0/4	100%	100%
Li Kai (Former Chairman) #	80	11/0/11	100%	100%
Non-executive Directors	Attendance rate (%)	Attendance in person/attendance by proxy/ attendance required	Attendance rate (%)	Attendance rate in person (%)
Jiang Jianhua	100	15/0/15	100%	100%
Pang Xiaojin*	100	8/1/9	100%	89%
Ma Jixian	100	15/0/15	100%	100%
Zhu Mei	100	15/0/15	100%	100%
Wang Jianfeng	67	13/2/15	100%	87%
Zhao Xianguo	33	13/2/15	100%	87%
Li Zhongmeng *	100	9/0/9	100%	100%
Han Fang *	50	8/1/9	100%	89%
Jin Shengxiang	83	13/2/15	100%	87%
Tian Dan #	–	5/1/6	100%	83%
Wang Wennan #	–	3/0/3	100%	100%
Sun Yongxing #	25	6/0/6	100%	100%
Zhu Shaowen #	–	3/0/3	100%	100%

CORPORATE GOVERNANCE REPORT

	Attendance at general meetings		Attendance at Board meetings	
Independent non-executive director	Attendance rate (%)	Attendance in person/ attendance by proxy/ attendance required	Attendance rate (%)	Attendance rate in person (%)
Zong Wenlong	100	15/0/15	100%	100%
Zhao Yi	100	15/0/15	100%	100%
You Yong	100	15/0/15	100%	100%
Pan Kunhua*	100	9/0/9	100%	100%
Xie Qiuye*	50	8/1/9	100%	88.89%
Niu Dongxiao#	100	6/0/6	100%	100%
Zhu Dahong#	25	6/0/6	100%	100%

Mr. Li Xiaofei was approved by the general meeting as an executive Director of the Company on 28 October 2025; Mr. Pang Xiaojin, Mr. Li Zhongmeng and Mr. Han Fang were approved by the general meeting as non-executive Directors of the Company on 27 June 2025; Mr. Pan Kunhua and Mr. Xie Qiuye were approved by the general meeting as independent non-executive Directors of the Company on 27 June 2025.

Mr. Li Kai ceased to be an executive Director of the Company due to work adjustment on 28 October 2025; Mr. Zhu Shaowen ceased to be a non-executive Director of the Company due to retirement on 25 March 2025; Mr. Tian Dan, Mr. Wang Wennan and Mr. Sun Yongxing ceased to be non-executive Directors of the Company due to expiry of term on 27 June 2025; Mr. Niu Dongxiao and Mr. Zhu Dahong ceased to be independent non-executive Directors of the Company due to expiry of term on 27 June 2025.

3. Non-executive Directors and Independent Directors

The Company has 14 non-executive Directors, 5 of whom are independent Directors. The Articles of Association provides that the term of appointment of Directors (including non-executive Directors) shall not exceed 3 years. Directors are eligible for re-election upon expiry of their term of appointment. Any new Director shall take office only after being approved by the shareholders at the general meeting; the consecutive term of independent Directors shall not exceed 6 years.

Pursuant to the rules of the CSRC, the Company has formulated the "Working System of Independent Directors" and the "Working System of Independent Directors on Annual Report", which stipulate the requirements and procedures for the appointment of independent Directors, principles for exercising their functions and powers, rights to which they are entitled and their corresponding responsibilities and obligations. It also contains explicit stipulations on the responsibilities of independent Directors in the process of formulating and reviewing the Company's annual report.

CORPORATE GOVERNANCE REPORT

The independent Directors of the Company have acted in good faith and diligently discharged their duties to the Company and all shareholders (especially minority shareholders). During the Year, the independent Directors of the Company actively attended the general meetings, Board meetings and relevant specialized committee meetings of the Company, diligently discharged their duties, fully utilized their professional knowledge and experience in finance, enterprise management and other aspects, and put forward constructive suggestions on the Company's business development, operation and management; they also conducted careful review on major connected transactions and other matters of the Company and expressed their independent views. During the preparation of the 2025 annual report, the independent Directors strictly complied with the requirements of the securities regulatory authorities and the "Working System of Independent Directors on Annual Report", carefully supervised and inspected the Company's annual production and operation, maintained communication with the auditors for annual audit, fully understood the annual audit arrangements and process of the Company, and conducted supervision and inspection to fully play the roles of the independent Directors.

4. Chairman and Chief Executive Officer (General Manager)

As at the Latest Practicable Date, the Chairman of the Company is Mr. Li Xiaofei, and the position of General Manager is temporarily vacant.

The responsibilities and authorities of the Chairman and the General Manager are expressly provided in the Articles of Association. The main duties of the Chairman include presiding over the general meetings, convening and presiding over Board meetings and reviewing the status of the implementation of the Board's resolutions. The main duties of the General Manager include: (1) to take charge of the production and operation management of the Company, and coordinate the implementation of the Board resolutions and report to the Board; (2) to coordinate the implementation of the Company's annual operation plans and investment proposals; (3) to formulate the plan for establishing the Company's internal management institutions; (4) to lay down the Company's fundamental management system; (5) to formulate the fundamental constitution of the Company; (6) to propose the appointments or dismissals of the Deputy General Manager and the person in charge of finance; and (7) to appoint or dismiss other officers who are not appointed or dismissed by the Board.

Pursuant to the Articles of Association, the General Manager of the Company shall draft a special "Work Report of General Manager" on details of the implementation of the Board resolutions and the operation of the Company, and shall present the same to the Board for consideration; the Chairman (Chairman of the Board) shall draft a special "Work Report of the Board" on behalf of the Board regarding the details of the Board's work and present it to the Company's annual general meeting for consideration.

CORPORATE GOVERNANCE REPORT

Compliance with the Model Code

The Company has adopted the code of conduct regarding the Directors' securities transactions on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 of the Listing Rules. Upon specific enquiries made to all Directors and Supervisors and in accordance with information provided, the Company confirmed that all Directors and Supervisors have complied with the Model Code during the Year.

Training of Directors

As stipulated by the Listing Rules, Directors are required to understand their respective responsibilities. In order to provide better assistance to Directors for discharging their duties, the Company will, pursuant to the requirements of the regulators, actively arrange Directors to participate in various training programmes relating to the business of a listed company and corporate governance. Moreover, the Company will provide the Directors with written specific policies and regulations issued by the regulators from time to time so as to enable them to comprehend relevant laws, regulations and policies instantly during the process of discharging their respective duties, thereby assisting the Directors to better set the Company's production and business objectives. Directors will be invited to conduct on-site inspections on the Company's projects in response to the Company's development, and to make reasonable suggestions and comments to the Company based on their respective areas of expertise.

Before the newly appointed Directors assume the position, the Company will provide them with written information which covers laws, regulations and other details related to the Directors' duties to enable them to clearly understand their duties as required by laws and regulations, and to discharge related duties accordingly. During 2025 and up to the Latest Practicable Date, the newly appointed Directors, Mr. Pang Xiaojin, Mr. Li Zhongmeng, Mr. Han Fang, Mr. Pan Kunhua, Mr. Xie Qiuye and Mr. Li Xiaofei, have obtained the legal opinions referred to in Rule 3.09D of the Listing Rules on 27 June 2025 and 28 October 2025 respectively and confirmed they understood their obligations as Directors of the Company.

CORPORATE GOVERNANCE REPORT

In 2025, the details of Directors' participation in training are as follows:

Director	Position	Type of Training Participated	Training Type
Li Xiaofei*	Chairman	A, C, D	A. Training provided by regulators/counsels
Li Kai [#]	Chairman	A, C, D	B. Attending seminars/forums
Jiang Jianhua	Director	A, C, D	C. Reading articles/materials relating to Directors' duties, economy, finance, business and the Company
Pang Xiaojin*	Director	A, C, D	
Ma Jixian	Director	A, C, D	D. Conducting on-site inspections on the Company's business
Zhu Mei	Director	A, C, D	
Wang Jianfeng	Director	A, C, D	
Zhao Xianguo	Director	A, C, D	
Li Zhongmeng*	Director	A, C, D	
Han Fang*	Director	A, C, D	
Jin Shengxiang	Director	A, C, D	
Tian Dan [#]	Director	A, C, D	
Wang Wennan [#]	Director	A, C, D	
Sun Yongxing [#]	Director	A, C, D	
Zhu Shaowen [#]	Director	A, C, D	
Zong Wenlong	Independent Non-executive Director	A, C, D	
Zhao Yi	Independent Non-executive Director	A, C, D	
You Yong	Independent Non-executive Director	A, C, D	
Pan Kunhua*	Independent Non-executive Director	A, C, D	
Xie Qiuye*	Independent Non-executive Director	A, C, D	
Niu Dongxiao [#]	Independent Non-executive Director	A, C, D	
Zhu Dahong [#]	Independent Non-executive Director	A, C, D	

CORPORATE GOVERNANCE REPORT

- * Mr. Li Xiaofei was approved by the general meeting to serve as an executive Director of the Company on 28 October 2025; Mr. Pang Xiaojin, Mr. Li Zhongmeng and Mr. Han Fang were approved by the general meeting to serve as non-executive Directors of the Company on 27 June 2025; Mr. Pan Kunhua and Mr. Xie Qiuye were approved by the general meeting to serve as independent non-executive Directors of the Company on 27 June 2025.
- # Mr. Li Kai ceased to be an executive Director of the Company due to work adjustment on 28 October 2025; Mr. Zhu Shaowen ceased to be a non-executive Director of the Company due to retirement on 25 March 2025; Mr. Tian Dan, Mr. Wang Wennan and Mr. Sun Yongxing ceased to be non-executive Directors of the Company due to expiry of term on 27 June 2025; Mr. Niu Dongxiao and Mr. Zhu Dahong ceased to be independent non-executive Directors of the Company due to expiry of term on 27 June 2025.

Remuneration of Directors, Supervisors and Senior Management

As of 31 December 2025, the annual remuneration groups for the Company's senior management (excluding Directors and Supervisors) are as follows:

RMB500,001 to RMB1,000,000	1 person
RMB1,000,001 and above	4 persons

Note: The above emoluments represent the total emoluments (before tax) of senior management (former and present) received from and payable by the Company during the Reporting Period, including wages, subsidies and bonus.

Details of remuneration of Directors, Supervisors and senior management of the Company in 2025 are set out in Note 14 and Note 15(c) to the financial statements from page 179 to page 182 and from page 183 to page 184, respectively.

Duties and Operation of Specialised Committees under the Board

1. Strategic Development and Risk Control Committee

- (1) Composition: The Board has established the Strategic Development and Risk Control Committee, which currently consists of seven Directors, one of whom is independent Director. The committee has a chairman which shall be the chairman of the Company, and shall be in charge of the work of the committee.

As at the Latest Practicable Date, the members of the Committee are:

Chairman: Li Xiaofei (Executive Director)

Members:

Xie Qiuye (Independent Non-executive Director), Pang Xiaojin (Non-executive Director), Ma Jixian (Non-executive Director), Wang Jianfeng (Non-executive Director), Li Zhongmeng (Non-executive Director), Jin Shengxiang (Non-executive Director)

CORPORATE GOVERNANCE REPORT

- (2) Rules of Procedure: The committee shall convene at least one meeting each year and hold additional meetings based on work requirements. Committee meetings may be convened by way of onsite meetings or through communication (including teleconference, facsimile, etc.).
- (3) Major Duties:
- (i) to conduct research and make recommendations on the Company's long-term strategic development plan;
 - (ii) to conduct research and make recommendations on major investment and financing plans which are subject to the Board's approval according to the Articles of Association;
 - (iii) to conduct research and make recommendations on major capital operations and asset management projects which are subject to the Board's approval according to the Articles of Association;
 - (iv) to conduct research and make recommendations on other significant matters that may have an impact on the development of the Company;
 - (v) to conduct prior risk research and assessment on the matters set out in (i) to (iv) above, and propose corresponding control and prevention measures;
 - (vi) to conduct risk assessment and make recommendations on the sectors and industries which the Company intends to enter;
 - (vii) to guide the implementation of general legal advisor system of the Company and promote the construction of legal governance of the Company;
 - (viii) to conduct research on the Company's ESG strategy, objectives and other ESG-related issues, review relevant work reports, deliberate on the sustainable development report or ESG report of the Company, and put forward proposals to the Board.
 - (ix) to inspect the execution of the above matters, and to conduct follow-up research on the risk factors that may exist or occur during the execution process, and to make recommendations accordingly;
 - (x) the committee is accountable to the Board. Any proposals made by the committee shall be submitted to the Board for consideration and decision.

CORPORATE GOVERNANCE REPORT

(4) Meetings:

Four meetings were held in 2025, which considered the completion status of the Company's planned development work in 2025 and the work plan for 2026.

Committee Members	Attendance in person/ attendance by proxy/ attendance required
Li Xiaofei *	–
Li Kai *	4/0/4
Xie Qiuye (Independent Director)*	1/0/1
Pang Xiaojin *	1/0/1
Ma Jixian	4/0/4
Wang Jianfeng	4/0/4
Li Zhongmeng *	1/0/1
Jin Shengxiang *	1/0/1
Zhu Dahong (Independent Director)*	3/0/3
Tian Dan *	3/0/3
Sun Yongxing *	3/0/3
Zhu Shaowen *	1/0/1
Wang Wennan *	2/0/2

* Since 25 March 2025, some members of the committee were changed. Mr. Wang Wennan served as a member of the Strategic Development and Risk Control Committee, and Mr. Zhu Shaowen ceased to be a member of the Strategic Development and Risk Control Committee. Since 27 June 2025, some members of the committee were changed. Mr. Xie Qiuye, Mr. Pang Xiaojin, Mr. Li Zhongmeng, and Mr. Jin Shengxiang served as members of the Strategic Development and Risk Control Committee, and Mr. Zhu Dahong, Mr. Tian Dan, Mr. Sun Yongxing, and Mr. Wang Wennan ceased to be members of the Strategic Development and Risk Control Committee. Since 28 October 2025, some members of the committee were changed. Mr. Li Xiaofei served as a member of the Strategic Development and Risk Control Committee, and Mr. Li Kai ceased to be a member of the Strategic Development and Risk Control Committee.

2. Nomination Committee

- (1) Composition: The Board has established the Nomination Committee comprising five Directors, with Independent Directors representing more than half of the committee. The committee has a chairman selected and appointed by the Board. Such chairman is an Independent Director of the Company who is in charge of the work of the committee.

CORPORATE GOVERNANCE REPORT

As at the Latest Practicable Date, the members of the Committee are:

Chairman: You Yong (Independent Non-executive Director)

Members: Zhao Yi (Independent Non-executive Director), Pan Kunhua (Independent Non-executive Director), Zhu Mei (Non-executive Director), Jiang Jianhua (Non-executive Director)

- (2) Rules of Procedure: The committee shall convene at least one meeting each year and hold additional meetings based on work requirements. Committee meetings may be convened by way of on-site meetings or through other means of communication (including teleconference, facsimile, etc.).
- (3) Major Duties:
- (i) to review the size, constitution and composition (including but not limited to gender, age, cultural and educational background, skills, knowledge and experience) of the Board annually with reference to the operating activities, asset scale and shareholding structure of the Company, assist the Board in preparing the Board skills matrix, and make recommendations on any proposed changes to the Board of the Company to complement the Company's corporate strategy;
 - (ii) to examine the selection criteria and procedures of Directors and senior management to make recommendations to the Board;
 - (iii) to select qualified candidates for Directors and senior management;
 - (iv) to review and make recommendations on the nomination, appointment or removal of Directors and the appointment or dismissal of senior management;
 - (v) to assess the independence of independent Directors;
 - (vi) to make recommendations to the Board on the appointment or re-appointment of Directors and senior management and succession planning (in particular the Chairman and the General Manager);
 - (vii) to review the Board diversity policy where appropriate, and disclose the review results in the Corporate Governance Report annually;
 - (viii) to assist the Company in regularly evaluating the performance of the Board;
 - (ix) to execute other matters as authorised by the Board.

CORPORATE GOVERNANCE REPORT

(4) Meetings:

Four meetings were held in 2025, at which changes to Directors and senior management of the Company were considered, and resolutions were passed and approved to be submitted to the Board of the Company for consideration and approval.

Committee Members	Attendance in person/ attendance by proxy/ attendance required
You Yong (Independent Director)	4/0/4
Zhao Yi (Independent Director)	4/0/4
Pan Kunhua (Independent Director)*	1/0/1
Zhu Mei*	1/0/1
Jiang Jianhua	4/0/4
Niu Dongxiao (Independent Director)*	3/0/3
Ma Jixian*	3/0/3

* Since 27 June 2025, some members of the committee were changed, Mr. Pan Kunhua and Ms. Zhu Mei have served as the members of the Nomination Committee, and Mr. Niu Dongxiao and Mr. Ma Jixian ceased to be the members of the Nomination Committee.

(5) Nomination of Directors:

In accordance with the relevant provisions of the Articles of Association and the Terms of Reference of the Nomination Committee of the Board of Directors, candidates for Directors are reviewed by the Nomination Committee for qualifications and nominated to the Board of Directors. Upon passing the review, the results shall be proposed to the Board for consideration before the submission thereby to the general meeting for approval in the form of proposal.

In the process of nomination of candidates for Directors, the Nomination Committee shall widely solicit shareholders' opinions and proposal on nomination and examine whether the candidates are equipped with professional knowledge, working experience for performance of duties and his/her qualifications are in compliance with the Company Law and relevant laws, administrative regulations and departmental rules. The Nomination Committee mainly considers the professional knowledge, work experience of the candidates for directorship and their capability to contribute to the Company as the selection and recommendation criteria, with taking into consideration the Board diversity policy (including gender diversity).

CORPORATE GOVERNANCE REPORT

(6) Board Diversity Policy

Since an appropriate balance in the diversification of skills, experience and specialisation of the members of the Board will be conducive to enhancing the effective functioning of the Board and to maintaining high standards of corporate governance, the Nomination Committee has adopted the Policy for the Diversification of Board Membership during the shortlisting of qualified Directors' candidates.

Particulars of the policy: candidates for Directors shall be shortlisted on the basis of diversification, with reference to the Company's business model and specific requirements, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and service term.

Supervision and responsibility: the Nomination Committee shall hold discussions on the structure, size and composition of the Board annually and propose, in due course, recommendations on any improvement to the Board based on the actual situation of the Company.

The Board shall hold discussions on the policy and revise the policy, when necessary, in accordance with the relevant rules, and disclose its policy or policy summary in the annual Corporate Governance Report of the Company.

As at the Latest Practicable Date, the composition and diversity of the Board in terms of four objective criteria, namely (i) age group, (ii) cultural and education background, (iii) professional experience and (iv) industry, experience, skills and knowledge, are shown as below:

Age group				
41 to 45	46 to 50	51 to 55	56 to 60	61 and above
6.67%	6.67%	40%	26.67%	20%

Cultural and educational background		
Bachelor's degree	Postgraduate master's degree	Doctoral degree
33.33%	46.67%	20%

Professional experience			
Production, operation and management	Science and technology R&D	Economics and finance	Law
40%	20%	33.33%	6.67%

CORPORATE GOVERNANCE REPORT

In addition to the above, each of the Directors has at least one of the following industry experience, skills or knowledge:

- (a) Experience in the industry related to power generation;
- (b) Strategic planning;
- (c) Finance (including accounting, finance, corporate financing, taxation etc.);
- (d) Legal and compliance; and
- (e) Familiarity with the business environment in China.

The Nomination Committee considers that the existing composition of the Board is rather diverse, taking into account the nature and scope of the Company's operations, specific needs as well as different background of our Directors.

As of the Latest Practicable Date, the Board currently has one female member and has achieved the objective of the Company's Board diversity. In order to further achieve gender diversity at the Board level, when electing and recommending suitable candidates for Board members, the Company will seize the opportunity to increase the proportion of female Board members and improve the level of gender diversity based on shareholders' expectations and recommended best practices, and plan to promote gender diversity in recruiting middle and senior employees, so that the Company will have more potential successors for female senior management and Board members.

In addition to the Board Level, the Company also emphasises the diversity at all levels of employees (including gender diversity). For information (including gender ratio, etc.) of all employees (including senior management), please refer to the section headed "Human Resources Overview" in this annual report.

3. Audit Committee

- (1) Composition: The Board has established the Audit Committee that currently comprises five Directors, among which, Independent Directors representing more than half of the Committee. The committee has a chairman selected and appointed by the Board. Such chairman is an Independent Director of the Company who is in charge of the Audit Committee's work.

CORPORATE GOVERNANCE REPORT

As of the Latest Practicable Date, the members of the committee are:

Chairman: Zong Wenlong (Independent Non-executive Director)

Members: Xie Qiuye (Independent Non-executive Director), You Yong (Independent Non-executive Director), Zhu Mei (Non-executive Director), Han Fang (Non-executive Director)

- (2) Rules of Procedure: The committee shall convene at least one meeting each quarter. An interim meeting can be convened as proposed by two or more members, or when the chairman deems it necessary. An interim meeting can be convened by means of communication (including telephone conference and facsimile transmission, etc.).
- (3) Major Duties:
- (i) to be accountable to the Board, and the proposals of the committee shall be submitted to the Board for consideration and decision;
 - (ii) to propose the appointment or dismissal of the person in charge of finance of the listed company;
 - (iii) to supervise and evaluate external audit work, and to make recommendations on the engagement or replacement of external audit firm;
 - (iv) to supervise and evaluate internal audit work, and to be responsible for the coordination between internal and external audit;
 - (v) to supervise and evaluate the Company's internal control;
 - (vi) to review the Company's financial information and its disclosures;
 - (vii) to review the internal control system of the Company and to audit major related party transactions;
 - (viii) to review changes in accounting policies, accounting estimates or correction of significant accounting errors for reasons other than changes in accounting standards;
 - (ix) to review the Internal Control Evaluation Report and Internal Control Audit Report;
 - (x) to exercise the functions and powers of the Supervisory Committee stipulated by the Company Law;
 - (xi) to execute other matters prescribed by laws, administrative regulations, the CSRC, the listing rules of the place where the shares are listed and the Articles of Association.

CORPORATE GOVERNANCE REPORT

(4) Meetings:

The Audit Committee under the Board held seven meetings in 2025 to review the Company's performance, the internal control report, and the engagement of the accounting firm.

Committee Members	Attendance in person/ attendance by proxy/ attendance required
Zong Wenlong (Independent Director)	7/0/7
Xie Qiuye (Independent Director)*	4/0/4
You Yong (Independent Director)	7/0/7
Zhu Mei	7/0/7
Han Fang*	4/0/4
Niu Dongxiao (Independent Director)*	3/0/3
Jin Shengxiang*	3/0/3

* Since 27 June 2025, some members of the committee were changed, Mr. Xie Qiuye and Mr. Han Fang have served as the members of the Audit Committee, and Mr. Niu Dongxiao and Mr. Jin Shengxiang ceased to be the members of the Audit Committee.

4. Remuneration and Appraisal Committee

- (1) Composition: The Board has established the Remuneration and Appraisal Committee that currently comprises five Directors, among which, Independent Directors representing more than half of the membership. The committee has a chairman selected and appointed by the Board. Such chairman is an Independent Director of the Company who is in charge of the work of the committee.

As of the Latest Practicable Date, the members of the committee are:

Chairman: Zhao Yi (Independent Non-executive Director)

Members: Zong Wenlong (Independent Non-executive Director), Pan Kunhua (Independent Non-executive Director), Ma Jixian (Non-executive Director), Zhao Xianguo (Non-executive Director)

- (2) Rules of Procedure: The Committee shall convene at least one meeting each year. The Committee meetings shall include regular meetings and interim meetings. An interim meeting can be convened as proposed by the chairman, and may be convened by means of communication (including telephone conference and facsimile transmission, etc.).

CORPORATE GOVERNANCE REPORT

(3) Major Duties:

- (i) to be accountable to the Board, and the proposals submitted by the committee will be submitted to the Board for consideration and decision;
- (ii) to make remuneration plan or proposal according to the major scopes of work, duties and significance of the Directors and senior management positions as well as the remuneration levels of comparable positions in other comparable companies; remuneration plan or proposal mainly includes but not limited to performance appraisal criteria, procedures and key appraisal system, and major incentive and penalty plans and systems;
- (iii) to review the fulfilment of the responsibilities of the Company's Directors and senior management and to conduct annual performance appraisal thereon;
- (iv) to supervise the implementation of the remuneration system of the Company's Directors and senior management;
- (v) to make recommendations on the formation of or change to equity incentive plan, employee stock ownership plan, grant of interests to participants and fulfilment of conditions for exercising rights and interests;
- (vi) to make recommendations for the Directors and senior management on shareholding plans for the proposed spin-off of subsidiaries;
- (vii) to execute other matters as authorised by the Board.

CORPORATE GOVERNANCE REPORT

(4) Meetings:

Three meetings were held in 2025 to review the remuneration packages of the Directors, Supervisors and senior management of the Company for 2024, the remuneration proposal for 2025, the management measures for remuneration, the performance appraisal and salary payment plan of management members of the Company.

Committee Members	Attendance in person/ attendance by proxy/ attendance required
Zhao Yi (Independent Director)	3/0/3
Zong Wenlong (Independent Director)	3/0/3
Pan Kunhua (Independent Director)*	2/0/2
Ma Jixian*	2/0/2
Zhao Xianguo	3/0/3
Niu Dongxiao (Independent Director)*	1/0/1
Tian Dan*	1/0/1

* Since 27 June 2025, some members of the committee were changed, Mr. Pan Kunhua and Mr. Ma Jixian served as the members of the Remuneration and Appraisal Committee, and Mr. Niu Dongxiao and Mr. Tian Dan ceased to be the members of the Remuneration and Appraisal Committee.

Corporate Governance Responsibilities

The Board is responsible for establishing and facilitating the implementation of corporate governance functions and for ensuring that the established effective management structure continues to improve the relevant requirements for corporate governance in the changing operating environment as well as under relevant systems.

The duties of the Board in corporate governance primarily include:

- to formulate and review the Company's corporate governance policies and practices, and make recommendations;
- to organise and review the training of Directors and senior management;
- to supervise and monitor the Company's compliance with policies and practices under laws, regulations and regulatory requirements;
- to formulate, review and monitor the compliance with the conduct code by the employees and Directors of the Company;
- to review the Company's compliance with the Corporate Governance Code in Appendix C1 to the Listing Rules and the Company's disclosures in the Corporate Governance Report.

CORPORATE GOVERNANCE REPORT

During the Reporting Period and previous years, the Company has compiled and published certain systems relating to the corporate governance policies and practices, primarily including:

- Articles of Association
- Rules of procedure for the Board, the Supervisory Committee and general meetings
- Rules of procedure for specialised committees under the Board
- Provisions for information disclosure management
- Administrative provisions for shares of the Company held by Directors and senior management and its changes
- Working system for Independent Directors
- Work rules for secretary to the Board
- Registration System for Informed Parties with Access to Inside Information
- Management System for Related Party Transactions
- Management System for Investor Relations, etc.

The Audit Committee under the Board has been delegated the corporate governance functions by the Board to supervise and facilitate the Company's compliance with the internal corporate governance code. A specialised office has been set up within the Company to assist the Audit Committee to review the Company's corporate governance structure on an ongoing basis and advise on the latest requirements of corporate governance and day-to-day operation of the Company's corporate governance office. The "2025 Internal Control Evaluation Report" compiled by the Company pursuant to the requirements of the Chinese domestic regulators has been reviewed by the Audit Committee, considered by the Board and audited by the accountants. For details of the Company's internal control, please refer to the section headed "Establishment of the Company's Internal Control System".

Joint Company Secretaries

Mr. Sun Yanwen has served as the Joint Company Secretary since 15 September 2022, and obtained the confirmation from the Hong Kong Stock Exchange on 29 September 2025 that he meets the qualifications to act as a company secretary under Rules 3.28 and 8.17 of the Listing Rules. Ms. Zhu Zhuoting acts as the other joint company secretary of the Company. During the Reporting Period, the primary contact person of Ms. Zhu Zhuoting in the Company was Mr. Sun Yanwen.

Mr. Yan Luojun retired from his position as Joint Company Secretary on 29 September 2025.

During the Reporting Period, Mr. Sun Yanwen and Ms. Zhu Zhuoting have taken no less than 15 hours of relevant professional training in accordance with Rule 3.29 of the Listing Rules.

CORPORATE GOVERNANCE REPORT

Establishment of the Company's Internal Control System

Improving and effectively implementing the internal control is an ongoing responsibility of the Board and the management of the Company. The objectives of the Company's internal control are to provide reasonable assurances that the Company's operation management is lawful and compliant, the assets are safe, the financial statements and related information are truthful and complete, and operational efficiency and effectiveness are enhanced, thereby promoting the achievement of the development strategy of the Company. Since its incorporation, the Company has been continuously building and improving the internal control system to safeguard its sustainable, rapid, healthy, stable and orderly development, and to protect the interests of its shareholders pursuant to the requirements of the Company Law, the Securities Law, the Governance Standards for Listed Companies, the Basic Standards for Internal Control of Enterprises, the Rules Governing the Listing of Stock on the Shanghai Stock Exchange and the Listing Rules as well as other relevant laws, regulations, rules and normative documents, and in line with any changes in the internal and external environments. The Board has conducted an assessment of the internal control pursuant to the requirements of the Basic Standards for Internal Control of Enterprises and considered that it was effective as of 31 December 2025 (being the benchmark date).

1. Establishment of Internal Control System

Datang Power attaches great importance to the construction of the internal control system. In 2025, according to the requirements of the corporate internal control standard system, the Company had continuously optimized internal control process with a developmental vision and innovative thinking on the basis of continuously sorting out the business process; accurately identified and evaluated various internal and external risks, and improved internal control measures; strengthened internal supervision, carried out regular internal control self-evaluation and supervision and evaluation; improved the internal control system, and formed an internal control system with a good internal environment, scientific decision-making procedures, clear rights and responsibilities, standardized management, and effective risk control.

2. Internal Control Work Plan

In 2026, the Company will continue to improve various internal control systems, build a mutually integrated, collaborative and efficient internal control system, and continue to improve the level of internal control work. First, we will continue to do a good job in daily work to ensure the effective operation of the internal control system; second, we will use the annual risk assessment as a starting point to identify and study various risks, formulate effective and feasible risk management strategies, and ensure that various risks are controllable and under control; third, we will strengthen the use of internal control evaluation results and carry out in-depth internal control evaluation and risk assessment work, strengthen the rectification of internal control defects, and continue to track the effects of rectification; fourth, we will strengthen team building, organize professional training on internal control and risk management, and continuously improve professional level of full-time staff.

CORPORATE GOVERNANCE REPORT

Risk Management and Internal Control

The Board recognises its responsibility for supervising the risk management and internal control system of the Company, and conducts annual review on its effectiveness through its specialised committees. The specialised committees assist the Board in the performance of its supervision of the Company's finance, compliance, risk management and internal control and resources in financial and internal auditing functions as well as its role in corporate governance. The Board is responsible for the establishment, improvement and effective implementation of internal control system. The Audit Committee is responsible for supervising the internal control system established and implemented by the Company. The management is responsible for organizing and leading the daily operation of internal control.

The Company has established standardised corporate governance structure and rules of procedure to specify the responsibilities and authority in decision making, execution, supervision and other aspects. The risk management and internal control system of the Company is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

The risk management structure of the Company is guided under the "Three Defence Lines" risk management model. The first defence line refers to the relevant functional departments and affiliated enterprises; the second defence line refers to the risk management department; and the third defence line refers to the internal audit department. The relevant functional departments and affiliated enterprises of the Company regularly conduct identification, response and monitoring for risks. The Company earnestly analyses its situation within the industry on the basis of the analysis and judgement of the general domestic and international macro-economic situation annually and conducts comprehensive risk management according to the strategic objective and control requirements. The risk management department of the Company organises the headquarters and affiliated enterprises of the Company to conduct annual risk assessment, internal control evaluation and internal control audit, report to the Board on the internal control evaluation and internal control audit, and follow up the rectification progress of defects in prevention and control of risks and internal control particularly concerned. The internal audit department prepares annual audit plan based on problems and risks, supervises internal audit, and submits the results of audit supervision to the Audit Committee and the senior management of the Company for consideration and approval. Also, the internal audit department follows up the rectification progress of the problems identified in the audit and reports to the principal leaders of the Company. The review period of the risk management and internal control system covered is within the Reporting Period.

The Company has adopted the Guidelines on Comprehensive Risk Management of State-owned Enterprises 《中央企業全面風險管理指引》, the Basic Standards for Internal Control of Enterprises 《企業內部控制基本規範》, the Guidelines on the Application of Internal Control of Enterprises 《企業內部控制應用指引》, the Guidelines on the Evaluation of Internal Control of Enterprises 《企業內部控制評價指引》 and the Guidelines on the Auditing of Internal Control of Enterprises 《企業內部控制審計指引》 as the guiding principles of its operation and risk management. The major procedures for risk assessment of the Company consist of: target setting, information collection and risk identification, risk analysis, response to risk, risk monitoring and reporting.

CORPORATE GOVERNANCE REPORT

All risk management departments prepare the risk management manual, the administrative measures on risk management and internal control and other policies for the Company. They organise the business departments and their affiliated enterprises on a regular basis to identify potential risks that may have an impact on the achievement of their own or the Company's production and operating objectives, analyse the probability of occurrence of such risk events, and the extent of impact on the achievement of production and operating objectives after the occurrence of such events.

The business departments and their affiliated enterprises specify the risk management strategies and the solutions to risk management, and set the relevant strategies pursuant to the risk tolerance corresponding to the production and operating objectives. Solutions to risk management are established for each significant risk based on the risk management strategy. Combining with the development stages and the business expansion progress, information relating to changes in risks is continuously collected for risk identification and risk assessment, and for prompt adjustment to the strategies in response to risks.

The risk management departments of the Company follow up and evaluate the management and control of significant risks on a regular basis.

The Company integrates the risk management and internal control system into various business processes, and adopts various measures and procedures to evaluate and prudently improve the effectiveness of the risk management and internal control system, including to organise the headquarters and affiliated enterprises of the Company to conduct self-assessment on risks and self-evaluation on internal control on a regular basis, and to conduct independent internal control evaluation of the affiliated enterprises. The procedures for reviewing the effectiveness of the risk management and internal control system of the Company consist of:

Preparation Phase	<ul style="list-style-type: none">The risk management departments of the Company prepare the annual work proposal for overall risk assessment and internal control evaluation, while the affiliated enterprises prepare the annual work proposals for self-assessment and self-evaluation. The work proposals shall set out the objectives of assessment and evaluation, the basis of implementation, the scope of work, the work plan, the work procedures, measures for assurance and other relevant content.
Implementation Phase	<ul style="list-style-type: none">An assessment and evaluation working group is established to conduct on-site assessment and evaluation. On-site assessment and evaluation mainly involve understanding the control environment of the Company, carrying out the risk assessment, conducting the effectiveness test on the design and operation of internal control system, summarising and evaluating the defects in the internal control system, identifying such defects, and reaching conclusions on the significant risks in the Company and whether the internal control system is effective.
Rectification Phase and Reporting Phase	<ul style="list-style-type: none">The rectification principles, division of responsibilities, accountability, follow-up and reporting are determined. The affiliated enterprises prepare and submit the risk assessment and internal control evaluation report, and the Company summarizes, sorts out, analyzes and prepares a comprehensive risk management work report of the Group as a whole.

CORPORATE GOVERNANCE REPORT

Pursuant to the recommendations of the specialised committees, the Board has approved the internal control evaluation and the internal control audit report of the Company, and is of a view that the risk management and internal control system of the Company and its subsidiaries is effective, adequate and appropriate.

Inside Information

The Board of the Company is the governing body of inside information. The secretary to the Board of the Company is the person-in-charge of the management work of the inside information. The securities and capital department of the Company assists the secretary to the Board to specifically handle daily management work of the inside information of the Company. In order to standardise the inside information management of the Company, the Board strengthens the confidentiality of inside information, maintains the principle of fairness of information disclosure, and protects the legitimate rights and interests of the Company and its shareholders, creditors and other stakeholders. The Company has formulated a registration system of the insiders according to relevant laws, regulations and rules and in light of the actual situation of the Company. The system stipulates that the scope of insiders shall be minimised and they shall fulfil the confidentiality responsibility before public disclosure of the information of the Company. The insiders who have access to the inside information of the Company shall not disclose the content of inside information to others and shall not make use of any inside information for benefits of their own, relatives or others.

Responsibility of Directors and Auditors for Preparation and Reporting of Financial Statements

The Directors acknowledge their responsibility for preparing the Company's financial statements and ensuring that the preparation of the Company's financial statements complies with the relevant laws and applicable accounting standards.

The statement of the auditor in relation to their reporting responsibilities on the financial statements of the Company is set out in the Independent Auditor's Report on page 98 to page 103.

Company's Auditors

In 2025, the Company engaged Baker Tilly China (Special General Partnership) and Baker Tilly Hong Kong Limited as its domestic and international auditors respectively, which are responsible for providing impartial and objective opinion on the Company's financial statements.

The Company's Audit Committee has confirmed the independence and objectivity of the auditors. In 2025, the fee payable by the Company to Baker Tilly China (Special General Partnership) and Baker Tilly Hong Kong Limited for the provision of audit service amounted to RMB11.169 million, and the fee payable by the Company for non-assurance services included tax service fee of RMB1.98 million.

CORPORATE GOVERNANCE REPORT

Shareholders' Rights and Communication with Shareholders

1. Shareholders can convene an extraordinary general meeting

Pursuant to the Articles of Association, shareholders severally or collectively holding more than 10% of the shares of the Company shall submit a written request to the Board to convene an extraordinary general meeting and set out the meeting agenda. The Board shall reply in writing for agreeing or not agreeing the convening the meeting upon receipt of the aforesaid written request.

When the Company convenes a general meeting, shareholders who severally or collectively hold more than 1% of the shares of the Company are entitled to put forward new proposals to the Company in writing. Shareholders who severally or collectively hold more than 1% of the shares of the Company may put forward ad hoc proposals and submit them to the convener in writing 10 days before the general meeting; and the convener shall issue a supplementary notice of the general meeting within 2 days after receiving the proposal to announce the contents of the ad hoc proposals, and submit the ad hoc proposal to the general meeting for consideration. However, exceptions apply if the ad hoc proposal violates the provisions of laws, administrative regulations or the Articles of Association, or does not fall within the terms of reference of the general meeting.

2. Procedures for shareholders to inquire information

Pursuant to the Articles of Association, shareholders can inquire about the following information: inspecting and copying the Articles of Association, register of shareholders, minutes of the general meetings, resolutions made at Board meetings, and financial and accounting reports; shareholders who meet the requirements can inspect the accounting books and accounting vouchers of the Company.

3. Shareholders can access information through the following means

Pursuant to the Articles of Association, notices sent by the Company to shareholders are given in following forms:

- (1) served by hand;
- (2) served by mail;
- (3) published by way of announcement in accordance with Article 198 of the Articles of Association;
- (4) served by fax or e-mail;
- (5) published on the Company's website provided that such publishing is in compliance with the laws and administrative regulations as well as the relevant rules of the securities regulators of the place where the Company's shares are listed;
- (6) other forms approved by the securities regulators of the place where the Company's shares are listed.

CORPORATE GOVERNANCE REPORT

In addition, shareholders and investors of the Company can visit the Company's website (www.dtpower.com) to access the Company's relevant information timely and efficiently.

4. Putting forward enquiries to the Board

For putting forward any enquiries to the Board, shareholders may send written enquiries (by post, fax or email) to the following address, fax number or email address of the Company:

No. 9 Guangningbo Street, Xicheng District, Beijing, the PRC

Fax: 86 (10) 8800 8264

E-mail: shijiang@dtpower.com

Dividend Policy

The Company's profit distribution policy shall maintain continuity and stability. On the basis that such profit distribution policy shall pay great attention to the reasonable investment return of the shareholders and also take into account the long-term interests of the Company, the overall interests of all shareholders, the Company's reasonable demand for funds and the sustainable development of the Company, the Company shall implement an active method to distribute its dividends (i.e. distribution by way of cash shall be the priority way for distribution). The Company may distribute dividends by way of cash or shares (or by both ways).

For details of the rate of the distribution, please refer to Article 165 of the Articles of Association.

Amendments to the Articles of Association

In light of the new regulatory rules issued by the State Council of the PRC and the CSRC in 2023, as well as the corresponding amendments to the Listing Rules by the Hong Kong Stock Exchange, and according to the provisions and regulatory requirements of relevant laws, regulations, and normative documents such as the newly implemented "Company Law", the "Guidelines on the Articles of Association of Listed Companies (Revised in March 2025)", the "Rules for General Meetings of Listed Companies (Revised in March 2025)", and the "Rules Governing the Listing of Stocks on Shanghai Stock Exchange (Revised in April 2025)", and combining with the actual situation of the Company, in 2025, the Company amended relevant contents of the "Articles of Association" and its supplementary "Rules of Procedure for General Meetings" and "Rules of Procedure for the Board of Directors". These amendments were considered and approved at the 2024 annual general meeting held on 27 June 2025. For details, please refer to the Company's announcements dated 30 May 2025 and 27 June 2025, as well as the circular dated 30 May 2025.

REPORT OF THE DIRECTORS

The Directors are pleased to present the audited results of the Company for the year ended 31 December 2025.

Company Results

Operating revenue of the Group for the Year was approximately RMB121,255 million, representing a decrease of approximately 1.80% as compared to the Previous Year. Profit before tax amounted to approximately RMB12,986 million, representing an increase of approximately 49.85% as compared to the Previous Year. Net profit attributable to equity holders of the Company for the Year was approximately RMB7,539 million, while net profit attributable to equity holders of the Company for the previous year was approximately RMB4,538 million; basic profit per share attributable to shareholders of the Company for the Year amounted to approximately RMB0.3237, while basic profit per share attributable to shareholders of the Company amounted to approximately RMB0.1646 for the previous year. Please refer to the "Management Discussion and Analysis" section in this annual report for details.

The Board recommended the distribution of an annual cash dividend for the financial year ended 31 December 2025 of RMB0.148 per share based on the Company's total share capital of 18,506,710,504 shares, with a total amount of approximately RMB2,739 million (tax inclusive), which includes an interim dividend of RMB0.055 per share already distributed during the Year, totaling approximately RMB1,018 million (tax inclusive). The Board recommended the distribution of a final dividend of RMB0.0930 per share, totaling approximately RMB1,721 million (tax inclusive). Such distribution of dividend is subject to the consideration and approval by the shareholders of the Company at the forthcoming annual general meeting of the Company.

Issue and Listings of Shares

The Company's H shares have been listed on the Hong Kong Stock Exchange and the London Stock Exchange Limited since 21 March 1997. On 9 September 2003, the Company issued 5-year convertible bonds of US\$153.8 million, which have been listed in Luxembourg, at 0.75% interest rate and a conversion premium of 30%. The Company's A shares have been listed on the Shanghai Stock Exchange since 20 December 2006. Pursuant to the resolution passed at the 2006 general meeting, the Company implemented the share capital expansion proposal by utilizing its capital reserve fund to issue 10 bonus shares for every 10 shares held by the shareholders of the Company in 2007. The Company completed the non-public issuance of A shares in March 2010, with newly issued A shares of 0.53 billion shares. Further, the Company made non-public issuance of A shares in May 2011, with newly issued A shares of 1.0 billion shares. The Company completed the non-public issuance of A shares and H shares in March 2018, with newly issued A shares and H shares of 2,401,729,106 shares and 2,794,943,820 shares, respectively. Due to above-mentioned changes, as at the Latest Practicable Date, the total number of shares of the Company was 18,506,710,504 shares. Apart from that, the Company did not issue any new shares.

REPORT OF THE DIRECTORS

Performance of the Company's A Shares and H Shares During 2025 (unadjusted)

Performance of the Company's H shares during 2025:

Closing price of H shares as at 31 December 2025	HK\$2.21 per share
Highest trading price between 2 January and 31 December 2025	HK\$2.58 per share
Lowest trading price between 2 January and 31 December 2025	HK\$1.21 per share
Total number of trading between 2 January and 31 December 2025	7.947 billion shares

Performance of the Company's A shares during 2025:

Closing price of A shares as at 31 December 2025	RMB3.49 per share
Highest trading price between 2 January and 31 December 2025	RMB4.01 per share
Lowest trading price between 2 January and 31 December 2025	RMB2.50 per share
Total number of trading between 2 January and 31 December 2025	28.981 billion shares

Public Float

Based on information that is publicly available to the Company and to the knowledge of the Directors, as at 31 December 2025 and the Latest Practicable Date, the Company confirms that the public float of the Company's H shares and A shares has complied with the requirements under the Listing Rules.

Accounts

The Company and its subsidiaries' audited results for the year ended 31 December 2025 are set out in the Consolidated Statement of Profit or Loss and the Consolidated Statement of Profit or Loss and Other Comprehensive Income on page 104 to page 105. The financial position of the Company and its subsidiaries as at 31 December 2025 is set out in the Consolidated Statement of Financial Position on page 106 to page 107.

The Company and its subsidiaries' consolidated cash flows for the year ended 31 December 2025 are set out in the Consolidated Statement of Cash Flows on page 110 to page 111.

Principal Businesses and Business Review

The Company is principally engaged in the development and operation of power plants, the sale of electricity and thermal power, the repair and testing of power equipment, power related technical services, and the development and sale of coal.

Further details of these activities as required by Schedule 5 of the Hong Kong Companies Ordinance are set out in the "Management Discussion and Analysis" section of this annual report.

REPORT OF THE DIRECTORS

Management Contracts

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year ended 31 December 2025.

Environmental Policies and Performances

The Company devotes to build up an environmental and sustainable operation system. The Company has implemented laws and regulations including the Environmental Protection Law of the PRC and the Law on the Prevention and Control of Water Pollution of the PRC, etc.

Compliance with Laws and Regulations

In 2025, the Company has strictly complied with relevant laws, regulations and practices of the industry which have material impact on the operation of the Company.

Major Suppliers and Customers

The percentage of purchases and sales attributable to the Company's suppliers and customers for the Year are as follows:

	2025	2024
Purchases		
The largest supplier	30.24%	10.79%
Top five suppliers	43.68%	24.09%
Sales		
The largest customer	66.87%	16.00%
Top five customers	80.89%	45.19%

Based on the information available to and obtained by the Company, the major suppliers and customers for the year 2025 have been aggregated and presented in accordance with the criterion of being under common control by the same controlling party.

To the knowledge of the Directors, except for CDC, the controlling shareholder of the Company, which was one of the top five suppliers of the Company mentioned above during 2025, none of the Directors, their respective associates or shareholders (owning more than 5% (excluding treasury shares) of the Company's issued shares) owned any direct or indirect interest in the Company's top five suppliers or customers mentioned above during 2025.

REPORT OF THE DIRECTORS

Subsidiaries, Joint Ventures and Associates

Details of subsidiaries, joint ventures and associates of the Company are set out in Note 49 to the Financial Statements from page 235 to page 248, Note 23 to the Financial Statements from page 201 and Note 22 to the Financial Statements from page 196 to page 200, respectively.

Dividend and Profit Per Share

The Board proposes to distribute a final cash dividend of RMB0.0930 per share (tax inclusive) to all shareholders based on the Company's total share capital (as at 31 December 2025, the Company's total share capital was 18,506,710,504 shares) with a total proposed final cash dividend of approximately RMB1.721 billion.

Details of dividends and profit per share are set out in Note 16 and Note 17 to the Financial Statements on page 184 and page 185, respectively.

Relationship with Employees

Employees are the cornerstone of corporate development. The Company adheres to the "people-oriented" principle, implements an equal employment policy, upholds gender equality and ethnic equality, creates equal employment opportunities, and prohibits all forms of occupational discrimination. The Company applies the principle of equal pay for equal work, and has established and improved salary systems including measures on total wages and wage payment, so as to effectively protect the rights and interests of employees and ensure that employees are legally paid. The Company has improved a full-staff performance appraisal system, which evaluates employees based on their work performance, and strengthens the rigid link between bonuses and performance assessment. This ensures that employee compensation is determined fairly in line with individual contributions, effectively motivating employees' initiative, enthusiasm and creativity. The Company participates in the national multi-level social insurance system, providing complete social insurance and housing fund for all employees. It has also established supplementary enterprise pension insurance and supplementary medical insurance to fully safeguard employee welfare and enable employees to share in the achievements of corporate development.

Relationship with Suppliers and Customers

The Company strives to build and maintain long term and strong relationships with customers. The Company has established a customer satisfaction management system with a view to understand and fulfil customers' demands and enhance their satisfaction. In terms of suppliers, the Company's objective is to keep mutually beneficial and win-win partnerships with all suppliers. At the same time, the Company regularly evaluates the performance of our suppliers (including suppliers' social responsibility).

Reserves

Movements in reserves during 2025 are set out in Note 31(b) to the Financial Statements on page 210, among which distributable reserves attributable to the shareholders amounted to approximately RMB11.667 billion.

REPORT OF THE DIRECTORS

Property, Plant and Equipment

Details of movements in property, plant and equipment during 2025 are set out in Note 18 to the Financial Statements from page 186 to page 190.

Major Investment

As at 31 December 2025, the Group did not hold any significant investments (including any investment in an invested company that represent 5% or more of the Group's total assets as at 31 December 2025).

Pledge of Assets

Details on pledge of assets as at the end of 2025 were set out in Note 47 to the Financial Statements on page 228.

Donation

During the Year, the Company and its subsidiaries have made charitable donations of approximately RMB28.889 million.

Share Capital

There was no change in total share capital of the Company during the Year. As at 31 December 2025, total share capital of the Company amounted to 18,506,710,504 shares, divided into 18,506,710,504 shares of a nominal value of RMB1 each, including 12,396,089,106 A shares and 6,110,621,398 H shares.

Pledge of H Shares by Controlling Shareholder

As disclosed in the announcement of the Company dated 12 February 2018, China Datang Overseas (Hong Kong) Co., Limited ("CDOHKC") (as borrower), an indirect wholly-owned subsidiary of CDC (the controlling shareholder of the Company), entered into a facility agreement with Wing Lung Bank Limited (as mandated lead arranger and bookrunner, facility agent and security agent) in connection with a term loan facility of HK\$5,300 million which shall be applied by CDOHKC for the payment of part of the H-Share Issuance Proceeds (as defined in that announcement). As a condition precedent to the utilization of the facility by CDOHKC, CDOHKC entered into a share charge with Wing Lung Bank Limited, pursuant to which all the 480,680,000 H shares of the Company held in the name of CDOHKC and the 2,794,943,820 H-Share Subscription Shares (as defined in that announcement) to be subscribed by CDOHKC would be pledged to Wing Lung Bank Limited. As at the Latest Practicable Date, H shares of the Company held by CDOHKC were continuing to be pledged to Wing Lung Bank Limited from 17 March 2025 to 16 March 2028. In the event of default by CDOHKC, Wing Lung Bank Limited shall be entitled to enforce the share charge which may result in a transfer of voting rights in respect of such pledged securities.

REPORT OF THE DIRECTORS

Number of Shareholders

Details of the shareholders as recorded in the register of members of the Company as at 31 December 2025 were as follows:

Total number of shareholders	181,152
Holders of domestic shares	180,752
Holders of foreign shares	400

Shares Held by Substantial Shareholders

So far as the Directors of the Company are aware, as at 31 December 2025, the following persons (other than the Directors or chief executive of the Company) had interests or short positions in the shares or underlying shares, which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Law of Hong Kong) (the "SFO"), or required, pursuant to section 336 of the SFO, to be recorded in the register referred to therein:

Name of Shareholder	Class of Shares	Capacity/Nature of Interest	No. of Shares Held	Approximate Percentage to Total Issued Share Capital of the Company (%)	Approximate Percentage to Total Issued A Shares of the Company (%)	Approximate Percentage to Total Issued H Shares of the Company (%)
China Datang Corporation Ltd. (Note 1)	A shares	Beneficial owner	6,540,706,520	35.34	52.76	/
	H shares	Interest of controlled corporation	3,275,623,820 (L)	17.70 (L)	/	53.61 (L)
Hebei Construction & Investment Group Co., Ltd. (Note 2)	A shares	Beneficial owner	1,281,872,927	6.93	10.34	/
Tianjin Jinneng Investment Co., Ltd. (Note 3)	A shares	Beneficial owner	1,214,966,500	6.57	9.80	/

(L)= Long Position

Notes:

- Mr. Pang Xiaojin, Mr. Ma Jixian and Ms. Zhu Mei, Non-executive Directors, are employees of CDC.
- Mr. Wang Jianfeng and Mr. Zhao Xianguo, non-executive Directors, are employees of Hebei Construction & Investment Group Co., Ltd or its subsidiary, Jointo Energy Investment Co., Ltd. Hebei.
- Mr. Li Zhongmeng and Mr. Han Fang, Non-executive Directors, are employees of Tianjin Energy Investment Group Limited, the de facto controller of Tianjin Jinneng Investment Co., Ltd.
- Information disclosed above is based on the information provided on the website of Hong Kong Stock Exchange and the information available to the Company as at 31 December 2025.

REPORT OF THE DIRECTORS

List of Directors and Senior Management

The following table sets out the list of the Directors and senior management of the Company during the Reporting Period and as at the Latest Practicable Date (At the 2024 annual general meeting held on 27 June 2025, the Company passed the resolution to cancel the Supervisory Committee, and Mr. Yan Xizheng, Mr. Han Fang, Mr. Liu Liming and Mr. Xu Xiangyang, members of the eleventh session of the Supervisory Committee of the Company, retired as Supervisors on the same day.):

Name	Position in the Company	Date of appointment
Director		
Li Xiaofei	Chairman of the Board and Executive Director	28 October 2025
Li Kai	Chairman of the Board and Executive Director (Resigned)	22 August 2024 (ceased on 28 October 2025)
Jiang Jianhua	Non-executive Director	31 December 2024
Pang Xiaojin	Non-executive Director	27 June 2025
Ma Jixian	Non-executive Director	21 December 2023
Zhu Mei	Non-executive Director	31 December 2024
Wang Jianfeng	Non-executive Director	28 June 2024
Zhao Xianguo	Non-executive Director	1 July 2019
Li Zhongmeng	Non-executive Director	27 June 2025
Han Fang	Non-executive Director	27 June 2025
Jin Shengxiang	Non-executive Director	1 July 2019
Tian Dan	Non-executive Director (Resigned)	21 February 2023 (ceased on 27 June 2025)
Wang Wennan	Non-executive Director (Resigned)	25 March 2025 (ceased on 27 June 2025)
Sun Yongxing	Non-executive Director (Resigned)	18 December 2020 (ceased on 27 June 2025)
Zhu Shaowen	Non-executive Director (Resigned)	1 July 2019 (ceased on 25 March 2025)
Zong Wenlong	Independent Non-executive Director	17 November 2021
Zhao Yi	Independent Non-executive Director	29 June 2022
You Yong	Independent Non-executive Director	21 December 2023
Pan Kunhua	Independent Non-executive Director	27 June 2025
Xie Qiuye	Independent Non-executive Director	27 June 2025
Niu Dongxiao	Independent Non-executive Director (Resigned)	29 April 2020 (ceased on 27 June 2025)
Zhu Dahong	Independent Non-executive Director (Resigned)	21 February 2023 (ceased on 27 June 2025)

REPORT OF THE DIRECTORS

Name	Position in the Company	Date of appointment
Senior Management		
Qiao Yang	General Legal Advisor	18 July 2019
Sun Yanwen	Chief Accountant and Secretary to the Board	30 August 2022, 10 March 2023
Lu Ping	Deputy General Manager	30 December 2021
Leng Yaojun	Deputy General Manager	2 August 2024
Guo Chunyuan	Deputy General Manager	2 August 2024

Interests of Directors and Chief Executive in Shares, Underlying Shares and Debentures

As at 31 December 2025, so far as is known to the Board, none of the Directors and chief executive of the Company nor their associates had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporation (as defined in the SFO) that were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein or otherwise required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

Change in Information of Directors and Chief Executive

The changes in information of the Directors and chief executive of the Company since the Company's last published interim report and up to the Latest Practicable Date are as below:

Name of Director	Details of Change
Mr. Li Xiaofei	Elected as an Executive Director of the Company in October 2025 Serves as the deputy general manager of CDC since December 2025
Mr. Jin Shengxiang	Serves as the vice general manager of Beijing Energy Holding Co., Ltd. since October 2025
Mr. Li Kai	Ceased to serve as an Executive Director of the Company since October 2025

Other than as disclosed above and information disclosed in the section headed "Human Resources Overview" of this annual report, the Company is not aware of any other changes in respect of the information relating to the Directors and chief executive of the Company that are required to be disclosed under Rule 13.51B(1) of the Listing Rules.

REPORT OF THE DIRECTORS

Directors' Service Contracts

As at 31 December 2025, the Company has not entered into any service contracts with its Directors. Therefore, none of the Directors or Supervisors has or proposed to have any service contracts with the Company which are not determinable by the Company within one year without payment of compensation (other than statutory compensation).

Independent Non-executive Directors

After making queries and reviewing the annual confirmation letters from all independent non-executive Directors in respect of their independence according to Rule 3.13 of the Listing Rules, the Company confirms that all independent non-executive Directors are independent.

Interests of Directors in Contracts

No transactions, arrangements or contracts of significance subsisting at the end of the Year or at any time during 2025 in relation to the Company's business to which the Company or any of its subsidiaries was a party, and in which any Director or their respective connected entities had a material interest, either directly or indirectly, were entered into within the settlement date of the Year or anytime during the Year.

Permitted Indemnity Provisions

On 25 March 2025, the "Resolution on the Purchase of Liability Insurance for Directors, Supervisors and Senior Management" was considered and approved at the 2025 first extraordinary general meeting of the Company. The Company has accordingly arranged for the purchase of liability insurance for Directors, Supervisors and senior management.

Directors' Benefits from Rights to Acquire Shares or Debentures

No arrangements were made by the Company or its holding company, its subsidiaries or the other subsidiaries of its holding company at any time during the Year for any Director to acquire benefits by means of the acquisition of any shares in or debentures of the Company or any of its subsidiaries or any other body corporate.

REPORT OF THE DIRECTORS

Remuneration of Directors and Senior Management

During the Year, the Group ran an annual salary system primarily comprising basic salary and performance-based salary for the Directors and senior management who hold position(s) in the Company, and paid based on the appraisal results of the Company's operating performance as well as the appraisal results of the management members' performance. The Remuneration and Appraisal Committee reviewed the work performance and remuneration level of each individual. The above Directors shall not receive separate Director's allowances. For non-independent Directors who do not hold any position in the Company, they shall receive remuneration from the entity in which they hold position(s) and shall not receive Director's allowances from the Company. For Independent Non-executive Directors of the Company, each of them shall receive a fixed annual allowance, the standard of which shall be determined by reference to the average market rate and taking into account the actual situation of the Company.

The standards of allowances for Directors are proposed by the Board and considered and approved by the shareholders at the general meeting.

All of the highest paid individuals of the Company during the Year were Directors and senior management. Details of their remunerations are set out in Note 14 and Note 15(c) to the Financial Statements from page 179 to page 182 and from page 183 to page 184, respectively.

Directors' Interests in Competing Businesses

During the Year and up to the Latest Practicable Date, save as disclosed in this annual report, none of the Directors or their relevant close associates had any competing interests in any business which competes or may compete, either directly or indirectly, with the Company.

Interests of Substantial Shareholders in Contracts

Save as disclosed in this annual report, none of the Company or its subsidiaries have entered into any material contracts or material service contracts with the Company's substantial shareholders or their respective subsidiaries.

Equity-linked Agreement

The Company did not enter into any equity-linked agreement for the year ended 31 December 2025.

Purchase, Sale or Redemption of the Company's Listed Securities

There was no purchase, sale or redemption of the Company's listed securities by the Company or its subsidiaries during the Year (including the sale of treasury shares, as defined in the Listing Rules).

As of 31 December 2025, the Company did not hold any treasury shares.

REPORT OF THE DIRECTORS

Bank Borrowings, Overdrafts and Other Borrowings

Apart from the loans from China Datang Group Finance Company Limited (short-term bank loans, other short-term loans, long-term bank loans, other long-term loans, short-term bonds and long-term bonds) set out in Note 41, Note 34, Note 42 and Note 35 to the Financial Statements on page 221, page 213 to page 215, page 221 and page 215, respectively, there were no other loans of the Company and its subsidiaries as at 31 December 2025.

Issuance and Redemption of Debentures

1. Issuance of Debentures

During the Year and up to the Latest Practicable Date, the issuance of debentures by the Company to institutional investors in the PRC interbank bond market is as follows:

Completion date of issuance	Types of issued debentures	Coupon rate (%)	Financing amount (RMB'00 million)	Reason for issuance
9 January 2025	Super short-term bonds	1.56	20.00	Used to settle interest-bearing debts and to replenish working capital
21 January 2025	Medium-term notes	1.95	20.00	Used to settle interest-bearing debts and to replenish working capital
20 February 2025	Medium-term notes	1.81	30.00	Used to settle interest-bearing debts and to replenish working capital
16 April 2025	Medium-term notes	2.14	24.00	Used to settle interest-bearing debts and to replenish working capital
24 April 2025	Medium-term notes	2.08	20.00	Used to settle interest-bearing debts and to replenish working capital
13 May 2025	Super short-term bonds	1.48	20.00	Used to settle interest-bearing debts and to replenish working capital
15 May 2025	Medium-term notes	2.17	30.00	Used to settle interest-bearing debts and to replenish working capital
5 June 2025	Medium-term notes	2.48	20.00	Used to settle interest-bearing debts and to replenish working capital
16 June 2025	Medium-term notes	2.05	20.00	Used to settle interest-bearing debts and to replenish working capital
15 July 2025	Corporate bonds	1.93	20.00	Used to replenish working capital, settle interest-bearing debts, project investment, equity investment or fund investment

REPORT OF THE DIRECTORS

Completion date of issuance	Types of issued debentures	Coupon rate (%)	Financing amount (RMB'00 million)	Reason for issuance
31 July 2025	Corporate bonds	1.92	16.00	Used to replenish working capital, settle interest-bearing debts, project investment, equity investment or fund investment
14 August 2025	Corporate bonds	2.29	30.00	Used to replenish working capital, settle interest-bearing debts, project investment, equity investment or fund investment
20 August 2025	Super short-term bonds	1.66	15.00	Used to settle interest-bearing debts and to replenish working capital
1 September 2025	Corporate bonds	2.19	25.00	Used to replenish working capital, settle interest-bearing debts, project investment, equity investment or fund investment
14 October 2025	Super short-term bonds	1.59	20.00	Used to settle interest-bearing debts and to replenish working capital
15 October 2025	Super short-term bonds	1.47	20.00	Used to settle interest-bearing debts and to replenish working capital
18 November 2025	Super short-term bonds	1.52	15.00	Used to settle interest-bearing debts and to replenish working capital
12 January 2026	Super short-term bonds	1.50	20.00	Used to settle interest-bearing debts and to replenish working capital
14 January 2026	Medium-term notes	1.92	30.00	Used to settle debts falling due
19 January 2026	Super short-term bonds	1.52	20.00	Used to settle interest-bearing debts and to replenish working capital
5 February 2026	Medium-term notes	1.89	30.00	Used to settle debts
9 March 2026	Medium-term notes	1.82	20.00	Used to settle debts
11 March 2026	Medium-term notes	1.84	30.00	Used to settle debts
18 March 2026	Super short-term bonds	1.48	20.00	Used to settle interest-bearing debts

REPORT OF THE DIRECTORS

2. Redemption of Debentures

The redemptions of debentures by the Company during the Year and up to the Latest Practicable Date are as follows:

1. On 15 January 2025, the Company, as the bond issuer, redeemed a series of super short-term bonds in the interbank market, namely the "Datang International Power Generation Co., Ltd. 2024 Third Series Super Short-term Bonds", with the redemption and payment of principal and interest totaling RMB2,014 million.
2. On 14 February 2025, the Company, as the bond issuer, redeemed a series of super short-term bonds in the interbank market, namely the "Datang International Power Generation Co., Ltd. 2024 Fifth Series Super Short-term Bonds", with the redemption and payment of principal and interest totaling RMB3,014 million.
3. On 10 April 2025, the Company, as the bond issuer, redeemed a series of super short-term bonds in the interbank market, namely the "Datang International Power Generation Co., Ltd. 2025 First Series Super Short-term Bonds", with the redemption and payment of principal and interest totaling RMB2,008 million.
4. On 26 April 2025, the Company, as the bond issuer, redeemed a series of medium-term notes in the interbank market, namely the "Datang International Power Generation Co., Ltd. 2022 First Series Medium-term Notes", with the redemption and payment of principal and interest totaling RMB2,064 million.
5. On 17 May 2025, the Company, as the bond issuer, redeemed a series of medium-term notes in the interbank market, namely the "Datang International Power Generation Co., Ltd. 2022 Second Series Medium-term Notes", with the redemption and payment of principal and interest totaling RMB2,061 million.
6. On 30 May 2025, the Company, as the bond issuer, redeemed a series of medium-term notes in the interbank market, namely the "Datang International Power Generation Co., Ltd. 2022 Third Series Medium-term Notes", with the redemption and payment of principal and interest totaling RMB2,059 million.

REPORT OF THE DIRECTORS

7. On 15 June 2025, the Company, as the bond issuer, redeemed a series of medium-term notes in the interbank market, namely the “Datang International Power Generation Co., Ltd. 2022 Fourth Series Medium-term Notes”, with the redemption and payment of principal and interest totaling RMB1,031 million.
8. On 23 June 2025, the Company, as the bond issuer, redeemed a series of medium-term notes in the interbank market, namely the “Datang International Power Generation Co., Ltd. 2022 Fifth Series Medium-term Notes”, with the redemption and payment of principal and interest totaling RMB298 million.
9. On 12 July 2025, the Company, as the bond issuer, redeemed a series of super short-term bonds in the interbank market, namely the “Datang International Power Generation Co., Ltd. 2025 Second Series Super Short-term Bonds”, with the redemption and payment of principal and interest totaling RMB2,005 million.
10. On 1 August 2025, the Company, as the bond issuer, redeemed a series of medium-term notes in the interbank market, namely the “Datang International Power Generation Co., Ltd. 2022 Sixth Series Medium-term Notes”, with the redemption and payment of principal and interest totaling RMB2,057 million.
11. On 17 August 2025, the Company, as the bond issuer, redeemed a series of medium-term notes in the interbank market, namely the “Datang International Power Generation Co., Ltd. 2022 Seventh Series Medium-term Notes”, with the redemption and payment of principal and interest totaling RMB2,056 million.
12. On 29 August 2025, the Company, as the bond issuer, redeemed a series of medium-term notes in the interbank market, namely the “Datang International Power Generation Co., Ltd. 2022 Eighth Series Medium-term Notes”, with the redemption and payment of principal and interest totaling RMB2,057 million.
13. On 12 October 2025, the Company, as the bond issuer, redeemed a series of medium-term notes in the interbank market, namely the “Datang International Power Generation Co., Ltd. 2022 Ninth Series Medium-term Notes”, with the redemption and payment of principal and interest totaling RMB2,056 million.

REPORT OF THE DIRECTORS

14. On 16 October 2025, the Company, as the bond issuer, redeemed a series of medium-term notes in the interbank market, namely the “Datang International Power Generation Co., Ltd. 2023 Tenth Series Medium-term Notes”, with the redemption and payment of principal and interest totaling RMB2,062 million.
15. On 29 November 2025, the Company, as the bond issuer, redeemed a series of medium-term notes in the interbank market, namely the “Datang International Power Generation Co., Ltd. 2023 Eleventh Series Medium-term Notes”, with the redemption and payment of principal and interest totaling RMB1,546 million.
16. On 9 December 2025, the Company, as the bond issuer, redeemed a series of medium-term notes in the interbank market, namely the “Datang International Power Generation Co., Ltd. 2022 Twelfth Series Medium-term Notes”, with the redemption and payment of principal and interest totaling RMB1,039 million.
17. On 14 December 2025, the Company, as the bond issuer, redeemed a series of super short-term bonds in the interbank market, namely the “Datang International Power Generation Co., Ltd. 2025 Fifth Series Super Short-term Bonds”, with the redemption and payment of principal and interest totaling RMB2,005 million.
18. On 30 December 2025, the Company, as the bond issuer, redeemed a series of medium-term notes in the interbank market, namely the “Pacific Perpetual Bonds 2018-01”, with the redemption and payment of principal and interest totaling RMB3,170 million.

Pre-emptive Rights

There are no provisions for pre-emptive rights under the Articles of Association and applicable PRC laws that require the Company to offer new shares to the existing shareholders in proportion to their shareholdings.

Connected Transactions

During the Year, the Company or its subsidiaries carried out the following connected transactions (as defined in Chapter 14A of the Listing Rules) with its connected persons as defined under the Listing Rules, and such transactions were in compliance with the requirements on connected transactions or continuing connected transactions under Chapter 14A of the Listing Rules.

REPORT OF THE DIRECTORS

1. Continuing connected transactions in 2025

Currency: RMB Unit: '00 million

No.	Content of Transaction	Annual Cap	Actual Amount
I.	Transactions under the Comprehensive Product and Service Framework Agreement between Datang International and CDC		
(I)	Products and services provided by CDC Group to the Group		
1	Procurement of production and infrastructure materials and relevant auxiliary services	245	88.17
2	Coal supply	240	172.10
3	Technological transformation, operations management and repair and maintenance	4	2.95
4	Technical supervision and technical services	5	4.60
5	Infrastructure EPC contracting	10	0.01
6	Electricity (including water, gas and other resources) sale and service	50	2.92
7	Alternative power generation	1.5	0.25
8	Franchising fee in respect of Flue Gas Environmental Protection Facilities Franchising	35	24.08
9	Research and development in technological projects	2	0.13
10	Information system development	2	0.94
11	Property management and other logistical services	0.8	0.36
(II)	Products and services provided by the Group to CDC Group		
1	Coal supply and coal transportation	9	1.74
2	Electricity (including water, gas and other resources) sale and service	25	0.12
3	Alternative power generation	1.5	–
4	Operations management and repair and maintenance	2.5	1.01
5	Fees of the supply of water, electricity and gas in respect of flue gas environmental protection facilities franchising	11	8.07
II.	Transaction under the Financial Services Agreement with China Datang Group Finance Company Limited (“Datang Finance Company”)		
	Daily maximum deposit balance with Datang Finance Company	180	172.52

REPORT OF THE DIRECTORS

No.	Content of Transaction	Annual Cap	Actual Amount
III.	Transaction under the Comprehensive Financial Service Cooperation Agreement with China Datang Group Capital Holding Co., Ltd. ("Datang Capital Holding")		
	For the period from 1 January 2025 to 31 December 2025:		
1	Direct lease	60	16.54
2	Sale and leaseback	60	52.33
3	Factoring business	60	45.06
4	Entrusted loan business	19.9	11.50
5	Other financial services	0.1	–

Details of the above continuing connected transactions are as follows:

- On 29 October 2024, the Company entered into the 2024 Comprehensive Product and Service Framework Agreement with CDC. Pursuant to that, CDC Group agreed to provide products and services (including (i) Procurement of Production and Infrastructure Materials and Relevant Auxiliary Services, (ii) Coal Supply, (iii) Technological Transformation, Operations Management and Repair and Maintenance, (iv) Technical Supervision and Technical Services, (v) Infrastructure EPC Contracting, (vi) Electricity (including water, gas and other resources) Sale and Service, (vii) Alternative Power Generation, (viii) Flue Gas Environmental Protection Facilities Franchising, (ix) Research and Development in Technological Projects, (x) Information System Development and (xi) Property Management and Other Logistical Services) to the Group during the term of the 2024 Comprehensive Product and Service Framework Agreement. The Group agreed to provide products and services (including (i) Coal Supply and Coal Transportation, (ii) Electricity (including water, gas and other resources) Sale and Service, (iii) Alternative Power Generation, (iv) Operations Management and Repair and Maintenance and (v) the supply of water, electricity and gas in respect of Flue Gas Environmental Protection Facilities Franchising) to CDC Group during the term of the 2024 Comprehensive Product and Service Framework Agreement. The agreement is valid from 1 January 2025 to 31 December 2027.

The transactions can ensure the Company obtains reliable and guaranteed comprehensive products and services, such as coal, materials and services, reducing its operating risks and costs as well as improving work efficiency, which is conducive to the normal commencement of the production and operation of the Company.

CDC is the controlling shareholder of the Company, which together with its subsidiaries holds approximately 53.04% of the issued share capital of the Company. Therefore, CDC is a connected person of the Company.

During 2025, the amount of these transactions did not exceed the annual caps as set out in the agreement. For details of the transactions, please refer to the announcement dated 29 October 2024 and the circular dated 9 December 2024 of the Company.

REPORT OF THE DIRECTORS

2. On 30 August 2022, the Company and Datang Finance Company entered into the 2022 Financial Services Agreement. Pursuant to the agreement, Datang Finance Company agreed to provide the Group with deposit businesses, loan businesses and other financial businesses. Among them, for deposit business, the daily maximum balance of the deposits for each year is RMB18,000 million; and for comprehensive credit business, the comprehensive credit limit was RMB27,000 million. The term of the agreement commenced from 1 January 2023 to 31 December 2025.

The entering into of the 2022 Financial Services Agreement is contributable to effectively complement the Group's financing needs. Through Datang Finance Company, the Group's financing channels can be broadened, which will help increase the source of capital, thereby improving the overall standard and efficiency of corporate capital operations and enhancing the Group's bargaining power for external financing. In addition, the 2022 Financial Services Agreement enables the Company to obtain higher deposit rates than market rates and enjoy zero-rate payment and settlement services, which helps to increase deposit interest income and reduce settlement costs, thereby increasing the Company's operating profit.

Datang Finance Company is a subsidiary of CDC, the controlling shareholder of the Company, and Datang Finance Company is therefore a connected person of the Company.

For the year ended 31 December 2025, the maximum daily balance of the deposits of the Group with Datang Finance Company did not exceed the annual cap as set out in the agreement, which complied with the relevant provisions of the agreement. For details of the transactions, please refer to the announcement dated 30 August 2022 and the circular dated 28 October 2022 of the Company. Unless otherwise specified, the abovementioned capitalised terms shall have the same meanings as defined in such announcement and circular.

The 2022 Financial Services Agreement expired on 31 December 2025. To enhance the efficiency of the scale of capital, reduce the time for capital in transit, accelerate capital turnover, save transaction costs and fees, ensure the security of capital, and further improve the level and efficiency of capital utilisation, the parties intended to continue to enter into transactions of similar nature from time to time after 31 December 2025. On 28 August 2025, the Company and Datang Finance Company entered into the 2025 Financial Services Agreement for a term of three years, commencing from 1 January 2026 and ending on 31 December 2028. For details of the transactions, please refer to the announcement dated 28 August 2025 and the circular dated 10 October 2025 of the Company. Unless otherwise specified, the abovementioned capitalised terms shall have the same meanings as defined in such announcement and circular.

REPORT OF THE DIRECTORS

3. On 1 March 2024, the Company entered into the 2024 Comprehensive Financial Service Cooperation Agreement with Datang Capital Holding (whose subsidiaries include Datang Leasing Company, Shanghai Datang Financial Lease Company, and Datang Factoring Company). Pursuant to this agreement, the member units of Datang Capital Holding will provide the Group with annual total support of up to RMB20,000 million in related businesses such as financial leasing, factoring, entrusted loans, property rights transactions, and asset management, starting from the effective date of the 2024 Comprehensive Financial Service Cooperation Agreement. The 2024 Comprehensive Financial Service Cooperation Agreement is valid for 36 months from the effective date. As the 2024 Comprehensive Financial Service Cooperation Agreement covers the counterparties and types of transactions of the previous transactions, the 2021 Leasing and Factoring Business Cooperation Agreement, the 2022 Financial Business Cooperation Agreement and the 2023 Factoring Business Cooperation Agreement shall be automatically terminated upon the effectiveness of 2024 Comprehensive Financial Service Cooperation Agreement. The 2024 Comprehensive Financial Service Cooperation Agreement became effective upon being approved at the 2023 annual general meeting held on 28 June 2024.

The Company's entering into the 2024 Comprehensive Financial Service Cooperation Agreement with Datang Capital Holding aims to unify the terms of the relevant transactions, which is conducive to the effective management of the connected transactions conducted by both parties. It can effectively reduce compliance risks, significantly improve work efficiency, and is a positive measure for the Company to effectively enhance the quality of corporate governance of listed companies. Entering into the 2024 Comprehensive Financial Service Cooperation Agreement is beneficial for Datang Capital Holding to coordinate and manage the business activities of its subsidiaries, fully leverage their investment capabilities and enhance their financial support for the Group, further broaden the financing channels of the Group, increase the sources of corporate funds, and improve the efficiency of fund utilization. Under the 2024 Comprehensive Financial Service Cooperation Agreement, the Group can obtain financial support and related financial services at rates equal to or lower than those of the domestic peer market, while also enhancing its bargaining power when conducting related business with other financial institutions, which helps to reduce the overall operating costs of the Group. Moreover, the member units of Datang Capital Holding have a deeper understanding of the business operations of the Group, which enables them to provide more convenient, efficient, and personalized financial services compared to other financial institutions, effectively enhancing the overall operational level of the company.

Since Datang Capital Holding is a wholly-owned subsidiary of CDC, the controlling shareholder of the Company, Datang Capital Holding is a connected person of the Company.

REPORT OF THE DIRECTORS

During 2025, the amount of related transactions did not exceed the annual caps as set out in the agreement. For details of the transactions, please refer to the announcement dated 1 March 2024 and the circular dated 29 May 2024 of the Company. Unless otherwise specified, the abovementioned capitalised terms shall have the same meanings as defined in such announcement and circular.

The Company has followed the pricing policies and guidelines as specified in its relevant announcements and circulars when determining the price and terms of the continuing connected transactions conducted during the year ended 31 December 2025.

The independent non-executive Directors of the Company have reviewed the aforesaid continuing connected transactions, and confirmed that the aforesaid continuing connected transactions have been entered into (1) in the ordinary and usual course of business of the Group; (2) on normal commercial terms or better; and (3) in accordance with the agreement governing them on terms that are fair and reasonable and in the interests of the shareholders and the Company as a whole.

The Company's auditor was engaged to report on its continuing connected transactions for the year ended 31 December 2025 in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements other than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor of the Company has issued an unqualified letter containing its findings and conclusions in respect of the continuing connected transactions disclosed above in accordance with rule 14A.56 of the Listing Rules, confirming that nothing has come to their attention that causes them to believe that the continuing connected transactions (i) have not been approved by the Board; (ii) were not, in all material respects, in accordance with the pricing policies of the Group if the transactions involve the provision of products or services by the Group; (iii) were not entered into, in all material respects, in accordance with the relevant agreement governing the transactions; and (iv) have exceeded the caps.

REPORT OF THE DIRECTORS

2. Other Connected Transactions in 2025

1. On 27 June 2025, the Company entered into the Entrusted Loan Agreement with Ganzi Hydropower Company and Datang Finance Company, pursuant to which, the Company agreed to entrust Datang Finance Company to provide Ganzi Hydropower Company with the entrusted loan in a principal amount of RMB1 billion.

Pursuant to the Entrusted Loan Agreement, the term of the loan commences on 27 June 2025 and ends on 26 November 2029. The entrusted loan bears a fixed interest rate of 2.5% per annum, which is 100 basis points lower than the latest five-year loan prime rate (LPR) of 3.5% as announced by the National Interbank Funding Centre authorised by the People's Bank of China (not less than the capital costs of the special bonds obtained by the Company). The interest on the entrusted loan shall be settled by Ganzi Hydropower Company on a quarterly basis. Ganzi Hydropower Company shall repay the principal and unpaid interest in a lump sum upon maturity of the entrusted loan. The loan will be fully used for the construction of Sichuan Changheba Hydro-photovoltaic Complementary (Danba) Phase I 500MW Photovoltaic Project (四川長河壩水光互補(丹巴)一期 500MW 光伏項目).

As a subsidiary of the Company, Ganzi Hydropower Company is responsible for the development and construction of Sichuan Changheba Hydro-photovoltaic Complementary (Danba) Phase I 500MW Photovoltaic Project. Such project has been included in the list of projects eligible for special bond funding approved by the State-owned Assets Supervision and Administration Commission of the State Council. Accordingly, in order to actively implement the national macroeconomic policies in the strategic fields of "significant strategies and critical fields" and "renewal and replacement", the Company has entered into the Entrusted Loan Agreement to provide special bond funds to Ganzi Hydropower Company in the form of entrusted loan, so as to provide financial guarantee for the investment in construction of the project, accelerate its commencement of construction, and contribute to enhancing investment efficiency and high-quality development.

CDC and its subsidiaries hold approximately 53.04% of the issued share capital of the Company in aggregate. As Ganzi Hydropower Company is owned as to 52.73% and 47.27% by the Company and Datang Sichuan Company (a wholly-owned subsidiary of CDC) respectively, Ganzi Hydropower Company is a connected subsidiary of the Company, and therefore, Ganzi Hydropower Company is also a connected person of the Company. As Datang Finance Company is a subsidiary of CDC, Datang Finance Company is a connected person of the Company.

For details of the transactions, please refer to the announcements dated 27 June 2025 and 14 July 2025 of the Company. Unless otherwise specified, the abovementioned capitalised terms shall have the same meanings as defined in such announcements.

REPORT OF THE DIRECTORS

2. On 19 December 2025, the Company entered into the Entrusted Loan Agreement with Chaozhou Power Generation and Bank of China, pursuant to which, the Company agreed to entrust Bank of China to provide Chaozhou Power Generation with the entrusted loan in a principal amount of RMB600 million.

Pursuant to the Entrusted Loan Agreement, the term of the loan commences on 19 December 2025 and ends on 11 December 2035. The entrusted loan bears a fixed interest rate of 2.75% per annum, which is 75 basis points lower than the most recent five-year loan prime rate as announced by the National Interbank Funding Centre on the working day prior to the effective date of the Entrusted Loan Agreement (not less than the capital costs of the special bonds obtained by the Company). The interest on the entrusted loan shall be settled by Chaozhou Power Generation on an annual basis. Chaozhou Power Generation shall repay the principal and unpaid interest in a lump sum upon maturity of the entrusted loan. The loan will be specifically allocated for the construction expenditure of Datang Chaozhou Power Plant Units 5-6 Project.

Chaozhou Power Generation, a subsidiary of the Company, is responsible for the construction and operation of Datang Chaozhou Power Plant Units 5-6 Project. The Project has been included in the list of projects supported by special bond funds approved by the State-owned Assets Supervision and Administration Commission of the State Council. Accordingly, in order to actively implement the national macroeconomic policies in the strategic areas of “Two Key Tasks” and “Two Renewals”, the Company has entered into the Entrusted Loan Agreement to provide Chaozhou Power Generation with special bond funds in the form of entrusted loans to fund investment and construction of the Project and accelerate the commencement of project construction, so as to achieve higher investment efficiency and high-quality development. The Project, as a key investment of the Group, is expected to have good economic returns and strong risk resistance, and generate good economic and social benefits, which is critical to implementing national strategies and supporting the Company’s long-term growth.

CDC and its subsidiaries hold approximately 53.04% of the issued share capital of the Company in aggregate. As Chaozhou Power Generation is owned as to 52.5% and 42.5% by the Company and CDC respectively, Chaozhou Power Generation is a connected subsidiary of the Company, and also a connected person of the Company under Rule 14A.16 of the Listing Rules.

For details of the transactions, please refer to the announcement dated 19 December 2025 of the Company. Unless otherwise specified, the abovementioned capitalised terms shall have the same meanings as defined in such announcement.

REPORT OF THE DIRECTORS

3. On 30 December 2025, the Company entered into the Capital Increase Agreement with CDC and Datang Nuclear Company, pursuant to which the Company and CDC agreed to increase the registered capital of Datang Nuclear Company by way of cash.

In particular, the Company agreed to make further capital contribution of RMB616.9443 million to Datang Nuclear Company and CDC agreed to make further capital contribution of RMB925.4164 million to Datang Nuclear Company based on the proportion of their respective shareholding in Datang Nuclear Company. Upon completion of the Capital Increase, the accumulated amount of capital contribution by the Company to Datang Nuclear Company would become RMB1,885.9566 million whereas its proportion of total shareholding would remain at 40%; the accumulated amount of capital contribution by CDC to Datang Nuclear Company would become RMB2,828.9348 million whereas its proportion of total shareholding would remain at 60%.

The Capital Increase may further improve the capital adequacy ratio of Datang Nuclear Company, hence satisfying the capital needs of Datang Nuclear Company for its development and construction of investment projects, enhancing the strength of the principal business of Datang Nuclear Company, reinforcing its risk resilience, and effectively advancing the construction of relevant nuclear power investment projects, thereby maximizing the interests of Shareholders.

CDC together with its subsidiaries holds approximately 53.04% of the issued share capital of the Company. Therefore, CDC is a connected person of the Company. As Datang Nuclear Company is owned as to 60% by CDC, Datang Nuclear Company is an associate of CDC, and is a connected person of the Company.

For details of the transactions, please refer to the announcements dated 30 December 2025 and 8 January 2026 of the Company. Unless otherwise specified, the abovementioned capitalised terms shall have the same meanings as defined in such announcements.

3. Related party transactions

For details of related party transactions entered into by the Group during the Year are disclosed in Note 48 to the consolidated financial statements. Save as disclosed in the section headed "Connected Transactions" in this chapter, the related party transactions disclosed in Note 48 did not constitute connected transactions under Chapter 14A of the Listing Rules, or were exempted from the requirements of reporting, announcement and shareholders' approval pursuant to the Listing Rules. The Company has complied with all the relevant requirements under Chapter 14A of the Listing Rules and made disclosure in this annual report.

REPORT OF THE DIRECTORS

Retirement Scheme

In accordance with the State's employee retirement scheme, the Group has to pay a basic pension insurance premium on behalf of the employees at a rate of 16% of the staff's salaries whereby the employees will receive a monthly pension payment after retirement. The scheme takes immediate effect for the contributions of foregoing defined contribution pension scheme, and the Group has no forfeited contribution to reduce the existing contribution.

In addition, the Company has also implemented an enterprise annuity plan, whereby employees will make monthly contributions at fixed amounts as individual savings pension insurance funds, while the Company will contribute proportionate amounts of the employees' contributions as supplementary pension insurance funds. When retired, an employee will receive individual savings pension insurance fund and corporate supplemental savings pension insurance fund by the Company. Provided that employees resign or have their labor contracts terminated due to the violation of laws or disciplines, unvested contributions to the supplementary pension insurance funds by the Company will be transferred back to the Company's enterprise annuity account. The amount of forfeited contributions is not material.

Apart from such contributions, the Company has no other liabilities towards the staff retirement scheme.

Interest Capitalization

During the Year, the interest capitalized in respect of construction-in-progress amounted to approximately RMB362,632 thousand.

REPORT OF THE DIRECTORS

Auditors

Baker Tilly China (Special General Partnership) and Baker Tilly Hong Kong Limited were successively appointed as the Company's domestic and international auditor for 2020, 2021, 2022, 2023, 2024 and 2025 respectively as approved at the 2020 second extraordinary general meeting, the 2020 annual general meeting, the 2021 annual general meeting, the 2022 annual general meeting, the 2023 annual general meeting and the 2024 annual general meeting of the Company, responsible for the audit work of the Company's domestic and international financial reports. There has been no change in the auditors of Company in any of the preceding three years.

Subsequent Events

Details of significant events affecting the Group that have occurred subsequent to the end of the Year are set out in Note 51 to the Financial Statements on page 250.

By order of the Board

Li Xiaofei

Chairman

27 March 2026

TAXATION IN THE UNITED KINGDOM

The contents below are a general guide only, based on the tax law and practice in force as at the Latest Practicable Date which may be subject to changes or revisions. They relate only to certain limited aspects of the tax position of shareholders of the Company who are United Kingdom ("UK") residents holding shares in the Company as an investment, and who are not a share dealer or financial trader ("Relevant Shareholders"). This section is not intended to be and should not be construed as legal or tax advice to any particular shareholder. If you are in any doubt as to your tax position you should consult an appropriate professional advisor.

Subject to the statements made below regarding corporate Relevant Shareholders, Relevant Shareholders will generally be subject to UK income tax or corporation tax on the gross amount of dividends paid by the Company (as ascertained for the purposes of the relevant tax), but will normally be entitled to a credit against such UK income tax or corporation tax for any PRC withholding tax charged on the dividend.

Under the current double taxation treaty between the PRC and the UK, following the application to the relevant PRC tax authorities, Relevant Shareholders will generally be entitled to a reduced rate of PRC withholding tax on dividends paid to them by the Company subject to certain requirements being met.

An individual Relevant Shareholder will be subject to income tax on dividends he/she receives above an annual £500 tax free dividend allowance (excluding the circumstance that the dividend income falls within the individual Relevant Shareholder's personal allowance). A corporate Relevant Shareholder should generally be exempt from UK corporation tax in respect of dividends paid to them by the Company subject to the relevant conditions being met. Where this is not the case, corporate Relevant Shareholders who control (directly or indirectly) at least 10% of the voting rights of the Company may be entitled to credit against UK corporation tax chargeable in respect of dividends paid to them by the Company for any underlying PRC tax payable by the Company in respect of the profits out of which dividends were paid.

Relevant Shareholders will generally be subject to UK tax on chargeable gains on any gain on a disposal of shares, as computed for the purposes of such tax. There may be exemptions or reliefs available for qualifying Relevant Shareholders.

CORPORATE INFORMATION

Registered name of the Company

大唐國際發電股份有限公司

English name of the Company

Datang International Power Generation Company Limited

Office address of the Company

No. 9 Guangningbo Street
Xicheng District
Beijing
The People's Republic of China

Principal place of business in Hong Kong

40/F, Dah Sing Financial Centre
No. 248 Queen's Road East, Wanchai
Hong Kong

Legal representative

Li Xiaofei

Authorized representatives

Li Xiaofei
Sun Yanwen

Secretary to the Board

Sun Yanwen

Principal banks

In the PRC:

Industrial and Commercial Bank of China,
Beijing Caishikou Branch
No. 116, Guang'anmennei Street
Xicheng District
Beijing
The People's Republic of China

Outside the PRC:

Bank of China (Hong Kong) Limited One Garden Road
Central Hong Kong

Domestic auditor

Baker Tilly China Certified Public Accountants
(Special General Partnership)
Building 12, Foreign Culture and Creative Garden
No. 19, Chegongzhuang West Road
Haidian District, Beijing
The People's Republic of China

International auditor

Baker Tilly Hong Kong Limited
Level 8
728 King's Road, Quarry Bay
Hong Kong

CORPORATE INFORMATION

Legal advisors

as to PRC law:

King & Capital Law Firm
12/F, Building C, Yuanyang Guanghua International
No. 5 Jingshu South Street
Chaoyang District
Beijing
The People's Republic of China

as to Hong Kong law:

Zhong Lun Law Firm
4/F, Jardine House
1 Connaught Place, Central, Hong Kong

Listing information

H Shares

The Stock Exchange of Hong Kong Limited
Stock Code: 00991

A Shares

Shanghai Stock Exchange
Stock Code: 601991

H Shares

The London Stock Exchange Limited
Stock Code: DAT

Share register and transfer office

Computershare Hong Kong Investor Services Limited
17/F, Hopewell Center,
183 Queen's Road East,
Wanchai, Hong Kong

Information of the Company

Available at

Securities and Capital Department
Datang International Power Generation Company
Limited
No. 9 Guangningbo Street
Xicheng District
Beijing
The People's Republic of China

and

Toppan Nexus Holdings Limited
8th Floor, Gloucester Tower, The Landmark 15 Queen's
Road Central
Central, Hong Kong

GLOSSARY OF TERMS

The following terms have the following meaning in this annual report, unless otherwise required by the context:

“Installed capacity”	The highest level of electrical output which a power plant is designed to be able to maintain continuously without causing damage to the plant
“kWh”	A unit of power generation equivalent to the output generated by 1,000 watts of power in one hour
“MW”	1,000,000 watts (equivalent to 1,000 kW)

Independent Auditor's Report



TO THE SHAREHOLDERS OF DATANG INTERNATIONAL POWER GENERATION COMPANY LIMITED
(a joint stock company incorporated in the People's Republic of China with limited liability)

OPINION

We have audited the consolidated financial statements of Datang International Power Generation Company Limited and its subsidiaries (collectively referred to as the "Group") set out on pages 104 to 252, which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes 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 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by International Accounting Standards Board ("IASB") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). 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 International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (the "IESBA Code") as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independent Auditor's Report

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.

Key Audit Matter

How our audit addressed the key audit matter

Impairment of property, plant and equipment and goodwill

As at 31 December 2025, the carrying amount of property, plant and equipment and goodwill of the Group were RMB240,860,407,000 and RMB1,021,650,000, net of accumulated impairment loss of RMB4,211,515,000 and RMB989,344,000, respectively.

Management identified indicators of potential impairment of certain property, plant and equipment and goodwill is required to be tested for impairment annually. As a result, management performed impairment assessments of these assets as at 31 December 2025 by using value in use calculations, as recoverable amounts, for each cash-generating units ("CGUs") by preparing discounted cash flow forecasts for each CGU.

The impairment assessments involve a significant degree of management judgement, particularly in relation to the key assumptions adopted, including the future sales volumes and selling prices, future fuel prices and the discount rate applied in the discounted cash flow forecasts.

We identified assessing potential impairment of certain property, plant and equipment and goodwill are as a key audit matter because the carrying amount of property, plant and equipment and goodwill are material to the consolidated financial statements and because of the significant management judgement and estimation required in assessing potential impairment which could be subject to error or potential management bias.

The related disclosures are included in notes 4, 5, 18 and 21 to the consolidated financial statements.

Our procedures in relation to impairment of property, plant and equipment and goodwill included:

- Obtained an understanding, evaluated the design, and implementation and tested the operating effectiveness of controls over the management's key process of the Group's impairment assessment;
- Assessed management's identification of CGUs and the allocation of assets to each CGU and assessed the methodology adopted by management in its preparation of the discounted cash flow forecasts with reference to our understanding of the Group's business;
- Compared the key assumptions used in the discounted cash flow forecasts, including the future sales volumes and selling prices, future fuel prices and discount rate applied, with the historical performance of each CGU, management's budgets and forecasts and industry and other externally available information;
- Performed sensitivity analyses of the key assumptions described by assessing the changes to the recoverable amounts of the CGUs resulting from change in these assumptions;

Independent Auditor's Report

KEY AUDIT MATTERS (continued)

Key Audit Matter

How our audit addressed the key audit matter

- Compared the current year actual results with the prior year discounted cashflow forecasts to consider, with hindsight, whether key assumptions included in the forecasts had been subject to management bias;
- Evaluated the competence, capabilities and objectivity of the external valuers engaged by the management; and
- Assessed the adequacy of the Group's disclosures included in the consolidated financial statements regarding the impairment assessments.

We found the estimation and judgement made by management in respect of the impairment of property, plant and equipment and goodwill were supportable by the available evidence.

Independent Auditor's Report

OTHER INFORMATION

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards issued by the IASB and the disclosure requirements of 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 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 either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible 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. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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

Independent Auditor's Report

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

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance 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.

Independent Auditor's Report

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

We also provide those charged with governance 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, action taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, 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 director on the audit resulting in this independent auditor's report is Gao Yajun.

Baker Tilly Hong Kong Limited

Certified Public Accountants

Hong Kong, 27 March 2026

Gao Yajun

Practising Certificate Number P06391

Consolidated Statement of Profit or Loss

For the year ended 31 December 2025

		2025	2024
	<i>Note</i>	RMB'000	RMB'000
Operating revenue	8	121,255,419	123,473,629
Operating costs			
Fuel for power and heat generation		(59,835,966)	(69,735,244)
Depreciation	13(a)	(15,852,060)	(14,488,473)
Repairs and maintenance		(3,018,813)	(2,638,548)
Salaries and staff welfare	13(a)	(10,879,695)	(9,933,175)
Local government surcharges		(1,700,528)	(1,331,746)
Others	13(b)	(14,370,589)	(14,195,452)
Total operating costs		(105,657,651)	(112,322,638)
Operating profit		15,597,768	11,150,991
Share of results of associates	22	2,136,663	2,616,909
Share of results of joint ventures	23	3,847	6,073
Investment income		266,346	293,028
Interest income		26,826	52,652
Other income and other gains and losses, net	10	(618,743)	(148,778)
Finance costs	11	(4,427,106)	(5,304,392)
Profit before tax		12,985,601	8,666,483
Income tax expense	12	(2,828,337)	(1,767,531)
Profit for the year	13	10,157,264	6,898,952
Profit for the year attributable to:			
Holders of equity instruments of the Company			
– Owners of the Company		5,991,446	3,045,815
– Holders of other equity instruments		1,547,771	1,492,039
Non-controlling interests		7,539,217	4,537,854
		2,618,047	2,361,098
		10,157,264	6,898,952
Earnings per share			
Basic and diluted (RMB cents)	17	32.37	16.46

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2025

	2025	2024
	RMB'000	RMB'000
Profit for the year	10,157,264	6,898,952
Other comprehensive income/(expense), net of tax (Note 12(b)):		
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Share of other comprehensive (expense)/income of associates	(23,330)	18,420
Exchange differences arising on translating foreign operations	(4,086)	8,365
<i>Item that will not be reclassified subsequently to profit or loss:</i>		
Fair value gain/(loss) on investments in equity instruments at fair value through other comprehensive income	70,011	(56,608)
Other comprehensive income/(expense) for the year, net of tax	42,595	(29,823)
Total comprehensive income for the year	10,199,859	6,869,129
Total comprehensive income for the year attributable to:		
Holders of equity instruments of the Company		
– Owners of the Company	6,033,661	3,015,332
– Holders of other equity instruments	1,547,771	1,492,039
	7,581,432	4,507,371
– Non-controlling interests	2,618,427	2,361,758
	10,199,859	6,869,129

Consolidated Statement of Financial Position

As at 31 December 2025

		2025	2024
	<i>Note</i>	RMB'000	RMB'000
Non-current assets			
Property, plant and equipment	18	240,860,407	233,724,015
Right-of-use assets	19	7,398,004	6,801,538
Investment properties	20	507,714	475,973
Intangible assets	21	1,860,494	1,377,818
Interests in associates	22	21,672,759	20,892,203
Interests in joint ventures	23	172,806	168,959
Financial assets at fair value through profit or loss	24	4,111,385	4,146,033
Financial assets at fair value through other comprehensive income	24	843,603	769,672
Deferred tax assets	37	2,268,924	2,896,233
Other non-current assets	25	10,648,653	7,939,988
		290,344,749	279,192,432
Current assets			
Inventories	26	4,314,914	4,824,979
Trade and notes receivables	27	20,829,884	21,385,156
Prepayments and other receivables	28	8,762,517	8,732,161
Tax recoverable		117,177	90,489
Current portion of other non-current assets	25	–	664,283
Cash and cash equivalents and restricted deposits	29	9,267,252	7,734,434
		43,291,744	43,431,502
Current liabilities			
Trade payables and accrued liabilities	40	29,326,460	30,984,525
Contract liabilities	40	1,942,373	1,879,740
Consideration payable		213,158	213,158
Tax payables		1,799,526	1,142,557
Dividend payables		194,613	145,919
Short-term loans	41	41,115,743	36,833,122
Short-term bonds	42	5,018,623	5,021,757
Current portion of lease liabilities	39	242,915	209,607
Current portion of non-current liabilities	34,35,38	23,892,173	24,452,706
		103,745,584	100,883,091
Net current liabilities		(60,453,840)	(57,451,589)
Total assets less current liabilities		229,890,909	221,740,843

Consolidated Statement of Financial Position

As at 31 December 2025

		2025	2024
	<i>Note</i>	RMB'000	RMB'000
Capital and reserves			
Share capital	30	18,506,711	18,506,711
Reserves		15,573,000	11,713,180
		34,079,711	30,219,891
Non-controlling interests		19,223,546	16,942,612
Other equity instruments	33	46,303,465	46,271,881
Total equity		99,606,722	93,434,384
Non-current liabilities			
Long-term loans	34	113,819,201	117,093,432
Long-term bonds	35	7,000,000	4,000,000
Deferred income	36	1,114,222	1,238,785
Deferred tax liabilities	37	997,847	711,439
Lease liabilities	39	1,902,818	1,616,881
Other non-current liabilities	38	5,450,099	3,645,922
		130,284,187	128,306,459
		229,890,909	221,740,843

The consolidated financial statements on pages 104 to 252 were approved and authorised for issue by the board of directors on 27 March 2026 and are signed on its behalf by:

Li Xiaofei
Director

Jiang Jianhua
Director

Consolidated Statement of Changes in Equity

For the year ended 31 December 2025

	Attributable to the owners of the Company											
	Share capital	Capital reserve	Statutory surplus reserve	Merger reserve	Discretionary surplus reserve	Foreign currency translation reserve	FVTOCI reserve	Accumulated losses	Total	Other equity instruments	Non-controlling interests	Total equity
	(Note 32(a)) RMB'000	(Note 32(a)) RMB'000	(Note 32(b)) RMB'000	(Note 32(c)) RMB'000	(Note 32(d)) RMB'000	(Note 32(e)) RMB'000	(Note 32(e)) RMB'000	(Note 32(e)) RMB'000	(Note 32(e)) RMB'000	(Note 32(e)) RMB'000	(Note 32(e)) RMB'000	(Note 32(e)) RMB'000
At 1 January 2024	18,506,711	14,500,763	6,901,498	(8,508,604)	9,321,624	47,155	(611,645)	(12,718,025)	27,439,477	46,210,976	14,887,085	88,537,538
Profit for the year	-	-	-	-	-	-	-	3,045,815	3,045,815	1,492,039	2,361,098	6,898,952
Other comprehensive income/(expense), net of tax (Note 12(b)):												
- Share of other comprehensive income of associates	-	-	-	-	-	-	18,420	-	18,420	-	-	18,420
- Exchange differences on translating foreign operations	-	-	-	-	-	8,365	-	-	8,365	-	-	8,365
- Fair value (loss)/gain on investments in equity instruments at fair value through other comprehensive income	-	-	-	-	-	-	(57,268)	-	(57,268)	-	660	(56,608)
Total comprehensive income/(expense) for the year	-	-	-	-	-	8,365	(38,848)	3,045,815	3,015,332	1,492,039	2,361,758	6,869,129
Business combination under common control	-	-	-	(98,152)	-	-	-	-	(98,152)	-	-	(98,152)
Capital injections from non-controlling interests	-	-	-	-	-	-	-	-	-	-	1,003,089	1,003,089
Distribution made to holders of perpetual bonds (Note 33)	-	-	-	-	-	-	-	-	-	(1,431,134)	-	(1,431,134)
Disposal of subsidiaries (Note 44(b))	-	-	-	-	-	-	-	-	-	-	(347,005)	(347,005)
Dividends paid (Note 16)	-	-	-	-	-	-	-	(138,800)	(138,800)	-	-	(138,800)
Dividends declared to non-controlling interests of subsidiaries	-	-	-	-	-	-	-	-	-	-	(1,029,338)	(1,029,338)
Transfer to statutory surplus reserve	-	-	378,988	-	-	-	-	(378,988)	-	-	-	-
Disposal of equity investments at fair value through other comprehensive income	-	-	-	-	-	-	32,640	(32,640)	-	-	-	-
Issue of perpetual bonds (Note 33)	-	(5,900)	-	-	-	-	-	-	(5,900)	3,500,000	-	3,494,100
Redemption of perpetual bonds (Note 33)	-	-	-	-	-	-	-	-	-	(3,500,000)	-	(3,500,000)
Others	-	59,224	-	-	-	-	-	(51,290)	7,934	-	67,023	74,957
At 31 December 2024	18,506,711	14,554,087	7,280,486	(8,606,756)	9,321,624	55,520	(617,853)	(10,273,928)	30,219,891	46,271,881	16,942,612	93,434,384

Consolidated Statement of Changes in Equity

For the year ended 31 December 2025

	Attributable to the owners of the Company											Total equity
	Share capital	Capital reserve	Statutory surplus reserve	Merger reserve	Discretionary surplus reserve	Foreign currency translation reserve	FVTOCI reserve	Accumulated losses	Total	Other equity instruments	Non-controlling interests	
	(Note 32(a))	(Note 32(b))	(Note 32(c))	(Note 32(d))	(Note 32(e))							
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2025	18,506,711	14,554,087	7,280,486	(8,606,756)	9,321,624	55,520	(617,853)	(10,273,928)	30,219,891	46,271,881	16,942,612	93,434,384
Profit for the year	-	-	-	-	-	-	-	5,991,446	5,991,446	1,547,771	2,618,047	10,157,264
Other comprehensive income/ (expense), net of tax (Note 12(b)):												
- Share of other comprehensive expense of associates	-	-	-	-	-	-	(23,330)	-	(23,330)	-	-	(23,330)
- Exchange differences on translating foreign operations	-	-	-	-	-	(4,086)	-	-	(4,086)	-	-	(4,086)
- Fair value gain on investments in equity instruments at fair value through other comprehensive income	-	-	-	-	-	-	69,631	-	69,631	-	380	70,011
Total comprehensive (expense)/ income for the year	-	-	-	-	-	(4,086)	46,301	5,991,446	6,033,661	1,547,771	2,618,427	10,199,859
Capital injections from non-controlling interests	-	-	-	-	-	-	-	-	-	-	1,294,881	1,294,881
Distribution made to holders of perpetual bonds (Note 33)	-	-	-	-	-	-	-	-	-	(1,516,187)	-	(1,516,187)
Disposal of subsidiaries (Note 44(b))	-	-	-	-	-	-	-	-	-	-	(3,650)	(3,650)
Dividends paid (Note 16)	-	-	-	-	-	-	-	(2,167,136)	(2,167,136)	-	-	(2,167,136)
Dividends declared to non-controlling interests of subsidiaries	-	-	-	-	-	-	-	-	-	-	(1,631,190)	(1,631,190)
Transfer to statutory surplus reserve	-	-	389,786	-	-	-	-	(389,786)	-	-	-	-
Issue of perpetual bonds (Note 33)	-	(59,380)	-	-	-	-	-	-	(59,380)	22,500,000	-	22,440,620
Redemption of perpetual bonds (Note 33)	-	-	-	-	-	-	-	-	-	(22,500,000)	-	(22,500,000)
Others	-	87,471	-	-	-	-	-	(34,796)	52,675	-	2,466	55,141
At 31 December 2025	18,506,711	14,582,178	7,670,272	(8,606,756)	9,321,624	51,434	(571,552)	(6,874,200)	34,079,711	46,303,465	19,223,546	99,606,722

Consolidated Statement of Cash Flows

For the year ended 31 December 2025

		2025	2024
	<i>Note</i>	RMB'000	RMB'000
Operating activities			
Cash generated from operations	43	37,768,340	27,596,039
Income tax paid		(1,600,700)	(1,698,818)
Interest received		46,997	88,327
Net cash generated from operating activities		36,214,637	25,985,548
Investing activities			
Withdrawal of restricted bank balances		139,709	24,712
Proceeds on disposal of property, plant and equipment, right-of-use assets, investment properties and intangible assets		82,096	74,850
Purchase of property, plant and equipment		(27,694,875)	(29,480,066)
Purchase of intangible assets		(264,149)	(200,504)
Purchase of right-of-use assets		(514,615)	(928,408)
Increase in investments in associates		(821,675)	(352,000)
Increase in investments in joint ventures		–	(49,630)
Dividend received from associates		2,081,763	1,511,619
Dividend received from equity investments		236,240	241,234
Purchase of equity investments		–	(10,000)
Proceeds on disposal of equity investments		–	23,600
Net cash inflow from acquisition of a subsidiary	44(a)	16,733	–
Net cash inflow/(outflow) from disposal of subsidiaries	44(b)	115,414	(147,989)
Government grants received		74,841	37,986
Other investing activities		44,913	(284,857)
Net cash used in investing activities		(26,503,605)	(29,539,453)

Consolidated Statement of Cash Flows

For the year ended 31 December 2025

		2025	2024
	<i>Note</i>	RMB'000	RMB'000
Financing activities			
Capital injections from non-controlling interests		1,195,498	1,002,965
Net proceeds from issue of perpetual bonds		22,440,620	3,494,099
Redemption of perpetual bonds		(22,500,000)	(3,500,000)
Raise of new long-term loans		48,786,840	44,594,386
Repayment of long-term loans		(51,893,584)	(41,041,173)
Raise of long-term bonds		3,000,000	4,000,000
Repayment of long-term bonds		(290,000)	(6,200,000)
Raise of new short-term loans		87,598,089	63,278,549
Repayment of short-term loans		(87,207,033)	(57,486,997)
Raise of new short-term bonds		11,000,000	8,500,000
Repayment of short-term bonds		(11,000,000)	(3,500,000)
Consideration for business combination under common control		–	(98,152)
Dividends paid		(3,749,632)	(1,657,834)
Raise of other pledged financing		3,437,000	2,615,000
Repayment to other pledged financing		(2,685,561)	(4,017,933)
Repayment to lease liabilities		(446,788)	(652,768)
Interest paid		(4,204,120)	(5,635,775)
Distribution made to holders of perpetual bonds		(1,516,187)	(1,431,134)
Net cash (used in)/generated from financing activities		(8,034,858)	2,263,233
Net increase/(decrease) in cash and cash equivalents		1,676,174	(1,290,671)
Effect of foreign exchange rate changes		(3,647)	5,678
Cash and cash equivalents at 1 January		7,207,988	8,492,981
Total cash and cash equivalents at 31 December, represented by bank balance and cash	<i>29</i>	8,880,515	7,207,988

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

1 GENERAL INFORMATION

Datang International Power Generation Company Limited (the “Company”) was incorporated in the People’s Republic of China (the “PRC”) as a joint stock limited liability company. The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”) (“H shares”) on 21 March 1997, the London Stock Exchange on 21 March 1997, and the Shanghai Stock Exchange (“A shares”) on 20 December 2006. The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information section to the annual report.

The principal activities of the Company and its subsidiaries (collectively referred to as the “Group”) are power generation and power plant development in the PRC. The Group is also engaged in coal trading and other business.

In the opinion of the directors of the Company, China Datang Corporation Limited (“China Datang”), a company incorporated in the PRC, is the immediate and ultimate parent of the Company.

The consolidated financial statements are presented in Renminbi (“RMB”), which is the same as the functional currency of the Company.

2 APPLICATION OF AMENDMENTS TO IFRS ACCOUNTING STANDARDS

Amendments to an IFRS Accounting Standard that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to an IFRS Accounting Standard as issued by the International Accounting Standards Board (“IASB”) for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 January 2025 for the preparation of the consolidated financial statements:

Amendments to IAS 21	Lack of Exchangeability
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The application of the amendments to an IFRS Accounting Standard in the current year has had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

2 APPLICATION OF AMENDMENTS TO IFRS ACCOUNTING STANDARDS (continued)

New and amendments to IFRS Accounting Standards in issue but not yet effective

The Group has not early applied the following new and amendments to IFRS Accounting Standards that have been issued but are not yet effective:

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments ²
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity ²
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards – Volume 11 ²
IFRS 18	Presentation and Disclosure in Financial Statements ³
Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency ³

¹ Effective for annual periods beginning on or after a date to be determined.

² Effective for annual periods beginning on or after 1 January 2026

³ Effective for annual periods beginning on or after 1 January 2027

Except for the new and amendments to IFRS Accounting Standards mentioned below, the directors of the Company anticipate the application of all other new and amendments to IFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

Amendments to IFRS 9 and IFRS 7 Amendments to the Classification and Measurement of Financial Instruments

The amendments to IFRS 9 Financial Instruments (“IFRS 9”) clarify the recognition and derecognition for financial asset and financial liability and add an exception which permits an entity to deem a financial liability to be discharged before the settlement date if it is settled in cash using an electronic payment system if, and only if certain conditions are met. An entity that elects to apply the derecognition option would be required to apply it to all settlement made through the same electronic payment system.

The amendments also provide guidance on the assessment of whether the contractual cash flows of a financial asset are consistent with a basic lending arrangement. The amendments specify that an entity should focus on what an entity is being compensated for rather than the compensation amount. Contractual cash flows are inconsistent with a basic lending arrangement if they are indexed to a variable that is not a basic lending risk or cost. The amendments state that, in some cases, a contingent feature may give rise to contractual cash flows that are consistent with a basic lending arrangement both before and after the change in contractual cash flows, but the nature of the contingent event itself does not relate directly to changes in basic lending risks and costs. Furthermore, the description of the term “non-recourse” is enhanced and the characteristics of “contractually linked instruments” are clarified in the amendments.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

2 APPLICATION OF AMENDMENTS TO IFRS ACCOUNTING STANDARDS (continued)

New and amendments to IFRS Accounting Standards in issue but not yet effective (continued)

Amendments to IFRS 9 and IFRS 7 Amendments to the Classification and Measurement of Financial Instruments (continued)

The disclosure requirements in IFRS 7 Financial Instruments: Disclosures (“IFRS 7”) in respect of investments in equity instruments designated at fair value through other comprehensive income are amended. In particular, entities are required to disclose the fair value gain or loss presented in other comprehensive income during the period, showing separately those related to investments derecognised during the reporting period and those related to investments held at the end of the reporting period. An entity is also required to disclose any transfers of the cumulative gain or loss within equity related to the investments derecognised during the reporting period. In addition, the amendments introduce the requirements of qualitative and quantitative disclosure of contractual terms that could affect the contractual cash flow based on a contingent even not directly relating to basic lending risks and cost.

The amendments are effective for annual reporting periods beginning on or after 1 January 2026, with early application permitted. The application of the amendments is not expected to have significant impact on the financial position and performance of the Group.

Amendments to IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent’s profit or loss only to the extent of the unrelated investors’ interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent’s profit or loss only to the extent of the unrelated investors’ interests in the new associate or joint venture. The application of the amendments is not expected to have significant impact on the financial position and performance of the Group.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

2 APPLICATION OF AMENDMENTS TO IFRS ACCOUNTING STANDARDS (continued)

New and amendments to IFRS Accounting Standards in issue but not yet effective (continued)

IFRS 18 Presentation and Disclosure in Financial Statements (“IFRS 18”)

IFRS 18, which sets out requirements on presentation and disclosures in financial statements, will replace IAS 1 Presentation of Financial Statements (“IAS 1”). This new IFRS Accounting Standard, while carrying forward many of the requirements in IAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures (“MPMs”) in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some IAS 1 paragraphs have been moved to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (the title of which will be changed to Basis of Preparation of Financial Statements upon effective of IFRS 18) and IFRS 7. Minor amendments to IAS 7 Statement of Cash Flows and IAS 33 Earnings per Share are also made.

IFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. IFRS 18 requires retrospective application with specific transition provisions. The application of the new standard is not expected to have significant impact on the financial performance and positions of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statement of profit or loss. Additional disclosures required for the Group’s MPMs will be disclosed in a separate note to the consolidated financial statements. The Group currently presents interest received in operating activities, they will be classified in the investing activities on the consolidated statement of cash flows.

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards issued by the IASB. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”) and disclosure requirements by the Hong Kong Companies Ordinance (“CO”).

At 31 December 2025, a significant portion of the funding requirements of the Group for capital expenditures was satisfied by short-term borrowings. Consequently, at 31 December 2025, the Group had net current liabilities of RMB60,453,840,000. The Group had significant undrawn borrowing facilities, subject to certain conditions, of not less than RMB150 billion and may refinance and/or restructure certain short-term borrowings into long-term borrowings and will also consider alternative sources of financing, where applicable. The directors of the Company are of the opinion that the Group will be able to meet its liabilities as and when they fall due within the next twelve months and have prepared these consolidated financial statements on a going concern basis.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2 Share-based Payment ("IFRS 2"), leasing transactions that are accounted for in accordance with IFRS 16 Leases ("IFRS 16"), and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 Inventories ("IAS 2") or value in use ("VIU") in IAS 36 Impairment of Assets ("IAS 36").

For financial instruments which are transacted at fair value and a valuation technique that unobservable inputs is to be used to measure fair value in subsequent periods, the valuation technique is calibrated so that at initial recognition the results of the valuation technique equals the transaction price.

Fair value are categorised into different fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1 fair value measurements inputs are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements inputs are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements inputs are those derived from valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable (significant unobservable input).

Material accounting policies adopted by the Group are set out below.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

4 MATERIAL ACCOUNTING POLICY INFORMATION

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Basis of consolidation (continued)

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

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.

Changes in the Group's interests in existing subsidiaries

Changes in the Group's interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's relevant components of equity 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 recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, the assets and liabilities of that subsidiary and non-controlling interests (if any) are derecognised. A gain or loss is recognised 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 owners of the Company. All amounts previously recognised 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 (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRS Accounting Standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Business combinations

A business is an integrated set of activities and assets which includes an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired processes are considered substantive if they are critical to the ability to continue producing outputs, including an organised workforce with the necessary skills, knowledge, or experience to perform the related processes or they significantly contribute to the ability to continue producing outputs and are considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

The identifiable assets acquired and liabilities assumed must meet the definitions of an asset and a liability in the Conceptual Framework for Financial Reporting (the "Conceptual Framework") except for transactions and events within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets ("IAS 37") or IFRIC 21 Levies ("IFRIC 21"), in which the Group applies IAS 37 or IFRIC 21 instead of the Conceptual Framework to identify the liabilities it has assumed in a business combination. Contingent assets are not recognised.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes ("IAS 12") and IAS 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 IFRS 2 Share-based Payment at the acquisition date;
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard; and
- lease liabilities are recognised and measured at the present value of the remaining lease payments (as defined in IFRS 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 recognised 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.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Business combinations (continued)

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net amount of the identifiable assets acquired and the liabilities assumed as at acquisition date. If, after reassessment, the net amount of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests 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 initially measured at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets or at fair value. The choice of measurement basis is made on a transaction-by-transaction basis.

When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively. Measurement period adjustments are adjustments that arise from additional information obtained during the "measurement period" (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured to fair value at subsequent reporting dates, with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control), and the resulting gain or loss, if any, is recognised in profit or loss or other comprehensive income, as appropriate. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income and measured under IFRS 9 would be accounted for on the same basis as would be required if the Group had disposed directly of the previously held equity interest.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted retrospectively during the measurement period (see above), and additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see accounting policy above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units ("CGUs") (or group of CGUs) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and is not larger than an operating segment.

A CGU (or group of CGUs) to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in an annual period, the CGU (or group of CGUs) to which goodwill has been allocated is tested for impairment before the end of that annual period. If the recoverable amount is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit (or group of CGUs).

On disposal of the relevant CGU or any of the CGU within the group of CGUs, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal. When the Group disposes of an operation within the CGU (or a CGU within a group of CGUs), the amount of goodwill disposed of is measured on the basis of the relative values of the operation (or the CGU) disposed of and the portion of the CGU (or the group of CGUs) retained.

The Group's policy for goodwill arising on the acquisition of an associate and a joint venture is described below.

Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control over those policies.

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

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Investments in associates and joint ventures (continued)

The results and assets and liabilities of associates and joint ventures are incorporated in the consolidated financial statements using the equity method of accounting. The financial statements of associates and joint ventures used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. Changes in net assets of the associate or joint venture other than profit or loss and other comprehensive income are not accounted for unless such changes resulted in changes in ownership interest held by the Group. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are provided for, and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The Group assesses whether there is an objective evidence that the interest in an associate or a joint venture may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised 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 recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Investments in associates and joint ventures (continued)

When the Group ceases to have significant influence over an associate or a joint venture, it is accounted for as a disposal of the entire interest in the investee with a resulting gain or loss being recognised in profit or loss. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset within the scope of IFRS 9, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition. The difference between the carrying amount of the associate or joint venture and the fair value of any retained interest and any proceeds from disposing of the relevant interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) upon disposal or partial disposal of the relevant associate or joint venture.

Where a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

Changes in the Group's interests in associates and joint ventures

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies 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 reclassified to profit or loss on the disposal of the related assets or liabilities.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Changes in the Group's interests in associates and joint ventures (continued)

Acquisition of additional interests in associates or joint ventures

When the Group increases its ownership interest in an associate or a joint venture but the Group continues to use the equity method, goodwill is recognised at acquisition date if there is excess of the consideration paid over the share of carrying amount of net assets attributable to the additional interests in associates or joint ventures acquired. Any excess of share of carrying amount of net assets attributable to the additional interests in associates or joint ventures acquired over the consideration paid are recognised in the profit or loss in the period in which the additional interest are acquired.

Revenue from contracts with customers

The Group recognises 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 or service (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 recognised 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 an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

A contract asset and a contract liability relating to the same contract are accounted for and presented on a net basis.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Revenue from contracts with customers (continued)

Descriptions of the Group's performance obligations in contracts with customers and significant judgements applied in revenue recognition are as follows:

(a) Sales of electricity and heat supply

Revenue from the sales of electricity and heat supply represents the amount of tariffs billed for electricity and heat generated and transmitted to the respective power companies and heat supply companies.

Revenue is recognised when the electricity and heat is transmitted as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(b) Sales of coal and other goods

Revenue from the sales of coal and other goods is recognised when the control of goods is passed to customers, which is the date when the goods are either picked up at site or free on board, is transferred, or delivered to the designated locations and accepted by the customers.

Revenue is recognised when the products are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Leases

The Group assesses whether a contract is or contains a lease based on the definition under IFRS 16 at inception of the contract. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

The Group as a lessee

Allocation of consideration to components of a contract

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Non-lease components are separated from lease component and are accounted for by applying other applicable standards.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Leases (continued)

The Group as a lessee (continued)

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the recognition exemption for lease of low-value assets. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Right-of-use assets

The cost of right-of-use asset includes:

- the amounts of the initial measurement of the lease liabilities;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term are depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

When the Group obtains ownership of the underlying leased assets at the end of the lease term, upon exercising purchase options, the carrying amount of the relevant right-of-use assets are transferred to property, plant and equipment.

The Group presents right-of-use assets as a separate line item on the consolidated statement of financial position.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Leases (continued)

The Group as a lessee (continued)

Refundable rental deposits

Refundable rental deposits paid are accounted under IFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

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, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise the option; and
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising an option to terminate the lease.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Leases (continued)

The Group as a lessee (continued)

Lease liabilities (continued)

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.
- the lease payments change due to changes in market rental rates following a market rent review/expected payment under a guaranteed residual value, in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.
- a lease contract is modified and the lease modification is not accounted for as a separate lease (see below for the accounting policy for “lease modifications”).

The Group presents lease liabilities as a separate line item on the consolidated statement of financial position.

Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability, less any lease incentives receivable, based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Leases (continued)

The Group as a lessee (continued)

Lease modifications (continued)

The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use asset.

When the modified contract contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the modified contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group as a lessor

Classification and measurement of leases

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset, and such costs are recognised as an expense on a straight-line basis over the lease term.

Allocation of consideration to components of a contract

When a contract includes both leases and non-lease components, the Group applies IFRS 15 Revenue from contracts with customers ("IFRS 15") to allocate consideration in a contract to lease and non-lease components. Non-lease components are separated from lease component on the basis of their relative stand-alone selling prices.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Leases (continued)

The Group as a lessor (continued)

Refundable rental deposits

Refundable rental deposits received are accounted for under IFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments from lessees.

Lease modification

Changes in considerations of lease contracts that were not part of the original terms and conditions are accounted for as lease modifications, including lease incentives provided through forgiveness or reduction of rentals.

The Group accounts for a modification to an operating lease as a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease.

Sale and leaseback transactions

The Group applies the requirements of IFRS 15 to assess whether sale and leaseback transaction constitutes a sale by the Group.

The Group acts as a seller-lessee

For a transfer that does not satisfy the requirements as a sale, the Group as a seller-lessee continues to recognise the assets and accounts for the transfer proceeds as borrowings within the scope of IFRS 9.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. When a fair value gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is also recognised in profit or loss. When a fair value gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is also recognised in other comprehensive income. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. RMB) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of "foreign currency translation reserve" (attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation are treated as assets and liabilities of that foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Borrowing costs

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 the 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 capitalisation rate on general borrowings. Investment income earned on temporary investment specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants related to income that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable. Government grants relating to compensation of expenses are deducted from the related expenses, other government grants are presented under "Other income and other gains and losses, net".

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Employee benefits

Pension and other social obligation

The Group contributes to defined contribution schemes including pension and/or other social benefits in accordance with the local conditions and practices in the municipalities and provinces in which it operates. Contributions to the schemes by the Group and employees are calculated as a percentage of employees' basic salaries and recognised as an expense in profit or loss when employees have rendered service entitling them to the contributions.

Termination benefits

A liability for a termination benefit is recognised at the earlier of when the Group can no longer withdraw the offer of the termination benefit and when it recognises any related restructuring costs.

Short-term benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another IFRS Accounting Standard requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

Taxation

Income tax expense represents the sum of current and deferred income tax expense.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Taxation (continued)

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of the transaction does not give rise to equal taxable and deductible temporary differences. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and interests in associates and joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies IAS 12 requirements to the lease liabilities and the related assets separately. The Group recognises a deferred tax asset related to lease liabilities to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised and a deferred tax liability for all taxable temporary differences.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Taxation (continued)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly to equity, in which case, the current tax and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Property, plant and equipment

Property, plant and equipment are tangible assets that are held for use in the production or supply of goods, or for administrative purposes (other than construction in progress as described below). Property, plant and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Construction in progress represents buildings and structures under construction and plant and equipment and transportation facilities pending installation. Construction in progress is carried at cost less any recognised impairment loss. Costs include 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, including costs of testing whether the related assets is functioning property and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Sale proceeds of items that are produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management (such as samples produced when testing whether the asset is functioning properly), and the related costs of producing those items are recognised in the profit or loss. The cost of those items is measured in accordance with the measurement requirements of IAS 2. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

When the Group makes payments for ownership interests of properties which includes both leasehold land and building elements, the entire consideration is allocated between the leasehold land and the building elements in proportion to the relative fair values at initial recognition. To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land is presented as "right-of-use assets" in the consolidated statement of financial position. When the consideration cannot be allocated reliably between non-lease building element and undivided interest in the underlying leasehold land, the entire properties are classified as property, plant and equipment.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Property, plant and equipment (continued)

Depreciation is recognised so as to write off the cost of assets (other than construction in progress) less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties also include leased properties which are being recognised as right-of-use assets and subleased by the Group under operating leases.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are stated at cost less subsequent accumulated depreciation and any accumulated impairment losses. Depreciation is recognised so as to write off the cost of investment properties over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method.

Construction costs incurred for investment properties under construction are capitalised as part of the carrying amount of the investment properties under construction.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal.

A leased property which is recognised as a right-of-use asset is derecognised if the Group as intermediate lessor classifies the sublease as a finance lease.

Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation 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. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less any subsequent accumulated impairment losses.

Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development activities (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses (if any), on the same basis as intangible assets that are acquired separately.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Intangible assets (continued)

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are recognised separately from goodwill and are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination with finite useful lives are reported at costs less accumulated amortisation and any accumulated impairment losses, on the same basis as intangible assets that are acquired separately. Intangible assets acquired in a business combination with indefinite useful lives are carried at cost less any subsequent accumulated impairment losses.

An intangible asset is derecognised 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 recognised in profit or loss when the asset is derecognised.

Impairment on property, plant and equipment, investment properties, right-of-use assets and intangible assets other than goodwill

At the end of the reporting period, the Group reviews the carrying amounts of its property, plant and equipment, investment properties, right-of-use assets and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss, if any.

The recoverable amount of property, plant and equipment, investment properties, right-of-use assets and intangible assets are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the CGU to which the asset belongs.

In testing a CGU for impairment, corporate assets are allocated to the relevant CGU when a reasonable and consistent basis of allocation can be established, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be established. The recoverable amount is determined for the CGU or group of CGUs to which the corporate asset belongs, and is compared with the carrying amount of the relevant CGU or group of CGUs.

Recoverable amount is the higher of 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.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Impairment on property, plant and equipment, investment properties, right-of-use assets and intangible assets other than goodwill (continued)

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 recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or 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 recognised for the asset (or a CGU or a group of CGUs) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Cash and cash equivalents

Cash and cash equivalents presented on the consolidated statement of financial position include:

- (a) cash, which comprises of cash on hand and demand deposits, excluding bank balances that are subject to regulatory restrictions that result in such balances no longer meeting the definition of cash; and
- (b) cash equivalents, which comprises of short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

For the purposes of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts which are repayable on demand and form an integral part of the Group's cash management. Such overdrafts are presented as short-term borrowings in the consolidated statement of financial position.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Cash and cash equivalents (continued)

Bank balances for which use by the Group is subject to third party contractual restrictions are included as part of cash unless the restrictions result in a bank balance no longer meeting the definition of cash. Contractual restrictions affecting use of bank balances are disclosed in note 47. If the contractual restrictions to use the cash extend beyond 12 months after the end of the reporting period, the related amounts are classified as non-current in the consolidated statement of financial position.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost of inventories are determined on a weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Costs necessary to make the sale include incremental costs directly attributable to the sale and non-incremental costs which the Group must incur to make the sale.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made on the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

Contingent liabilities

A contingent liability is a present obligation arising from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Where the Group is jointly and severally liable for an obligation, the part of the obligation that is expected to be met by other parties is treated as a contingent liability and it is not recognised in the consolidated financial statements.

The Group assesses continually to determine whether an outflow of resources embodying economic benefits has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability, a provision is recognised in the consolidated financial statements in the reporting period in which the change in probability occurs, except in the extremely rare circumstances where no reliable estimate can be made.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with IFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss ("FVTPL")) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established generally by regulation or convention in the market place concerned.

All recognised financial assets are measured subsequently in their entity at either amortised cost or fair value, depending on the classification of the financial assets.

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect 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.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Financial instruments (continued)

Financial assets (continued)

Classification and subsequent measurement of financial assets (continued)

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income ("FVTOCI"):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; 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 FVTPL, except that at 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 recognised by an acquirer in a business combination to which IFRS 3 Business Combinations applies.

A financial asset is classified as 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, except for 2 derivative that is a designated and effective hedging instrument.

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost or FVTOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

(i) Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost and debt instruments/receivables subsequently measured at FVTOCI. 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 recognised by applying the effective interest rate to the amortised 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 recognised 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.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Financial instruments (continued)

Financial assets (continued)

Classification and subsequent measurement of financial assets (continued)

(ii) Debts instruments/receivables classified as at FVTOCI

Subsequent changes in the carrying amounts for debts instruments/receivables classified as at FVTOCI as a result of interest income calculated using the effective interest method are recognised in profit or loss.

The amounts that are recognised in profit or loss are the same as the amounts that would have been recognised in profit or loss if these debt instruments/receivables had been measured at amortised cost.

All other changes in the carrying amount of these debts instruments/receivables are recognised in other comprehensive income and accumulated under the heading of FVTOCI reserve. Impairment allowances are recognised in profit or loss with corresponding adjustment to other comprehensive income without reducing the carrying amounts of these debts instruments/receivables. When these debts instruments/receivables are derecognised, the cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.

(iii) 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 recognised 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/accumulated losses.

Dividends from these investments in equity instruments are recognised 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 the "Investment income" line item in profit or loss.

(iv) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI or designated as FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial asset and is included in the "Other income and other gains and losses, net" line item.

Impairment of financial assets subject to impairment to assessment under IFRS 9

The Group performs impairment assessment under expected credit loss ("ECL") model on financial assets including trade and notes receivables, other receivables and cash and cash equivalents and restricted deposits, and financial guarantee contracts which are subject to impairment assessment under IFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets subject to impairment to assessment under IFRS 9 (continued)

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 ECL ("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. Assessments are 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 economic conditions.

The Group always recognises lifetime ECL for trade receivables.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless there has been a significant increase in credit risk since initial recognition, in which case the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

(i) 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. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

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 instrument's 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;

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets subject to impairment to assessment under IFRS 9 (continued)

(i) Significant increase in credit risk (continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly: (continued)

- 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;
- 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 financial instrument is determined to have low credit risk at the reporting date. A financial 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.

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contract, the Group considers the changes in the risk that the specified debtor will default on the contract.

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.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets subject to impairment to assessment under IFRS 9 (continued)

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs (i) when there is a breach of financial covenants by the debtor or (ii) 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 unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) 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 consider; or
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

(iv) 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 recognised in profit or loss.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets subject to impairment to assessment under IFRS 9 (continued)

(v) 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 and 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.

For a financial guarantee contract, the Group is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed. Accordingly, the ECL is the present value of the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

For ECL on financial guarantee contracts for which the effective interest rate cannot be determined, the Group will apply a discount rate that reflects the current market assessment of the time value of money and the risks that are specific to the cash flows but only if, and to the extent that, the risks are taken into account by adjusting the discount rate instead of adjusting the cash shortfalls being discounted.

Lifetime ECL for certain trade receivables are considered on a collective basis taking into consideration past due information and relevant credit information such as forward-looking macroeconomic information.

For collective assessment, the Group takes into consideration the following characteristics when formulating the grouping:

- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets subject to impairment to assessment under IFRS 9 (continued)

(v) Measurement and recognition of ECL (continued)

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

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 amortised cost of the financial asset.

Except for investments in debts instruments/receivables that are measured at FVTOCI and financial guarantee contracts, the Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount. For investments in debts instruments/receivables that are measured at FVTOCI, the loss allowance is recognised in other comprehensive income and accumulated in the FVTOCI reserve without reducing the carrying amount of these debt instruments/receivables. Such amount represents the changes in the FVTOCI reserve in relation to accumulated loss allowance.

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically:

- For financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'Finance costs' line item (note 11) as part of the foreign exchange (gain)/loss, net;
- For debt instruments/receivables measured at FVTOCI that are not part of a designated hedging relationship, exchange differences on the amortised cost of the debt instrument/receivables are recognised in profit or loss in the 'Finance costs' line item (note 11) as part of the foreign exchange (gain)/loss, net. As the foreign currency element recognised in profit or loss is the same as if it was measured at amortised cost, the residual foreign currency element based on the translation of the carrying amount (at fair value) is recognised in other comprehensive income in the FVTOCI reserve;

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Financial instruments (continued)

Financial assets (continued)

Foreign exchange gains and losses (continued)

- For financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'Other income and other gains and losses, net' line item as part of the (loss)/gain on change of fair value of financial assets (note 10);
- For equity instruments measured at FVTOCI, exchange differences are recognised in other comprehensive income in the FVTOCI reserve.

Derecognition of financial assets

The Group derecognises 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 recognises 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 recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of notes receivables 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/accumulated losses.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Financial instruments (continued)

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 recognised at the proceeds received, net of direct issue costs.

Perpetual instruments, which include no contractual obligation for the Group to deliver cash or financial assets or the Group has the sole discretion to defer payment of distribution and redemption of principal amount indefinitely are classified as equity instruments.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

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

Financial guarantee contract

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts liabilities are measured initially at their fair values. It is subsequently measured at the higher of:

- the amount of the loss allowance determined in accordance with IFRS 9; and
- the amount initially recognised less, where appropriate, cumulative amortisation recognised over the guarantee period.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Financial instruments (continued)

Financial liabilities and equity (continued)

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are recognised in the 'Finance costs' line item in profit or loss (note 11) as part of foreign exchange (gain)/loss, net for financial liabilities that are not part of a designated hedging relationship.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Offsetting a financial asset and a financial liability

A financial asset and a financial liability are offset and the net amount presented in the consolidated statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ("CODM"). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the steering committee that makes strategic decisions.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the consolidated financial statements in the period in which the dividends are approved by the Company's shareholders or directors, where appropriate.

Related parties

- (a) A person or a close member of that person's family is related to the Group if that person:
- (i) has control or joint control of the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of key management personnel of the Group or the Company's parent.
- (b) An entity is related to the Group if any of the following conditions apply:
- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
 - (iii) Both entities 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;
 - (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 Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

5 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 4, the directors of the Company are required to make judgements, estimates and assumptions about the amounts of assets, liabilities, revenue and expenses reported and disclosures made in the consolidated financial statements. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Critical judgement in applying accounting policies

The following are the critical judgements, apart from those involving estimations (see below), that the directors of the Company have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Going concern basis

These consolidated financial statements have been prepared on a going concern basis, the validity of which depends upon the availability of funding from various sources to enable the Group to operate as a going concern and meet its liabilities as they fall due. Details are explained in note 3 to the consolidated financial statements.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

5 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Key sources of estimation uncertainty (continued)

Estimated impairment of property, plant and equipment

Property, plant and equipment are stated at costs less accumulated depreciation and impairment, if any. In determining whether an asset is impaired, the Group has to exercise judgement and make estimation, particularly in assessing: (1) whether an event has occurred or any indicators that may affect the asset value; (2) whether the carrying value of an asset can be supported by the recoverable amount, in the case of value in use, the net present value of future cash flows which are estimated based upon the continued use of the asset; and (3) the appropriate key assumptions to be applied in estimating the recoverable amounts including cash flow projections and an appropriate discount rate. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the assets belongs, including allocation of corporate assets when a reasonable and consistent basis of allocation can be established, otherwise recoverable amount is determined at the smallest group of CGUs, for which the relevant corporate assets have been allocated. Changing the assumptions and estimates, including the discount rates or the growth rate in the cash flow projections, could materially affect the recoverable amounts.

As at 31 December 2025, the carrying amount of property, plant and equipment, subject to impairment assessment was RMB240,860,407,000 (2024: RMB233,724,015,000), after taking into account the accumulated impairment losses of RMB4,211,515,000 (2024: RMB3,497,944,000) in respect of property, plant and equipment that have been recognised. Details of the impairment of property, plant and equipment are disclosed in note 18.

During the year ended 31 December 2025, impairment losses of RMB756,548,000 (2024: RMB1,221,166,000) were recognised in profit or loss.

Estimated impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the recoverable amount of the CGU (or group of CGUs) to which goodwill has been allocated, which is the higher of the value in use or fair value less costs of disposal. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the CGU (or group of CGUs) and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, or change in facts and circumstances which results in downward revision of future cash flows or upward revision of discount rate, a material impairment loss or further impairment loss may arise.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

5 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Key sources of estimation uncertainty (continued)

Estimated impairment of goodwill (continued)

As at 31 December 2025, the carrying amount of goodwill is RMB1,021,650,000 (2024: RMB642,802,000) (net of accumulated impairment loss of RMB989,344,000 (2024: RMB191,139,000)). Details of the recoverable amount calculation are disclosed in note 21.

Deferred tax assets

At 31 December 2025, deferred tax assets of RMB1,291,096,000 (2024: RMB2,030,986,000) in relation to unused tax losses has been recognised in the Group's consolidated statement of financial position. No deferred tax assets has been recognised on the tax losses of RMB19,853,323,000 (2024: RMB22,287,093,000) due to the unpredictability of future profit streams. The realisability of the deferred tax assets mainly depends on whether sufficient taxable profits will be available in the foreseeable future or taxable temporary differences are expected to reverse in the same period as the expected reversal of the deductible temporary differences, which is a key source of estimation uncertainty. The uncertainty would depend on how the ongoing uncertain macroeconomic and geopolitical environment, which includes the persistent effects of higher interest rates and inflation, may progress and evolve. In cases where the actual future taxable profits generated are less or more than expected, or change in facts and circumstances which result in revision of future taxable profits estimation, a material reversal or further recognition of deferred tax assets may arise, which would be recognised in profit or loss for the period in which such a reversal or further recognition takes place. The information about the Group's deferred tax assets are disclosed in note 37.

Fair value measurement of financial instruments

At 31 December 2025, the Group's financial assets are measured at fair value with fair value being determined based on significant unobservable inputs using valuation techniques. Judgement and estimation are required in establishing the relevant valuation techniques and the relevant inputs thereof. Changes in assumptions relating to these factors could result in material adjustments to the fair value of these instruments. Relevant information about the utilisation of valuation techniques and input in the process of determining the fair value are disclosed in note 7.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

6 FINANCIAL RISK MANAGEMENT AND CAPITAL RISK MANAGEMENT

(a) Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of debt balance, which includes the borrowings disclosed in notes 34, 35, 41 and 42, net of cash and cash equivalents and restricted deposits and equity attributable to owners of the Company, comprising share capital and reserves.

The management of the Group reviews the capital structure periodically. As part of this review, the management considers the cost of capital and the risks associates with each class of capital. Based on recommendations of the management, the Group will balance its overall capital structure through the payment of dividends and new share issues as well as the issue of new debts or equity instruments or sell assets to reduce debts.

	2025	2024
	RMB'000	RMB'000
Short-term loans	41,115,743	36,833,122
Short-term bonds	5,018,623	5,021,757
Long-term loans	135,813,374	139,132,271
Long-term bonds	7,091,694	4,338,927
	189,039,434	185,326,077
Less: Cash and cash equivalents and restricted deposits	(9,267,252)	(7,734,434)
Net debt	179,772,182	177,591,643
Equity attributable to owners of the Company	34,079,711	30,219,891
Debt to equity ratio	5.28	5.88

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

6 FINANCIAL RISK MANAGEMENT AND CAPITAL RISK MANAGEMENT (continued)

(b) Categories of financial instruments

	2025	2024
	RMB'000	RMB'000
Financial assets:		
Financial assets at amortised cost	31,999,129	31,272,793
Financial assets at fair value through profit or loss	4,111,385	4,146,033
Financial assets at fair value through other comprehensive income	877,651	787,459
Financial liabilities:		
Financial liabilities at amortised cost	228,175,803	224,217,029

(c) Financial risk management

The Group's major financial instruments include financial assets at fair value through profit or loss and other comprehensive income, trade and notes receivables, other receivables, entrusted loans receivables, cash and cash equivalents, trade payables and accrued liabilities, consideration payable, lease liabilities and borrowings. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The management of the Group manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

Currency risk

The Group has minimal exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in the functional currencies of the group entities. Accordingly, no currency risk sensitivity analysis is presented.

Interest rate risk

The Group is exposed to fair value interest rate risk in relation to bank deposits, fixed-rate bank loans and lease liabilities. The Group's exposure to cash flow interest rate risk primarily arises from variable-rate borrowings.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

6 FINANCIAL RISK MANAGEMENT AND CAPITAL RISK MANAGEMENT (continued)

(c) Financial risk management (continued)

Interest rate risk (continued)

Most of the bank deposits are maintained in the savings and fixed deposits accounts in the PRC. The interest rates are regulated by the People's Bank of China while the Group closely monitors the fluctuation on such rates periodically. As the average interest rates applied to the deposits are relatively low, the directors are of the opinion that the Group is not exposed to any significant interest rate risk and no sensitivity analysis presented for these assets held as at 31 December 2025 and 2024.

Certain loans bear interests at variable rates varied with the prevailing market condition, thus exposing the Group to cash flow interest rate risk. The Group analyses interest rate exposures on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions and alternative financing. The sensitivity analyses below have been determined based on the exposure to interest rates at the end of the reporting period. The analysis is prepared assuming the financial instruments outstanding at the end of each reporting period were outstanding for the whole year. The basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

Sensitivity analysis

At 31 December 2025, if interest rates on loans had been 50 basis points (2024: 50 basis points) lower with all other variables held constant, consolidated profit after tax for the year would have been RMB663,484,000 higher (2024: RMB659,870,000 higher), arising mainly as a result of lower interest expense on the loans. If interest rates on loans had been 50 basis points (2024: 50 basis points) higher with all other variables held constant, consolidated profit after tax for the year would have been RMB663,484,000 lower (2024: RMB659,870,000 lower), arising mainly as a result of higher interest expense on the loans.

Other price risk

The Group was exposed to other price risk in relation to its equity instruments measured at fair value through other comprehensive income and fair value through profit or loss. The management of the Group considered the Group's exposure to other price risk on these instruments was insignificant, sensitivity analyses for unquoted equity securities with fair value measurement categorised within Level 3 were presented in note 7(a).

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

6 FINANCIAL RISK MANAGEMENT AND CAPITAL RISK MANAGEMENT (continued)

(c) Financial risk management (continued)

Credit risk and impairment assessment

Credit risk refer to the risk that the Group's counterparties default on their contractual obligations resulting in financial losses to the Group. The Group's credit risk exposures are primary attributable to trade and notes receivables, other receivables, entrusted loans receivables and cash and cash equivalents and restricted bank deposits.

Trade receivables arising from contracts with customers

With regard to trade receivables arising from power sales and heat supply, most of the power plants of the Group sell electricity and heat supply to their sole customer, the power grid companies or heat supply companies of their respective provinces or regions where the power plants operate.

For trade receivables arising from sales of electricity and heat supply, the directors are of the opinion that there is no significant credit risk as these power plants of the Group communicate with their individual power grid companies periodically and maintains long-term and stable business relationships with these companies.

In respect of trade receivables arising from tariff premium of renewable energy, pursuant to Caijian [2012] No. 102 Notice on the 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 ("MOF"), the National Development and Reform Commission ("NDRC") and the National Energy Administration ("NEA") in March 2012, a set of standardised procedures for the settlement of the aforementioned renewable energy tariff premium has come into force since 2012 and approvals on a project by project basis are required before the allocation of funds to local grid companies.

In February 2020, the MOF, NDRC and 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). Pursuant to the new guidelines and notices, the quota of new subsidies should be decided based on the scale of subsidy funds, there will be no new subsidy catalogue published for tariff premium and as an alternative, power grid enterprises will publish list of renewable energy projects qualified for tariff premium periodically after the renewable energy generators gone through certain approval and information publicity process.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

6 FINANCIAL RISK MANAGEMENT AND CAPITAL RISK MANAGEMENT (continued)

(c) Financial risk management (continued)

Credit risk and impairment assessment (continued)

Trade receivables arising from contracts with customers (continued)

As at 31 December 2025, most of the Group's related projects have been approved for the tariff premium of renewable energy and certain projects are in the process of applying for the approval. The tariff premium receivables are settled in accordance with prevailing government policies and prevalent payment trends of the MOF. There is no due date for settlement. The directors are of the opinion that the approvals will be obtained in due course and these trade receivables from tariff premium are fully recoverable considering there were no bad debt experiences with the grid companies in the past and such tariff premium is funded by the PRC government.

The management believes that the credit risk exposure and loss given default of tariff premium receivables is limited and accumulated ECL of RMB44,421,000 (2024: RMB41,894,000) have been made for the year ended 31 December 2025.

For trade receivables arising from coal sales and others operation, the Group assesses the credit quality of the customers, taking into account their financial positions, past experience and other factors. It will also collect advanced payments from their customers. The Group performs periodic credit evaluations of its customers and believes that adequate allowance for credit losses has been made in the consolidated financial statements.

The Group uses internal credit rating, taking into consideration the Group's historical default rates and forward-looking information that is reasonable and supportable available without undue costs or effort, to assess the impairment for its customers in relation to its sales of coal and others operation because these customers consist of a large number of small customers with common risk characteristics that are representative of the customers' abilities to pay all amounts due in accordance with the contractual terms. Debtors with significant outstanding balances or credit-impaired with gross carrying amounts of RMB276,454,000 as at 31 December 2025 (2024: RMB254,422,000) were assessed individually, and accumulated ECL of RMB228,915,000 (2024: RMB202,258,000) have been made for the year ended 31 December 2025.

At 31 December 2025, trade receivables due from the top five debtors amounted to RMB9,577,058,000 (2024: RMB8,732,400,000), representing 45.52% (2024: 41.30%) of the total trade receivables. Except for trade receivables, the Group has no significant concentrations of credit risk.

For the quantitative disclosures in respect of the Group's exposure to credit risk arising from trade receivables are set out in note 27.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

6 FINANCIAL RISK MANAGEMENT AND CAPITAL RISK MANAGEMENT (continued)

(c) Financial risk management (continued)

Credit risk and impairment assessment (continued)

Notes receivables, other receivables, entrusted loans receivables and cash and cash equivalents and restricted bank deposits

For notes receivables, the credit risk is limited because the notes are guaranteed by banks for payments and the banks are either the state-owned banks or other creditworthy financial institutions in the PRC.

For other receivables, management makes periodic individual assessment on their recoverability based on historical settlement records and also quantitative and qualitative information that is reasonable and supportive forward-looking information. At 31 December 2025, the Group had made an accumulated lifetime loss allowance on credit-impaired and not-credit-impaired other receivables amounting to RMB306,916,000 (2024: RMB465,847,000) and RMB61,485,000 respectively (2024: RMB61,485,000).

For entrusted loans receivables, management makes periodic individual assessment on their recoverability based on historical settlement records and also quantitative and qualitative information that is reasonable and supportive forward-looking information. The management believes that there are no significant increase in credit risk of these amounts since initial recognition and the Group provided impairment based on 12 month expected credit losses. During the year ended 31 December 2025, loss allowances of RMB250,366,000 was reversed (2024: RMB250,366,000 was recognised) in profit or loss.

The Group maintains most of its bank deposits in several major government-related financial institutions in the PRC. With strong state support provided to those government-related financial institutions and the holding of directorship in the board of the related party non-bank financial institution, the directors are of the opinion that there is no significant credit risk on such assets being exposed.

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management of the Group monitors the utilisation of borrowings and ensures compliance with loan covenants.

As at 31 December 2025, the Group has net current liabilities of approximately RMB60,453,840,000 (2024: RMB57,451,589,000). The Group relies on borrowings as a significant source of liquidity. As at 31 December 2025, the Group has available undrawn borrowing facilities of not less than RMB150 billion (2024: RMB150 billion).

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. To the extent that interest flows are floating, the undiscounted amount is derived based on management's best estimates at the end of the reporting period, taking into consideration of interest rate curve, if available.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

6 FINANCIAL RISK MANAGEMENT AND CAPITAL RISK MANAGEMENT (continued)

(c) Financial risk management (continued)

Liquidity risk (continued)

	Weighted average interest rate	Less than 1 year or on demand RMB'000	Between 1 and 2 years RMB'000	Between 2 and 5 years RMB'000	Over 5 years RMB'000	Total RMB'000	Carrying amount RMB'000
At 31 December 2025							
Long-term loans	2.81%	25,196,399	21,900,668	37,123,258	72,389,207	156,609,532	135,813,374
Long-term bonds	2.03%	234,094	5,080,455	2,063,816	–	7,378,365	7,091,694
Other non-current liabilities	2.99%	1,610,510	1,438,196	3,316,595	1,047,779	7,413,080	7,256,405
Trade payables and accrued liabilities	–	29,326,460	–	–	–	29,326,460	29,326,460
Consideration payables	–	213,158	–	–	–	213,158	213,158
Dividend payables	–	194,613	–	–	–	194,613	194,613
Short-term loans	2.11%	41,655,503	–	–	–	41,655,503	41,115,743
Short term bonds	1.59%	5,023,651	–	–	–	5,023,651	5,018,623
Lease liabilities	2.97%	280,549	342,165	743,398	2,027,532	3,393,644	2,145,733
		103,734,937	28,761,484	43,247,067	75,464,518	251,208,006	228,175,803

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

6 FINANCIAL RISK MANAGEMENT AND CAPITAL RISK MANAGEMENT (continued)

(c) Financial risk management (continued)

Liquidity risk (continued)

	Weighted average interest rate	Less than 1 year or on demand	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total	Carrying amount
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 31 December 2024							
Long-term loans	2.92%	25,755,469	26,353,228	40,774,280	63,338,354	156,221,331	139,132,271
Long-term bonds	2.85%	340,636	–	6,273,018	–	6,613,654	4,338,927
Other non-current liabilities	3.44%	1,797,843	1,055,678	1,719,229	1,584,455	6,157,205	5,720,862
Trade payables and accrued liabilities	–	30,984,525	–	–	–	30,984,525	30,984,525
Consideration payables	–	213,158	–	–	–	213,158	213,158
Dividend payables	–	145,919	–	–	–	145,919	145,919
Short-term loans	2.91%	37,764,557	–	–	–	37,764,557	36,833,122
Short term bonds	1.84%	5,026,190	–	–	–	5,026,190	5,021,757
Lease liabilities	3.48%	229,430	194,210	558,465	1,245,265	2,227,370	1,826,488
		102,257,727	27,603,116	49,324,992	66,168,074	245,353,909	224,217,029

7 FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

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

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

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

7 FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (continued)

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

In estimating the fair value, the Group uses market-observable data to the extent it is available. For instruments with significant unobservable inputs under Level 3, the Group engages independent qualified valuers to perform the valuation. The finance department works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. The finance department reports findings to the management of the Group at each reporting date to explain the cause of fluctuations in the fair value.

Disclosures of level in fair value hierarchy at 31 December 2025:

Financial assets	Fair value as at		Fair value hierarchy	Valuation technique(s)	Significant input(s)	Relationship of unobservable input(s) to fair value
	31 December 2025	31 December 2024				
Equity instruments measured at fair value through profit or loss	Unlisted equity shares, amount of RMB4,111,385,000	Unlisted equity shares, amount of RMB4,146,033,000	Level 3	Market comparable approach	Discount for lack of marketability 20.87% to 27.05% (2024: 29.90%) (Note (i))	The higher the discount rate, the lower the fair value
Equity instruments measured at fair value through other comprehensive income	Unlisted equity shares, amount of RMB843,603,000	Unlisted equity shares, amount of RMB769,672,000	Level 3	Market comparable approach	Discount for lack of marketability 20.87% to 27.05% (2024: 29.90%) (Note (ii))	The higher the discount rate, the lower the fair value
Notes receivables at fair value through other comprehensive income	RMB34,048,000	RMB17,787,000	Level 2	Discounted cash flow	Market interest rate that reflects the time value to the date of settlement	N/A

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

7 FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (continued)

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

Notes:

- (i) The fair value of unlisted equity instruments is determined using the net assets ratios of comparable listed companies adjusted for lack of marketability discount. The fair value measurement is negatively correlated to the discount for lack of marketability. As at 31 December 2025, it is estimated that with all other variable held constant, a decrease in discount for lack of marketability by 5% would have increase the Group's consolidated profit after tax for the year by RMB73,291,000 (2024: RMB88,421,000).
- (ii) The fair value of unlisted equity instruments is determined using the net assets ratios of comparable listed companies adjusted for lack of marketability discount. The fair value measurement is negatively correlated to the discount for lack of marketability. As at 31 December 2025, it is estimated that with all other variable held constant, a decrease in discount for lack of marketability by 5% would have increase the Group's consolidated other comprehensive income by RMB10,442,000 (2024: RMB12,015,000).

During the years ended 31 December 2025 and 2024, there were no transfers between level 1 and level 2, or transfers into or out of level 3.

Reconciliation of Level 3 fair value measurements of financial assets:

	Equity instruments at FVTPL RMB'000	Equity instruments at FVTOCI RMB'000
At 1 January 2024	4,094,705	829,952
Additions	10,000	–
Disposals	–	(23,600)
Fair value change recognised in profit or loss	41,328	–
Fair value change recognised in other comprehensive income	–	(36,680)
At 31 December 2024 and 1 January 2025	4,146,033	769,672
Fair value change recognised in profit or loss	(34,648)	–
Fair value change recognised in other comprehensive income	–	73,931
At 31 December 2025	4,111,385	843,603

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

7 FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (continued)

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

Included in profit or loss is loss of RMB34,648,000 (2024: gain of RMB41,328,000) relating to financial assets at FVTPL held at the end of the current reporting period. Fair value gains or losses on financial assets at fair value through profit or loss are included in 'other gains and losses'.

Included in other comprehensive income is gain of RMB73,931,000 (2024: loss of RMB36,680,000) relating to unlisted equity securities classified as equity instruments at FVTOCI held at the end of the current reporting period and is reported as changes of FVTOCI reserve.

(b) Fair value of the Group's financial assets and financial liabilities that are measured at amortised cost

The management of the Group considers that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statement approximate their fair values.

8 OPERATING REVENUE

The Group's operating revenue was generated from contracts with customers and revenue is recognised at a point in time. The disaggregation of the Group's operating revenue by product types for the year is as follows:

	2025	2024
	RMB'000	RMB'000
Revenue from contracts with customers within the scope of IFRS 15		
Sales of electricity and heat supply	115,392,071	117,512,710
Others	5,863,348	5,960,919
	<u>121,255,419</u>	<u>123,473,629</u>

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

9 SEGMENT INFORMATION

Executive directors and certain senior management (including chief accountant) of the Company (collectively referred to as the “Senior Management”) perform the function as CODM. Senior Management reviews the internal reporting of the Group in order to assess performance and allocate resources. Senior Management has determined the operating segments based on these reports.

Senior Management considers the business from a product perspective. Senior Management primarily assesses the performance of power and heat generation and other operating activities separately. Other operating activities primarily include aluminium smelting products, coal mining, treatment of flyash, etc., and are included in “other segments”.

Senior Management assesses the performance of the operating segments based on a measure of profit before tax prepared under China Accounting Standards for Business Enterprises (“PRC GAAP”). Unless otherwise noted below, all such financial information in the segment tables below is prepared under PRC GAAP.

1. Power and heat generation segment – operation of power plants through subsidiaries, generating electric power and heat for sale to external power grid companies, investing in power plants through joint ventures and associates;
2. Other segments – engaged in aluminium smelting, coal mining and treatment of flyash and others.

The “other segments” comprises a number of immaterial businesses and none of these units has ever individually met the quantitative thresholds for determining a reportable segment.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

9 SEGMENT INFORMATION (continued)

Segment revenues and results

The following is an analysis of the Group's revenue and results by reportable and operating segments:

Year ended 31 December 2025

	Power and heat generation segment	Other segments	Total
	RMB'000	RMB'000	RMB'000
SEGMENT REVENUE			
Revenue from external customers	115,392,071	5,863,348	121,255,419
Inter-segment revenue (Note)	991,979	421,977	1,413,956
	<u>116,384,050</u>	<u>6,285,325</u>	<u>122,669,375</u>
Segment profit	<u>11,531,731</u>	<u>1,315,156</u>	<u>12,846,887</u>

Year ended 31 December 2024

	Power and heat generation segment	Other segments	Total
	RMB'000	RMB'000	RMB'000
SEGMENT REVENUE			
Revenue from external customers	117,512,710	5,960,919	123,473,629
Inter-segment revenue (Note)	861,734	627,243	1,488,977
	<u>118,374,444</u>	<u>6,588,162</u>	<u>124,962,606</u>
Segment profit	<u>7,311,506</u>	<u>1,310,974</u>	<u>8,622,480</u>

Note: The inter-segment sales were carried out with reference to market prices.

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 4. Segment profit or loss do not include income tax expense. This is the measure reported to the CODM of the Group for the purposes of resource allocation and performance assessment.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

9 SEGMENT INFORMATION (continued)

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segments:

	2025	2024
	RMB'000	RMB'000
SEGMENT ASSETS		
Power and heat generation segment	327,614,025	315,335,573
Other segments	5,912,846	7,265,964
Total reporting segment assets	<u>333,526,871</u>	<u>322,601,537</u>
SEGMENT LIABILITIES		
Power and heat generation segment	228,940,447	223,407,366
Other segments	5,013,162	5,710,587
Total reporting segment liabilities	<u>233,953,609</u>	<u>229,117,953</u>

Reconciliations of reportable segment results and assets and liabilities under PRC GAAP and IFRS Accounting Standards:

	2025	2024
	RMB'000	RMB'000
Total reporting segment profit	12,846,887	8,622,480
IFRS Accounting Standards adjustments	138,714	44,003
Profit before tax under IFRS Accounting Standards	<u>12,985,601</u>	<u>8,666,483</u>

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

9 SEGMENT INFORMATION (continued)

Segment assets and liabilities (continued)

Reconciliations of reportable segment results and assets and liabilities under PRC GAAP and IFRS Accounting Standards: (continued)

	2025	2024
	RMB'000	RMB'000
Assets		
Total reportable segment assets	333,526,871	322,601,537
IFRS Accounting Standards adjustments	109,622	22,397
Total assets under IFRS Accounting Standards	<u>333,636,493</u>	<u>322,623,934</u>
Liabilities		
Total reportable segment liabilities	233,953,609	229,117,953
IFRS Accounting Standards adjustments	76,162	71,597
Total liabilities under IFRS Accounting Standards	<u>234,029,771</u>	<u>229,189,550</u>

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

9 SEGMENT INFORMATION (continued)

Other segment information

Year ended 31 December 2025

	Power and heat generation segment	Other segments	Total
	RMB'000	RMB'000	RMB'000
<i>Amounts included in the measurement of segment results or segment assets:</i>			
Addition of non-current assets*	34,128,692	153,350	34,282,042
Depreciation and amortisation	15,574,776	438,199	16,012,975
Impairment of non-current assets*	590,143	271,710	861,853
Impairment of goodwill	779,493	18,712	798,205
Share of results of associates	1,342,323	794,340	2,136,663
Share of results of joint ventures	3,847	–	3,847
Interest income	22,665	4,161	26,826
Interest expenses	4,324,940	102,166	4,427,106
Allowance for inventories	–	26,176	26,176
Interests in associates	11,374,643	10,298,116	21,672,759
Interests in joint ventures	172,806	–	172,806
<i>Amounts regularly provided to the CODM but not included in the measurement of segment results:</i>			
Income tax expense	2,796,651	31,686	2,828,337

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

9 SEGMENT INFORMATION (continued)

Other segment information (continued)

Year ended 31 December 2024

	Power and heat generation segment	Other segments	Total
	RMB'000	RMB'000	RMB'000
<i>Amounts included in the measurement of segment results or segment assets:</i>			
Addition of non-current assets*	37,542,153	1,405,112	38,947,265
Depreciation and amortisation	14,093,402	551,855	14,645,257
Impairment of non-current assets*	1,076,239	159,400	1,235,639
Share of results of associates	1,539,365	1,077,544	2,616,909
Share of results of joint ventures	6,073	–	6,073
Interest income	33,862	18,790	52,652
Interest expenses	5,193,494	110,898	5,304,392
Allowance for inventories	1,540	–	1,540
Interests in associates	10,797,590	10,094,613	20,892,203
Interests in joint ventures	168,959	–	168,959
<i>Amounts regularly provided to the CODM but not included in the measurement of segment results:</i>			
Income tax expense/(credit)	1,988,442	(220,911)	1,767,531

* Non-current assets exclude goodwill, financial assets and deferred tax assets.

Geographical information

No geographical information is presented as more than 90% of the Group's revenue during the years ended 31 December 2025 and 2024 and most of their customers and non-current assets as at 31 December 2025 and 2024 were located in the PRC.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

9 SEGMENT INFORMATION (continued)

Information about major customers

Revenue from customers of the corresponding years contributing over 10% of the total revenue of the Group is as follows:

	2025	2024
	RMB'000	RMB'000
Customer A ¹	17,587,676	19,754,329
Customer B ¹	N/A ²	14,830,421

¹ Revenue from power and heat generation segment

² The corresponding revenue did not contribute over 10% of the Group's total revenue

10 OTHER INCOME AND OTHER GAINS AND LOSSES, NET

	2025	2024
	RMB'000	RMB'000
(Loss)/gain on change of fair value of financial assets at fair value through profit or loss	(34,648)	41,328
Amortisation of deferred income	200,842	217,771
Gain on disposal of non-current assets	32,511	14,592
Gain on disposal of subsidiaries (Note 44(b))	45,694	1,104
Gain on partial disposal of interest in an associate	16,122	–
Gain on disposal of interests in associates	–	49,894
Loss on de-consolidation of subsidiaries (Note 44(c))	–	(124,062)
Loss on disposal of property, plant and equipment	(531,268)	(232,169)
Compensation, damages and penalties	(51,138)	(28,967)
Donations	(28,889)	(21,025)
Loss on carbon emissions trading	(178,721)	(146,178)
Others	(89,248)	78,934
	(618,743)	(148,778)

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

11 FINANCE COSTS

	2025	2024
	RMB'000	RMB'000
Interest expense on bank loans, bonds and other borrowings	4,681,736	5,584,533
Interest on lease liabilities	67,150	67,322
Less: amounts capitalised in property, plant and equipment	(362,632)	(393,480)
	4,386,254	5,258,375
Foreign exchange (gain)/loss, net	(526)	2,073
Others	41,378	43,944
	4,427,106	5,304,392

Borrowing costs capitalised during the year arose on the general borrowing pool and are calculated by applying capitalisation rate ranged from 1.25% to 4.99% (2024: 2.01% to 3.48%) per annum to expenditure on qualifying assets.

12 INCOME TAX EXPENSE

(a) Taxation in consolidated statement of profit of loss

	2025	2024
	RMB'000	RMB'000
Current tax:		
PRC Enterprise Income Tax ("EIT"):		
Provision for the year	2,185,227	1,655,102
Under provision in respect of prior years	39,083	18,527
	2,224,310	1,673,629
Deferred tax	604,027	93,902
	2,828,337	1,767,531

The PRC EIT represents tax charged on the estimated assessable profits arising in the PRC. In general, the Group's subsidiaries operating in the PRC are subject to PRC EIT rate of 25% (2024: 25%), except for certain subsidiaries which are tax exempted or entitled to preferential tax rates, as determined in accordance with the relevant tax rules and regulations in the PRC.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

12 INCOME TAX EXPENSE (continued)

(a) Taxation in consolidated statement of profit of loss (continued)

The Group is operating in certain jurisdictions where the Pillar Two Rules are effective. However, as the Group's estimated effective tax rates of all the jurisdictions in which the Group operates are higher than 15%, after taking into account the adjustments under the Pillar Two Rules based on management's best estimate, the management of the Group considered the Group is not liable to top-up tax under Pillar Two Rules.

The tax charge for the year can be reconciled to the profit before tax as follows:

	2025	2024
	RMB'000	RMB'000
Profit before tax	12,985,601	8,666,483
Tax at PRC EIT rate of 25% (2024: 25%)	3,246,400	2,166,621
Tax effect of income not taxable for tax purpose	(541,068)	(426,991)
Tax effect of expenses not deductible for tax purpose	39,211	28,076
Utilisation of tax losses previously not recognised	(311,007)	(447,492)
Tax effect of tax losses not recognised	553,493	812,145
Tax effect of deductible temporary differences not recognised	412,807	316,963
Effect of income tax on concessionary rate in the PRC	(780,206)	(710,967)
Under provision in respect of prior years	39,083	18,527
Reversal of deferred tax assets recognised in prior years	106,783	78,974
Others	62,841	(68,325)
Income tax expense	2,828,337	1,767,531

During the year ended 31 December 2025, the Group assessed and considered that it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdictions and entities where deferred tax assets have been recognised in prior years for their cumulative unused tax losses. Consequently, deferred tax assets of RMB106,783,000 has been reversed and charged to profit or loss in 2025 (2024: RMB78,974,000).

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

12 INCOME TAX EXPENSE (continued)

(b) In addition to the amount charged to profit or loss, the following amounts relating to tax have been recognised in other comprehensive income/(expense):

	2025			2024		
	Before taxation	Taxation charged (Note 37)	Net of taxation	Before taxation	Taxation charged (Note 37)	Net of taxation
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Share of other comprehensive (expense)/income of associates	(23,330)	–	(23,330)	18,420	–	18,420
Exchange differences on translating foreign operations	(4,086)	–	(4,086)	8,365	–	8,365
Fair value gain/(loss) on investments in equity instruments at fair value through other comprehensive income	73,931	(3,920)	70,011	(36,680)	(19,928)	(56,608)
	46,515	(3,920)	42,595	(9,895)	(19,928)	(29,823)

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

13 PROFIT FOR THE YEAR

(a) Profit for the year has been arrived at after charging/(crediting):

	2025	2024
	RMB'000	RMB'000
Staff costs including directors' and supervisors' emoluments		
– Salaries and welfares	8,088,998	7,367,067
– Retirement benefits and other benefits	2,790,697	2,566,108
Total staff cost	10,879,695	9,933,175
Auditor's remuneration		
– Audit service	11,169	12,410
– Non-audit services	1,980	3,910
Total auditor's remuneration	13,149	16,320
Recognition of impairment of trade receivables, net	46,028	49,515
(Reversal)/recognition of impairment of other receivables, net	(15,939)	137,858
(Reversal)/recognition of impairment of non-current assets, net	(250,366)	250,366
Allowance for inventories	26,176	1,540
Cost of inventories recognised as an expense	64,328,814	74,847,305
Impairment of property, plant and equipment	756,548	1,221,166
Impairment of long-term prepaid expenses	105,305	–
Impairment of goodwill	798,205	–
Impairment of interest in an associate	–	14,473
Rental income generated from investment properties	(24,155)	(22,612)
Rental income generated from plant and equipment	(84,206)	(78,159)
Loss on disposal of property, plant and equipment	531,268	232,169
Depreciation on right-of-use assets	340,553	315,877
Depreciation on property, plant and equipment	15,453,518	14,146,242
Depreciation on investment properties	57,989	26,354
Total depreciation on non-current assets	15,852,060	14,488,473
Amortisation of intangible assets	160,915	156,784
Interest income from entrusted loans receivables	(25,954)	(40,183)
Dividend income from financial assets at fair value through profit or loss	(233,593)	(236,832)
Dividend income from financial assets at fair value through other comprehensive income	(2,647)	(11,490)

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

13 PROFIT FOR THE YEAR (continued)

(b) Other operating expenses:

	2025	2024
	RMB'000	RMB'000
Auditor's remuneration	13,149	16,320
Recognition of impairment of trade receivables, net	46,028	49,515
(Reversal)/recognition of impairment of other receivables, net	(15,939)	137,858
(Reversal)/recognition of impairment of non-current assets, net	(250,366)	250,366
Impairment of long-term prepaid expenses	105,305	–
Impairment of interest in an associate	–	14,473
Impairment of property, plant and equipment	756,548	1,221,166
Impairment of goodwill	798,205	–
Allowance for inventories	26,176	1,540
Amortisation of intangible assets	160,915	156,784
Procurement cost of aluminum products and coal products	4,466,672	5,110,521
Environmental protection fee	3,789,287	3,860,613
Electricity expenses	432,064	683,072
Water fee and water resource fee	1,566,393	824,375
Sales services fee	51,855	39,869
Property management fee	166,186	173,172
Greenery fee	9,892	40,468
Intermediary fees	79,883	69,553
Insurance	153,919	144,057
Office expenses	92,630	90,073
Outsourcing expenses	63,425	161,539
Public security fire fee	87,102	87,740
Information expenses	151,827	128,728
Travel expenses	105,114	112,157
Research and development costs	9,676	15,842
Technical service fee	149,610	131,437
Others (Note)	1,355,033	674,214
	14,370,589	14,195,452

Note: Others mainly represents expenses of generating utilities concession income and heat supply cost.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

14 BENEFITS AND INTEREST OF DIRECTORS AND SUPERVISORS

(a) Directors' and supervisors' emoluments

Directors' and supervisors' remuneration for the year, disclosed pursuant to the applicable Listing Rules and CO, is as follows:

For the year ended 31 December 2025

	Fees	Basic salaries and allowances	Discretionary bonus	Subtotal	Retirement benefits	Other benefits	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Name of directors							
Zhu Shaowen (i)	-	-	-	-	-	-	-
Zhao Xianguo	-	-	-	-	-	-	-
Jin Shengxiang	-	-	-	-	-	-	-
Sun Yongxing (ii)	-	-	-	-	-	-	-
Ma Jixian	-	-	-	-	-	-	-
Niu Dongxiao (ii)	137	-	-	137	-	-	137
Zong Wenlong	137	-	-	137	-	-	137
Zhao Yi	137	-	-	137	-	-	137
You Yong	137	-	-	137	-	-	137
Tian Dan (ii)	-	-	-	-	-	-	-
Zhu Dahong (ii)	137	-	-	137	-	-	137
Wang Jianfeng	-	-	-	-	-	-	-
Zhu Mei	-	-	-	-	-	-	-
Li Kai (iii)	-	172	718	890	54	123	1,067
Jiang Jianhua	-	198	360	558	59	166	783
Wang Wennan (iv)	-	-	-	-	-	-	-
Pang Xiaojin (v)	-	-	-	-	-	-	-
Li Zhongmeng (v)	-	-	-	-	-	-	-
Han Fang (v)	-	-	-	-	-	-	-
Pan Kunhua (v)	-	-	-	-	-	-	-
Xie Qiuye (v)	-	-	-	-	-	-	-
Li Xiaofei (vi)	-	55	55	110	13	42	165
	685	425	1,133	2,243	126	331	2,700
Name of the supervisors							
Liu Liming (ii)	-	-	-	-	-	-	-
Xu Xiangyang (ii)	-	350	-	350	29	82	461
Han Fang (ii)	-	-	-	-	-	-	-
Yan Xizheng (ii)	-	99	109	208	32	82	322
	-	449	109	558	61	164	783
	685	874	1,242	2,801	187	495	3,483

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

14 BENEFITS AND INTEREST OF DIRECTORS AND SUPERVISORS (continued)

(a) Directors' and supervisors' emoluments (continued)

Directors' and supervisors' remuneration for the year, disclosed pursuant to the applicable Listing Rules and CO, is as follows: (continued)

For the year ended 31 December 2025 (continued)

The directors' and supervisors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group. Certain directors are not paid directly by the Company but receive emoluments from the Company's holding company, in respect of their services to the larger group which includes the Group. No appointment has been made as the qualifying services provided by these directors to the Group are incidental to their responsibilities to the larger group.

Notes:

- (i) Resigned on 25 March 2025
- (ii) Resigned on 27 June 2025
- (iii) Resigned on 28 October 2025
- (iv) Appointed on 25 March 2025 and resigned on 27 June 2025
- (v) Appointed on 27 June 2025
- (vi) Appointed on 28 October 2025

Notes to the Consolidated Financial Statements

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14 BENEFITS AND INTEREST OF DIRECTORS AND SUPERVISORS (continued)

(a) Directors' and supervisors' emoluments (continued)

Directors' and supervisors' remuneration for the year, disclosed pursuant to the applicable Listing Rules and CO, is as follows: (continued)

For the year ended 31 December 2024

Name of directors	Fees	Basic salaries and allowances	Discretionary bonus	Subtotal	Retirement benefits	Other benefits	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Zhu Shaowen	-	-	-	-	-	-	-
Cao Xin (i)	-	-	-	-	-	-	-
Zhao Xianguo	-	-	-	-	-	-	-
Jin Shengxiang	-	-	-	-	-	-	-
Sun Yongxing	-	-	-	-	-	-	-
Ying Xuejun (ii)	-	-	-	-	-	-	-
Wang Shunqi (iii)	-	110	153	263	9	45	317
Xu Guang (iv)	-	148	267	415	12	69	496
Ma Jixian	-	-	-	-	-	-	-
Niu Dongxiao	137	-	-	137	-	-	137
Zong Wenlong	137	-	-	137	-	-	137
Zhao Yi	137	-	-	137	-	-	137
You Yong	67	-	-	67	-	-	67
Tian Dan	-	-	-	-	-	-	-
Zhu Dahong	137	-	-	137	-	-	137
Wang Jianfeng (v)	-	-	-	-	-	-	-
Zhu Mei (vi)	-	-	-	-	-	-	-
Li Kai (vii)	-	110	110	220	9	47	276
Jiang Jianhua (vi)	-	33	35	68	3	15	86
	615	401	565	1,581	33	176	1,790
Name of the supervisors							
Liu Liming	-	-	-	-	-	-	-
Guo Hong (viii)	-	115	522	637	9	53	699
Xu Xiangyang	-	759	-	759	15	94	868
Han Fang (ix)	-	-	-	-	-	-	-
Yan Xizheng (vii)	-	83	89	172	7	40	219
	-	957	611	1,568	31	187	1,786
	615	1,358	1,176	3,149	64	363	3,576

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

14 BENEFITS AND INTEREST OF DIRECTORS AND SUPERVISORS (continued)

(a) Directors' and supervisors' emoluments (continued)

Directors' and supervisors' remuneration for the year, disclosed pursuant to the applicable Listing Rules and CO, is as follows: (continued)

For the year ended 31 December 2024 (continued)

The directors' and supervisors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group. Certain directors are not paid directly by the Company but receive emoluments from the Company's holding company, in respect of their services to the larger group which includes the Group. No appointment has been made as the qualifying services provided by these directors to the Group are incidental to their responsibilities to the larger group.

Notes:

- (i) Resigned on 28 June 2024
- (ii) Resigned on 29 July 2024
- (iii) Resigned on 31 August 2024
- (iv) Resigned on 31 December 2024
- (v) Appointed on 28 June 2024
- (vi) Appointed on 31 December 2024
- (vii) Appointed on 22 August 2024
- (viii) Resigned on 6 August 2024
- (ix) Appointed on 21 December 2024

There was no arrangement under which a director or a supervisor waived or agreed to waive any remunerations during the year (2024: Nil).

(b) Directors' and supervisors' termination and other benefits

During the year, no remunerations were paid by the Group to any of the directors or the supervisors as an inducement to join or upon joining the Group or as compensation for loss of office.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

15 EMPLOYEES' EMOLUMENTS

(a) Retirement benefits schemes

As stipulated by the rules and regulations in the PRC, the Group contributes to the retirement funds scheme managed by local social security bureau in the PRC. The Group contributes a certain percentage of the basic salaries of its employees to the retirement plan to fund the benefits.

Contributions to the defined contribution retirement schemes vest immediately, there is no forfeited contributions that may be used by the Group to reduce the existing level of contribution.

The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions. During the year ended 31 December 2025, the total retirement benefit scheme contributions charged to the consolidated statement of profit or loss amounted to RMB2,790,697,000 (2024: RMB2,566,108,000).

(b) Housing benefits

The Group is required to make contributions to the state-sponsored housing fund. At the same time, the employees are required to make a contribution based on certain percentages. The employees are entitled to claim the entire sum of the fund under certain specified withdrawal circumstances. The Group has no further obligations for housing benefits beyond the contributions made above.

(c) Five highest paid individuals

The five highest paid individuals in the Group during the year included one director (2024: two supervisors) whose emoluments are reflected in the analysis presented in note 14(a) to the consolidated financial statements. The emoluments of the remaining four (2024: three) individuals are set out below:

	2025	2024
	RMB'000	RMB'000
Basic salaries and allowances	814	616
Discretionary bonus	3,201	1,691
Retirement benefits	244	47
Other benefits	662	282
	4,921	2,636

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

15 EMPLOYEES' EMOLUMENTS (continued)

(c) Five highest paid individuals (continued)

The emoluments fell within the following band:

	Number of individuals	
	2025	2024
HKD Nil to HKD1,000,000	–	3
HKD1,000,001 to HKD1,500,000	4	–

16 DIVIDENDS

Pursuant to the Board of Directors' meeting on 27 March 2026, the directors of the Company recommended to declare the final dividends for the year ended 31 December 2025 of RMB0.0930 per share totalling RMB1,721,124,000 (tax inclusive). Such recommendation is to be approved by the shareholders at the forthcoming annual general meeting. The proposed dividend has not been recognised as a liability as at 31 December 2025.

During the year ended 31 December 2025, an interim dividend of RMB0.055 per share in respect of the year ended 31 December 2025 totalling RMB1,017,869,000 (tax inclusive) was declared and paid to the owners of the Company.

During the year ended 31 December 2025, a final dividend of RMB0.0621 per share in respect of the year ended 31 December 2024 totalling RMB1,149,267,000 (tax inclusive) was declared and paid to the owners of the Company.

During the year ended 31 December 2024, a final dividend of RMB0.0075 per share in respect of the year ended 31 December 2023 totalling RMB138,800,000 (tax inclusive) was declared and paid to the owners of the Company.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

17 EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

	2025	2024
	RMB'000	RMB'000
Earnings		
Earnings for the purpose of basic and diluted earnings per share	<u>5,991,446</u>	<u>3,045,815</u>
	'000	'000
Number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	<u>18,506,711</u>	<u>18,506,711</u>

Note: The diluted earnings per share is equal to the basic earnings per share as there were no dilutive potential ordinary shares outstanding during the years ended 31 December 2025 and 2024.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

18 PROPERTY, PLANT AND EQUIPMENT

	Buildings and structures	Electricity utility plants	Transportation facilities	Others	Construction in progress	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Cost						
At 1 January 2024	133,831,667	244,667,285	1,851,820	3,043,052	26,924,855	410,318,679
Transfer from construction in progress	4,203,303	21,111,937	58,825	303,057	(25,677,122)	-
Transfer to investment properties (Note 20)	(36,042)	-	-	-	-	(36,042)
Additions	5,476	1,695,591	155,144	55,107	29,823,570	31,734,888
Disposals/write-off	(517,245)	(1,628,655)	(63,461)	(48,738)	(112,525)	(2,370,624)
Disposal of subsidiaries (Note 44(b))	-	-	(371)	(3,079)	(166,333)	(169,783)
	137,487,159	265,846,158	2,001,957	3,349,399	30,792,445	439,477,118
At 31 December 2024 and 1 January 2025						
Transfer from construction in progress	3,321,087	26,150,527	-	37,398	(29,509,012)	-
Transfer to investment properties (Note 20)	(100,241)	-	-	-	-	(100,241)
Additions	165,847	1,029,475	128,865	71,400	23,808,594	25,204,181
Acquisition of a subsidiary (Note 44(a))	454,365	677,103	198	470	3,587	1,135,723
Disposals/write-off	(444,000)	(1,404,320)	(51,717)	(71,352)	(2,119,584)	(4,090,973)
Disposal of subsidiaries (Note 44(b))	-	(15,768)	(1,147,409)	-	(727)	(1,163,904)
	140,884,217	292,283,175	931,894	3,387,315	22,975,303	460,461,904
At 31 December 2025						
Accumulated depreciation and impairment losses						
At 1 January 2024	49,656,849	137,183,262	1,275,900	1,837,584	2,472,592	192,426,187
Charge for the year	3,891,305	9,901,964	102,583	250,390	-	14,146,242
Impairment losses recognised in the year	89,895	290,375	-	-	840,896	1,221,166
Transfer to investment properties (Note 20)	(4,651)	-	-	-	-	(4,651)
Eliminated upon disposals/write-off	(470,951)	(1,351,932)	(60,519)	(46,198)	(103,136)	(2,032,736)
Disposal of subsidiaries (Note 44(b))	-	-	(360)	(2,745)	-	(3,105)

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

18 PROPERTY, PLANT AND EQUIPMENT (continued)

	Buildings and structures	Electricity utility plants	Transportation facilities	Others	Construction in progress	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 31 December 2024 and 1 January 2025	53,162,447	146,023,669	1,317,604	2,039,031	3,210,352	205,753,103
Charge for the year	4,354,186	10,827,408	80,942	190,982	-	15,453,518
Impairment losses recognised in the year	222,689	365,236	-	336	168,287	756,548
Transfer to investment properties (Note 20)	(10,511)	-	-	-	-	(10,511)
Eliminated upon disposals/write-off	(262,770)	(1,175,885)	(47,724)	(64,697)	(22,580)	(1,573,656)
Disposal of subsidiaries (Note 44(b))	-	(8,823)	(768,682)	-	-	(777,505)
At 31 December 2025	57,466,041	156,031,605	582,140	2,165,652	3,356,059	219,601,497
Carrying amount						
At 31 December 2025	83,418,176	136,251,570	349,754	1,221,663	19,619,244	240,860,407
At 31 December 2024	84,324,712	119,822,489	684,353	1,310,368	27,582,093	233,724,015

The above items of property, plant and equipment, except for construction in progress, after taking into account their estimated residual value, are depreciated on a straight line basis at the following rates per annum:

Buildings and structures	8 – 50 years
Electricity utility plants	4 – 35 years
Transportation facilities	10 – 12 years
Others	5 – 22 years

At 31 December 2025, certain buildings and structures with the carrying amount of RMB6,351,866,000 (2024: RMB7,909,760,000) are still in the process of applying the title certificate.

Certain property, plant and equipment are pledged to banks to secure banking facilities granted to the Group, please refer to note 47 for the details.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

18 PROPERTY, PLANT AND EQUIPMENT (continued)

Impairment assessment

Idle of assets of Inner Mongolia Datang International Hohhot Aluminum and Power Company Limited (“Hohhot Aluminum Power”)

During the year ended 31 December 2025, the carbon plant, alumina rotary kiln system, and the integrated pipeline network assets of Hohhot Aluminum Power, a subsidiary of the Group, were in an idle state. The management of the Group concluded that these assets are unable to generate sufficient future profit to support the business as a going concern, and therefore conducted impairment assessment on these idled assets. The recoverable amount of the assets, within the other segments, are estimated individually.

The recoverable amounts of the idled assets have been determined with the assistance of an independent professional valuer, based on their fair value less costs of disposal. The Group uses market approach to estimate the fair value less costs of disposal of the assets, which is based on the scrap value of the materials and market price of the assets adjusted for nature, location and conditions of the idled assets.

The fair value measurement is categorised into Level 3 fair value hierarchy. During the year ended 31 December 2025, the relevant assets were impaired to their recoverable amount of RMB63,340,000 and the impairment of RMB271,710,000 has been recognised in profit or loss within the relevant functions to which these assets relate.

Shutdown of Douhe Thermal Power Branch (“Douhe Thermal Power”) No.7 and 8 generation units of the Company

During the year ended 31 December 2025, the regulatory authorities listed Douhe Thermal Power No.7 and 8 generation units (the “No.7 and 8 Generation units”) on the “First Establishing and Then Rectifying” elimination list, pursuant to the requirements for phasing out obsolete production capacity. In view of this designation, the Company resolved to permanently shutdown the No.7 and 8 Generation units. Accordingly, the management of the Group concluded there was indication for impairment and conducted impairment assessment. The recoverable amount of the No.7 and 8 Generation units, within the power and heat generation segment, are estimated individually.

The recoverable amounts of the Generation units have been determined, with assistance from independent professional valuer, based on their fair value less cost of disposal. The Group uses direct comparison to estimate the fair value less cost of disposal of the assets to be sold as scrap which is based on the recent transaction prices for similar assets adjusted for nature, location, conditions of the units. The fair value measurement is categorised into Level 3 fair value hierarchy. The relevant assets were impaired to their recoverable amount of RMB76,697,000 and the impairment of RMB263,720,000 have been recognised in profit or loss within the relevant functions to which these assets relate during the year ended 31 December 2025.

Notes to the Consolidated Financial Statements

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18 PROPERTY, PLANT AND EQUIPMENT (continued)

Impairment assessment (continued)

Shutdown of Xia Hua Yuan Thermal Power Branch No.3 Coal-fired generation unit of the Company

During the year ended 31 December 2024, the Company shut down the Xia Hua Yuan Thermal Power Branch No.3 Coal-fired generation unit (the "Coal-fired generation unit"). Except for certain assets that can be revitalised and used within the Group are retained, the Group planned to retire and provide impairment on the remaining assets which to be sold as scrap. The management of the Group concluded there was indication for impairment and conducted impairment assessment on the Coal-fired generation unit. The recoverable amount of the Coal-fired generation unit, within the power and heat generation segment, are estimated individually.

The recoverable amounts of the Coal-fired generation unit have been determined, with assistance from independent professional valuer, based on their fair value less costs of disposal. The Group uses direct comparison to estimate the fair value less costs of disposal of the assets to be sold as scrap which is based on the recent transaction prices for similar assets adjusted for nature, location and conditions of the Coal-fired generation unit. The fair value measurement is categorised into Level 3 fair value hierarchy. The relevant assets were impaired to their recoverable amount of RMB22,566,000 and the impairment of RMB235,706,000 has been recognised in profit or loss within the relevant functions to which these assets relate during the year ended 31 December 2024.

Idle of assets of Douhe Thermal Power of the Company

Due to replacement of new coal-fired generating units, assets of certain units of Douhe Thermal Power were idle. The management of the Group concluded there was indication for impairment and conducted impairment assessment on these idled assets. The recoverable amount of the idled assets, within the power and heat generation segment, are estimated individually.

The recoverable amounts of the idled assets have been determined based on their fair value less costs of disposal. The Group uses direct comparison to estimate the fair value less costs of disposal of the assets which is based on the recent transaction prices for similar assets adjusted for nature, location and conditions of the idled assets. The fair value measurement is categorised into Level 3 fair value hierarchy. The relevant assets were impaired to their recoverable amount of RMB20,405,000 and the impairment of RMB144,564,000 has been recognised in profit or loss within the relevant functions to which these assets relate during the year ended 31 December 2024.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

18 PROPERTY, PLANT AND EQUIPMENT (continued)

Impairment assessment (continued)

Suspension of coal beneficiation plant project of Ordos Ruidefeng Mining Company Limited (“Ruidefeng Mining Company”)

During the year ended 31 December 2024, Ruidefeng Mining Company suspended its coal beneficiation plant project under construction due to unsatisfactory economic feasibility and deteriorating economic indicators. The management of the Group concluded there was indication for impairment and conducted impairment assessment on these suspended assets. The recoverable amount of the coal beneficiation plant project, within other segment, are estimated individually.

The recoverable amounts of the coal beneficiation plant project have been determined, with assistance from independent professional valuer, based on their fair value less costs of disposal. The Group uses direct comparison to estimate the fair value less costs of disposal of the assets which is based on the recent transaction prices for similar assets adjusted for nature, location and conditions. The fair value measurement is categorised into Level 3 fair value hierarchy. The relevant assets were impaired to their recoverable amount of RMB152,849,000 and the impairment of RMB144,927,000 has been recognised in profit or loss within the relevant functions to which these assets relate during the year ended 31 December 2024.

Others

During the year ended 31 December 2025, being influenced by changes in political and industrial environment of certain regions in the PRC, the development and advancement of some coal and power generation projects were ceased to continue. Accordingly, certain property, plant and equipment become idle or physically damaged. The Group does not expect to have any future economic benefits to be recovered from the use of such property, plant and equipment. And there is no alternative use of such property, plant and equipment as they are specifically designed. The recoverable amounts of such property, plant and equipment are estimated to be zero by the management of the Group. As a result, impairment loss of RMB221,118,000 (2024: RMB695,969,000) was recognised in profit or loss on such property, plant and equipment.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

19 RIGHT-OF-USE ASSETS

	Land use rights	Buildings and structures	Electricity utility plants	Transportation facilities	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 31 December 2025						
Carrying amount	4,378,780	1,683,295	659,904	698	675,327	7,398,004
At 31 December 2024						
Carrying amount	3,681,831	932,149	1,536,747	116,028	534,783	6,801,538
For the year ended 31 December 2025						
Charge for the year	116,829	123,452	45,320	17,099	37,853	340,553
For the year ended 31 December 2024						
Charge for the year	135,468	73,510	58,914	28,960	19,025	315,877
					2025	2024
					RMB'000	RMB'000
Expense relating to short-term leases					137,185	67,327
Expense relating to low-value leases					2,892	–
Total cash outflow for leases					1,101,480	1,648,503
Additions to right-of-use assets					1,885,158	1,803,147

Right-of-use assets of RMB4,378,780,000 (2024: RMB3,681,831,000) represent land use rights located in the PRC.

The Group has obtained the land use right certificates for all land use rights except for leasehold lands with carrying amount of RMB142,291,000 (2024: RMB108,869,000) where the Group is still in the process of applying the title certificates.

Certain right-of use assets are pledged to banks to secure banking facilities granted to the Group, please refer to note 47 for the details.

The Group has lease arrangements for buildings and structures, electricity utility plants and transportation facilities. The lease terms were ranged from two to twenty-seven years (2024: two to twenty years).

Extension options are included in the lease of buildings and structures, electricity utility plants and transportation facilities. Certain periods covered by extension options were included in these lease terms as the Group was reasonably certain to exercise the option.

In respect of lease arrangement for transportation facilities, the Group has options to purchase transportation facilities for a nominal amount at the end of the lease term. The Group's obligations are secured by the lessors' title to the leased assets for such lease.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

20 INVESTMENT PROPERTIES

	RMB'000
Cost	
At 1 January 2024	866,774
Transfer from property, plant and equipment (Note 18)	36,042
Disposals	(66,739)
	<hr/>
At 31 December 2024 and 1 January 2025	836,077
Transfer from property, plant and equipment (Note 18)	100,241
	<hr/>
At 31 December 2025	936,318
	<hr/>
Accumulated depreciation	
At 1 January 2024	330,969
Charge for the year	26,354
Transfer from property, plant and equipment (Note 18)	4,651
Eliminated upon disposals	(1,870)
	<hr/>
At 31 December 2024 and 1 January 2025	360,104
Charge for the year	57,989
Transfer from property, plant and equipment (Note 18)	10,511
	<hr/>
At 31 December 2025	428,604
	<hr/>
Carrying amount	
At 31 December 2025	507,714
	<hr/>
At 31 December 2024	475,973
	<hr/>

The above investments properties are depreciated on a straight-line basis to allocate the cost to the residual value over their estimated useful lives of 30 years.

The Group lease out offices under operating leases with monthly rental payable. The leases typically run for an initial period of 1 to 5 years (2024: 1 to 5 years).

During the year ended 31 December 2025, the Group had recognised the rental income generated from investment properties for the amount of RMB24,155,000 (2024: RMB22,612,000). Direct operating expenses arising on the investment properties amounted to RMB11,975,000 (2024: RMB13,024,000).

The Group is not exposed to foreign currency risk as a result of the lease arrangements, as all leases are denominated in the respective functional currencies of group entities. The lease contracts do not contain residual value guarantee and/or lessee's option to purchase the property at the end of lease term.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

21 INTANGIBLE ASSETS

	Goodwill	Mining rights	Resource use rights	Computer software	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Cost						
At 1 January 2024	954,118	1,017,487	37,847	869,127	205,372	3,083,951
Additions	–	–	–	150,413	50,091	200,504
Disposals/write-off	–	–	–	(34,890)	–	(34,890)
Disposal of subsidiaries (Note 44(b))	(120,177)	(800,763)	–	(896)	–	(921,836)
At 31 December 2024 and 1 January 2025	833,941	216,724	37,847	983,754	255,463	2,327,729
Additions	–	–	6,128	177,291	80,730	264,149
Acquisition of a subsidiary (Note 44(a))	1,177,053	–	–	3,939	–	1,180,992
Disposals/write-off	–	–	–	(3,078)	(4)	(3,082)
Disposal of subsidiaries (Note 44(b))	–	–	–	(3,067)	–	(3,067)
At 31 December 2025	2,010,994	216,724	43,975	1,158,839	336,189	3,766,721
Accumulated amortisation and impairment losses						
At 1 January 2024	191,139	91,452	37,149	457,083	42,759	819,582
Charge for the year	–	61,030	–	77,298	18,456	156,784
Eliminated upon disposals/write-off	–	–	–	(26,274)	–	(26,274)
Disposal of subsidiaries (Note 44(b))	–	–	–	(181)	–	(181)
At 31 December 2024 and 1 January 2025	191,139	152,482	37,149	507,926	61,215	949,911
Charge for the year	–	46,803	2,134	85,316	26,662	160,915
Impairment losses recognised in the year	798,205	–	–	–	–	798,205
Eliminated upon disposals/write-off	–	–	–	(459)	(4)	(463)
Disposal of subsidiaries (Note 44(b))	–	–	–	(2,341)	–	(2,341)
At 31 December 2025	989,344	199,285	39,283	590,442	87,873	1,906,227
Carrying amount						
At 31 December 2025	1,021,650	17,439	4,692	568,397	248,316	1,860,494
At 31 December 2024	642,802	64,242	698	475,828	194,248	1,377,818

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

21 INTANGIBLE ASSETS (continued)

The above intangible assets, other than goodwill, have finite useful lives. Mining rights are amortised based on the units of production method while other intangible assets are amortised on a straight-line basis over the following periods:

Resource use rights	10 – 40 years
Computer software	2 – 9 years
Others	10 years

Impairment assessment on goodwill

For the purposes of impairment testing, goodwill with indefinite useful lives have been allocated to CGUs of the Group. The carrying amounts of goodwill allocated to these units are as follows:

	2025	2024
	RMB'000	RMB'000
Power and heat generation segment		
Qinghai Datang International Zhiganglaka Hydropower Development Company Limited	273,795	273,795
Zhangjiakou Power Plant No. 2 Generator	33,561	33,561
Yuneng (Group) Company Limited	18,040	18,040
Inner Mongolia Datang International Hohhot Aluminium and Power Company Limited	902	902
Yunnan Datang International Deqin Hydropower Development Company Limited	18	18
Sichuan Jinkang Electricity Development Company Limited	130,830	130,830
Shenzhen Datang Baochang Gas Power Generation Company Limited	165,995	165,995
Anhui Electric Power Company Limited (“Anhui Electric CGU”)	397,560	–
	1,020,701	623,141
Other segments		
Inner Mongolia Baoli Coal Company Limited (“Baoli Coal CGU”)	–	18,712
Datang Tongzhou Technology Company Limited	949	949
	949	19,661
	1,021,650	642,802

The recoverable amounts of the above CGUs were determined based on VIU calculations using discounted cash flow method. The Group engaged independent professional valuers to assist with the calculations.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

21 INTANGIBLE ASSETS (continued)

Impairment assessment on goodwill (continued)

The VIU calculations use cash flow projections based on financial budgets approved by the management covering a five-year period, with growth rate ranging from 0.00% to 6.38% (2024: -8.33% to 8.98%) which are consistent with the forecasts included in industry reports. Cash flows beyond the five-year period are extrapolated using zero growth rate (2024: zero growth rate). Cash flow projections during the budget period for (i) power generation units are based on expected tariff rates, demands of electricity in specific regions where these power plants are located and fuel cost and (ii) coal mining entities are based on the expected coal price, the estimated remaining coal reserves and the mining plan.

The pre-tax discount rates used in respective VIU calculations ranged from 7.13% to 11.01% (2024: 8.61% to 16.70%) per annum. The Group estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGUs. Except for the Anhui Electric CGU and the Baoli Coal CGU, the recoverable amount of the remaining CGUs is significantly above the carrying amount, the management of the Group determines that there is no impairment of goodwill. The management of the Group believes that any reasonably possible change in any of these assumptions would not cause the carrying amount of each of these CGUs to exceed their respective recoverable amount.

Anhui Electric CGU

During the year ended 31 December 2025, the newly acquired Anhui Electric CGU is subject to operating losses and a net liabilities condition, which indicates its net assets may not be recoverable. The management of the Group have consequently determined impairment of goodwill directly related to Anhui Electric CGU amounting to RMB779,493,000. The impairment loss has been included in profit or loss in the others of operating cost line item. No other write-down of the assets of Anhui Electric CGU is considered necessary. The recoverable amount of the Anhui Electric CGU amounted to RMB1,460,047,000 as at 31 December 2025.

If the selling price was decreased by 1%, while other parameters remain constant, the recoverable amount of Anhui CGU would be reduced to RMB1,321,945,000 and a further impairment of goodwill in Anhui Electric CGU of RMB133,879,000 would be recognised. If the fuel price was increased by 1%, while other parameters remain constant, the recoverable amount of Anhui CGU would be reduced to RMB1,364,697,000 and a further impairment of goodwill in Anhui Electric CGU of RMB91,127,000 would be recognised.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

21 INTANGIBLE ASSETS (continued)

Impairment assessment on goodwill (continued)

Baoli Coal CGU

During the year ended 31 December 2025, the management of the Group identified impairment indicators for the Baoli Coal CGU arising from decreasing coal prices and a decline in remaining coal reserves as a result of updated mining plan, which adversely impacted cash flows projection. A VIU test was performed for the Baoli Coal CGU and the recoverable amount was below the carrying amount. The recoverable amount of Baoli Coal CGU would be reduced to RMB26,745,000, the management of the Group have consequently determined full impairment of goodwill directly related to Baoli Coal CGU amounting to RMB18,712,000. The impairment loss has been included in profit or loss in the others of operating cost line item. No other write-down of the assets of Baoli Coal CGU is considered necessary.

22 INTERESTS IN ASSOCIATES

	2025	2024
	RMB'000	RMB'000
Interests in associates under equity method	21,672,759	20,892,203
Share of results of associates	2,136,663	2,616,909

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

22 INTERESTS IN ASSOCIATES (continued)

Set out below are the associates of the Group as at 31 December 2025 and 2024, which in the opinion of the directors are material to the Group and principally affected the results or assets of the Group:

Name of associate	Place of incorporation/ registration	Paid-up capital RMB'000	Percentage of equity interest held by the Group		Principal activities
			2025	2024	
Fujian Ningde Nuclear Power Company Limited ("Ningde Nuclear Power")	the PRC	11,177,500	44.00%	44.00%	Nuclear power development, construction and operations
China Datang Group Finance Company Limited ("Datang Finance") (Note (i))	the PRC	6,500,000	16.95%	16.95%	Financial services

Notes:

- (i) Although the Group holds less than 20% equity interest in Datang Finance, the Group exercises significant influence over Datang Finance because the Group has board representation in Datang Finance.
- (ii) During the year ended 31 December 2024, the Company held 15.00% equity interest in an associate Inner Mongolia Hutie Taihe Logistics Company Limited ("Taihe Logistics") amounting RMB14,473,000. Taihe Logistics has entered into bankruptcy and liquidation procedures, the management of the Group considers that there was indication of impairment of the equity investment in Taihe Logistics. The recoverable amounts of Taihe Logistics are estimated to be zero by the management of the Group and the Group does not expect to have future economic benefits recoverable from Taihe Logistics. As a result, impairment loss of RMB14,473,000 was recognised in profit or loss on interests in Taihe Logistics during the year ended 31 December 2024.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

22 INTERESTS IN ASSOCIATES (continued)

All of the associates are accounted for using the equity method in the consolidated financial statements.

Summarised financial information in respect of each of the Group's material associates is set out below. The summarised financial information below represents amounts shown in the associates' financial statements prepared in accordance with IFRS Accounting Standards.

Name	Ningde Nuclear Power		Datang Finance	
	2025	2024	2025	2024
	RMB'000	RMB'000	RMB'000	RMB'000
Non-current assets	33,679,114	36,005,230	36,015,992	39,202,146
Current assets	6,481,231	6,112,101	13,996,562	8,657,545
Non-current liabilities	(14,389,521)	(18,792,001)	(353,221)	(406,598)
Current liabilities	(9,779,078)	(7,082,989)	(40,686,596)	(38,504,633)
Net assets	15,991,746	16,242,341	8,972,737	8,948,460
Revenue	11,169,268	11,488,369	964,329	1,192,895
Profit for the year	2,517,694	3,091,269	797,111	718,372
Other comprehensive (expense)/income	–	–	(126,486)	111,839
Total comprehensive income	2,517,694	3,091,269	670,625	830,211
Dividends received from associates during the year	1,225,190	1,141,481	109,604	67,279

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

22 INTERESTS IN ASSOCIATES (continued)

Reconciliation of the above summarised financial information to the carrying amount of the interest in associates recognised in the consolidated financial statements:

Name	Ningde Nuclear Power		Datang Finance	
	2025	2024	2025	2024
	RMB'000	RMB'000	RMB'000	RMB'000
Net assets of the associates	15,991,746	16,242,341	8,972,737	8,948,460
Non-controlling interests of the associates' subsidiaries	-	-	-	-
	15,991,746	16,242,341	8,972,737	8,948,460
Proportion of the Group's ownership interest in the associates	44.00%	44.00%	16.95%	16.95%
Group's share of net assets	7,036,368	7,146,630	1,520,879	1,516,764
Goodwill and other adjustments	17,898	17,898	(24,737)	(24,847)
Carrying amount of the Group's interest	7,054,266	7,164,528	1,496,142	1,491,917

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

22 INTERESTS IN ASSOCIATES (continued)

Aggregate information of associates that are not individually material:

	2025	2024
	RMB'000	RMB'000
The Group's share of results	893,769	1,134,987
The Group's share of other comprehensive expense	(1,892)	(537)
The Group's share of total comprehensive income	891,877	1,134,450
Aggregate carrying amount of the Group's interests in these associates	<u>13,122,351</u>	<u>12,235,758</u>

	2025	2024
	RMB'000	RMB'000
The unrecognised share of gains of associates for the year	<u>(50,651)</u>	<u>(680)</u>
De-registration of an associate with unrecognised share of losses during the year	<u>(12,390)</u>	<u>–</u>
Cumulative unrecognised share of losses of associates	<u>429,909</u>	<u>492,950</u>

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

23 INTERESTS IN JOINT VENTURES

	2025	2024
	RMB'000	RMB'000
Interests in joint ventures under equity method	<u>172,806</u>	168,959
Share of results of joint ventures	<u>3,847</u>	6,073

The balance represented the Group's interests in four (2024: four) joint ventures, which are not individually material.

All of the joint ventures are accounted for using the equity method in the consolidated financial statements.

Aggregate information of joint ventures that are not individually material:

	2025	2024
	RMB'000	RMB'000
The Group's share of results	3,847	6,073
The Group's share of comprehensive income	–	–
The Group's share of total comprehensive income	3,847	6,073
Aggregate carrying amount of the Group's interests in these joint ventures	<u>172,806</u>	168,959

	2025	2024
	RMB'000	RMB'000
The unrecognised share of losses of joint ventures for the year	<u>102,787</u>	277,855
De-recognition of a joint venture with unrecognised share of losses during the year	<u>(801,695)</u>	–
Cumulative unrecognised share of losses of joint ventures	<u>1,260,333</u>	1,959,241

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

24 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS AND FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

(a) Financial assets at fair value through profit or loss

	2025	2024
	RMB'000	RMB'000
Unlisted equity investments	4,111,385	4,146,033

(b) Financial assets at fair value through other comprehensive income

	2025	2024
	RMB'000	RMB'000
Unlisted equity investments (Note)	843,603	769,672

Note:

The directors of the Company have elected to designate these investments in equity instruments at fair value through other comprehensive income as they believe that they are not held for trading and are for long-term investment purpose.

25 OTHER NON-CURRENT ASSETS

	2025	2024
	RMB'000	RMB'000
Long-term receivables	43,035	43,521
Long-term prepaid expenses	469,455	477,052
Prepayments for acquisition of property, plant and equipment	9,014,760	6,148,078
Value-added tax recoverable	718,827	684,358
Entrusted loans receivables, net of allowance for credit losses	–	856,060
Others	402,576	395,202
	10,648,653	8,604,271
Less: Current portion of other non-current assets	–	(664,283)
	10,648,653	7,939,988

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

25 OTHER NON-CURRENT ASSETS (continued)

The movement in the loss allowance of entrusted loans receivables is as follows:

	12m ECL RMB'000
At 1 January 2024	–
Impairment losses recognised	250,366
At 31 December 2024 and 1 January 2025	250,366
Impairment losses reversed	(250,366)
At 31 December 2025	–

26 INVENTORIES

	2025 RMB'000	2024 RMB'000
Raw materials	4,136,491	4,673,954
Finished goods	46,322	7,583
Others	132,101	143,442
	4,314,914	4,824,979

27 TRADE AND NOTES RECEIVABLES

	2025 RMB'000	2024 RMB'000
Trade receivables	21,040,303	21,142,490
Less: Allowance for credit losses	(273,336)	(244,152)
	20,766,967	20,898,338
Notes receivables		
– At amortised cost	28,869	469,031
– At fair value through other comprehensive income	34,048	17,787
	62,917	486,818
	20,829,884	21,385,156

As at 31 December 2025 and 2024, trade receivables from contracts with customers amounted to RMB20,766,967,000 and RMB20,898,338,000 respectively.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

27 TRADE AND NOTES RECEIVABLES (continued)

Except for tariff premium receivables which have no due date for settlement, the Group usually grants credit period of approximately one month to local power grid customers, heat supply customers and coal sales customers from the month end after sales and sale transactions made, respectively. The following is an aged analysis of trade and notes receivables net of allowance for credit losses, presented based on the invoice dates, which approximates the respective revenue recognition dates, at the end of the reporting period.

	2025	2024
	RMB'000	RMB'000
Within one year	14,292,916	15,569,777
Between one to two years	3,115,928	2,911,682
Between two to three years	1,615,583	1,524,691
Over three years	1,805,457	1,379,006
	20,829,884	21,385,156

Notes receivables that are solely held for collection of contractual cash flows at maturity date are measured at amortised cost. Notes receivables that are held for collection of contractual cash flows and for selling purpose are measured at fair value through other comprehensive income. As at 31 December 2024, notes receivables of RMB454,000,000 were further discounted or endorsed by the Group. The Group continues to recognise their full carrying amounts at the end of the reporting period. All notes received by the Group are with a maturity period of less than one year.

As at 31 December 2025, included in the Group's trade receivables balance are debtors with aggregate carrying amount of RMB47,539,000 (2024: RMB52,166,000) which are past due as at the reporting date. The past due balances are not considered as in default because the debtors are not in significant financial difficulty and the management expects that the debtor is able and likely to pay for the debts. The Group does not hold any collateral over these balances.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The ECL on trade receivables are estimated by reference to an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

27 TRADE AND NOTES RECEIVABLES (continued)

The movement in the loss allowance of trade receivables is as follows:

	Lifetime ECL (not credit- impaired)	Lifetime ECL (credit- impaired)	Total
	RMB'000	RMB'000	RMB'000
At 1 January 2024	–	232,919	232,919
Impairment losses recognised	41,894	7,621	49,515
Written-off	–	(38,282)	(38,282)
At 31 December 2024 and 1 January 2025	41,894	202,258	244,152
Impairment losses recognised	2,527	43,501	46,028
Written-off	–	(16,844)	(16,844)
At 31 December 2025	44,421	228,915	273,336

28 PREPAYMENTS AND OTHER RECEIVABLES

	2025	2024
	RMB'000	RMB'000
Prepayments		
Prepayments to suppliers	2,264,308	2,519,474
Other receivables		
Value-added tax recoverable	4,605,203	4,276,995
Recoverable fuels and materials payment	255,567	261,012
Advance to construction	84,989	167,160
Dividend receivables	739,289	672,161
Deposits	656,335	368,390
Others (Note)	525,227	994,301
	6,866,610	6,740,019
Less: Allowance for credit losses	(368,401)	(527,332)
	6,498,209	6,212,687
	8,762,517	8,732,161

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

28 PREPAYMENTS AND OTHER RECEIVABLES (continued)

Note:

Others mainly represents entrusted loans receivables, interest receivables and proceeds receivables from disposal of other non-current assets.

The movement in the loss allowance of other receivables is as follows:

	Lifetime ECL (not credit- impaired)	Lifetime ECL (credit- impaired)	Total
	RMB'000	RMB'000	RMB'000
At 1 January 2024	–	396,125	396,125
Impairment losses recognised	61,485	76,373	137,858
Written-off	–	(6,651)	(6,651)
	61,485	465,847	527,332
At 31 December 2024 and 1 January 2025	–	(15,939)	(15,939)
Impairment losses reversed	–	(142,992)	(142,992)
Written-off	–	(142,992)	(142,992)
	61,485	306,916	368,401
At 31 December 2025	61,485	306,916	368,401

29 CASH AND CASH EQUIVALENTS AND RESTRICTED DEPOSITS

	2025	2024
	RMB'000	RMB'000
Deposits with banks and other financial institutions	9,267,134	7,734,360
Cash on hand	118	74
	9,267,252	7,734,434
Restricted deposits included in bank deposits (Note 47)	(386,737)	(526,446)
	8,880,515	7,207,988

Bank deposits represent deposits pledged to banks to secure banking facilities granted to the Group.

Details of impairment assessment of bank balances and restricted deposits are set out in note 6(c).

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

30 SHARE CAPITAL

	2025	2024
	RMB'000	RMB'000
Registered, issued and fully paid:		
12,396,089,106 (2024: 12,396,089,106) A shares of RMB1 each	12,396,089	12,396,089
6,110,621,398 (2024: 6,110,621,398) H shares of RMB1 each	6,110,622	6,110,622
	18,506,711	18,506,711

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

31 STATEMENT OF FINANCIAL POSITION AND RESERVES MOVEMENT OF THE COMPANY

(a) Statement of financial position of the Company

	2025	2024
	RMB'000	RMB'000
Non-current assets		
Property, plant and equipment	12,329,694	11,669,592
Right-of-use assets	566,116	574,641
Investment properties	255,340	220,062
Intangible assets	146,724	116,683
Investments in subsidiaries	86,629,993	82,982,683
Interests in associates	20,400,807	20,032,842
Financial assets at fair value through profit or loss	3,983,194	4,008,183
Financial assets at fair value through other comprehensive income	504,409	461,572
Long-term entrusted loans to subsidiaries	7,400,550	4,569,044
Other non-current assets	110,642	665,728
	132,327,469	125,301,030
Current assets		
Inventories	233,589	223,573
Trade and notes receivables	1,236,270	1,097,574
Prepayments and other receivables	3,503,558	3,339,778
Tax recoverable	158	451
Current portion of long-term entrusted loans to subsidiaries	89,435	594,812
Cash and cash equivalents	836,948	1,670,788
	5,899,958	6,926,976
Current liabilities		
Trade payables and accrued liabilities	2,163,364	1,660,528
Contract liabilities	22,599	50,563
Consideration payable	169,216	169,216
Tax payables	52,760	67,854
Short-term loans	13,710,228	10,594,624
Short-term bonds	5,018,623	5,021,757
Current portion of lease liabilities	7,070	3,225
Current portion of non-current liabilities	317,463	5,297,488
	21,461,323	22,865,255
Net current liabilities	(15,561,365)	(15,938,279)
Total assets less current liabilities	116,766,104	109,362,751

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

31 STATEMENT OF FINANCIAL POSITION AND RESERVES MOVEMENT OF THE COMPANY (continued)

(a) Statement of financial position of the Company (continued)

	2025	2024
	RMB'000	RMB'000
Capital and reserves		
Share capital	18,506,711	18,506,711
Reserves	36,865,988	36,639,954
	55,372,699	55,146,665
Other equity instruments	46,303,465	46,271,881
Total equity	101,676,164	101,418,546
Non-current liabilities		
Long-term loans	7,700,263	3,655,794
Long-term bonds	7,000,000	4,000,000
Deferred income	91,296	94,360
Deferred tax liabilities	182,482	189,630
Lease liabilities	1,065	4,421
Other non-current liabilities	114,834	–
	15,089,940	7,944,205
	116,766,104	109,362,751

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

31 STATEMENT OF FINANCIAL POSITION AND RESERVES MOVEMENT OF THE COMPANY (continued)

(b) Reserves movement of the Company

	Capital reserve	Statutory surplus reserve	Discretionary surplus reserve	FVTOCI reserve	Retained earnings	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2024	18,155,889	6,767,969	9,321,624	(457,673)	703,458	34,491,267
Total comprehensive (expense)/income for the year	-	-	-	(35,490)	2,309,863	2,274,373
Appropriation to statutory surplus reserve	-	378,988	-	-	(378,988)	-
Dividends paid (Note 16)	-	-	-	-	(138,800)	(138,800)
Others	25,122	-	-	-	(12,008)	13,114
At 31 December 2024 and 1 January 2025	18,181,011	7,146,957	9,321,624	(493,163)	2,483,525	36,639,954
Total comprehensive income for the year	-	-	-	19,506	2,474,668	2,494,174
Appropriation to statutory surplus reserve	-	389,786	-	-	(389,786)	-
Dividends paid (Note 16)	-	-	-	-	(2,167,136)	(2,167,136)
Others	(45,500)	-	-	-	(55,504)	(101,004)
At 31 December 2025	18,135,511	7,536,743	9,321,624	(473,657)	2,345,767	36,865,988

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

32 RESERVES

(a) Capital reserve

Capital reserve mainly comprised: (i) the difference between the nominal amount of the domestic shares issued and the fair value of the net assets injected into the Company during its formation and also proceeds from the issue of H shares and A shares in excess of their par value, net of issuance expenses; (ii) the premium from convertible bonds converted to shares; (iii) the effect from acquisition of additional interests in subsidiaries of the Group; and (iv) specific reserves made pursuant to the relevant PRC regulations (Note).

Note:

Pursuant to relevant PRC regulations, coal mining and power generation companies are required to set aside an amount to a fund for future development and work safety which they transferred certain amounts from accumulated losses to capital reserve. The fund can then be used for future development and work safety of the coal mining and power generation operations, and is not available for distribution to shareholders. When qualifying development expenditure and improvements of safety incurred, an equivalent amount is transferred from capital reserve to accumulated losses.

(b) Statutory surplus reserve

In accordance with the relevant laws and regulations of the PRC and the articles of association of the Company, it is required to appropriate 10% of its net profit under PRC GAAP, after offsetting any prior years' losses, to the statutory surplus reserve. When the balance of such reserve reaches 50% of the Company's share capital, any further appropriation is optional.

The statutory surplus reserve can be used to offset prior years' losses, if any, and may be converted into share capital by issuing new shares to shareholders in proportion to their existing shareholding or by increasing the par value of the shares currently held by them, provided that the remaining balance of the reserve after such an issue is not less than 25% of share capital.

(c) Merger reserve

It represented the difference between the consideration payable to China Datang for acquisition of certain of its subsidiaries under common control combinations and share capital of the acquired subsidiaries.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

32 RESERVES (continued)

(d) Discretionary surplus reserve

Pursuant to the articles of association of the Company, the appropriation of profit to the discretionary surplus reserve and its utilisation are made in accordance with the recommendation of the board of directors and is subject to shareholders' approval at their general meeting.

The discretionary surplus reserve can be used to offset prior years' losses, if any, and may be converted into share capital by issuing new shares to shareholders in proportion to their existing shareholding or by increasing the par value of the shares currently held by them.

In accordance with the articles of association of the Company, distributable profit of the Company is derived based on the lower of profit determined in accordance with PRC GAAP and IFRS Accounting Standards.

(e) FVTOCI reserve

The FVTOCI reserve comprise share of cumulative net change in the fair value of financial assets measured at other comprehensive income of the Group and associates and joint ventures of the Group at the end of the reporting period and will not be reclassified to profit or loss in subsequent periods.

33 OTHER EQUITY INSTRUMENTS – PERPETUAL BONDS

	Principal	Distribution/ appropriation	Total
	RMB'000	RMB'000	RMB'000
At 1 January 2024	45,500,000	710,976	46,210,976
Issuance of perpetual bonds	3,500,000	–	3,500,000
Redemption of perpetual bonds	(3,500,000)	–	(3,500,000)
Profit attributable to holders of perpetual bonds	–	1,492,039	1,492,039
Distributions made to holders of perpetual bonds	–	(1,431,134)	(1,431,134)
	45,500,000	771,881	46,271,881
At 31 December 2024 and 1 January 2025	22,500,000	–	22,500,000
Issuance of perpetual bonds	(22,500,000)	–	(22,500,000)
Redemption of perpetual bonds	–	1,547,771	1,547,771
Profit attributable to holders of perpetual bonds	–	(1,516,187)	(1,516,187)
Distributions made to holders of perpetual bonds	–	(1,516,187)	(1,516,187)
	45,500,000	803,465	46,303,465
At 31 December 2025	45,500,000	803,465	46,303,465

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

33 OTHER EQUITY INSTRUMENTS – PERPETUAL BONDS (continued)

During the year ended 31 December 2025, the Company issued the perpetual bonds in an aggregate principal amount of RMB22.5 billion with coupon rates ranging from 1.92% to 2.48%. The net proceeds after deducting the issuance cost (recognised in capital reserve) amounted to RMB22,440,620,000. On each interest payment date of the perpetual bonds, the Company can elect to defer payment of interest due and all interest deferred pursuant to this term and its fruits to the next interest payment date without any limitation on the number of times of such deferral. The aforesaid deferral of interest shall not constitute a default by the Company. Interest shall accrue on the deferred interest at the prevailing coupon rate over the period of deferral. The perpetual bonds have no maturity date and will continue indefinitely until redeemed by the Company in accordance with their terms. The Company is entitled to redeem the perpetual bonds at par value plus payable interest (including all deferred interest) on the third/fifth/tenth and each of the subsequent interest payment dates of the perpetual bonds. If the Company does not exercise the right of redemption, the coupon rate will be reset every three/five/ten years from the fourth/sixth/eleventh interest-bearing year onwards.

Interest payment of RMB1,516,187,000 (2024: RMB1,431,134,000) has been paid by the Group to the holders of perpetual bonds for the year ended 31 December 2025.

During the year ended 31 December 2024, the Company issued the perpetual bonds in an aggregate principal amount of RMB3.5 billion with coupon rates ranging from 2.59% to 2.83%. The net proceeds after deducting the issuance cost (recognised in capital reserve) amounted to RMB3,494,099,000. On each interest payment date of the perpetual bonds, the Company can elect to defer payment of interest due and all interest deferred pursuant to this term and its fruits to the next interest payment date without any limitation on the number of times of such deferral. The aforesaid deferral of interest shall not constitute a default by the Company. Interest shall accrue on the deferred interest at the prevailing coupon rate over the period of deferral. The perpetual bonds have no maturity date and will continue indefinitely until redeemed by the Company in accordance with their terms. The Company is entitled to redeem the perpetual bonds at par value plus payable interest (including all deferred interest) on the third/fifth and each of the subsequent interest payment dates of the perpetual bonds. If the Company does not exercise the right of redemption, the coupon rate will be reset every three/five years from the fourth/sixth interest-bearing year onwards.

34 LONG-TERM LOANS

	2025	2024
	RMB'000	RMB'000
Long-term bank loans	125,711,161	131,658,998
Other long-term loans	10,102,213	7,473,273
	135,813,374	139,132,271
Less: Amount due for settlement within 12 months (shown under current liabilities)	(21,994,173)	(22,038,839)
	113,819,201	117,093,432

Notes to the Consolidated Financial Statements

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34 LONG-TERM LOANS (continued)

Long-term loans are repayable as follows:

	2025			2024		
	Long-term bank loans	Other long-term loans	Total	Long-term bank loans	Other long-term loans	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Within one year or on demand	21,486,044	508,129	21,994,173	20,768,923	1,269,916	22,038,839
More than one year, but not exceeding two years	17,828,060	1,400,353	19,228,413	20,947,314	2,166,279	23,113,593
More than two years, but not more than five years	27,287,154	3,706,224	30,993,378	30,442,480	3,315,816	33,758,296
More than five years	59,109,903	4,487,507	63,597,410	59,500,281	721,262	60,221,543
	125,711,161	10,102,213	135,813,374	131,658,998	7,473,273	139,132,271

Long-term loans are classified as follows:

	2025			2024		
	Long-term bank loans	Other long-term loans	Total	Long-term bank loans	Other long-term loans	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Secured loans	23,782,204	790,941	24,573,145	26,500,579	718,265	27,218,844
Guaranteed loans	643,751	79,102	722,853	782,190	–	782,190
Unsecured loans	101,285,206	9,232,170	110,517,376	104,376,229	6,755,008	111,131,237
	125,711,161	10,102,213	135,813,374	131,658,998	7,473,273	139,132,271

The interest rates for long-term loans per annum at 31 December were as follows:

	2025	2024
Long-term bank loans	1.15% – 4.20%	1.20% – 4.41%
Other long-term loans	2.19% – 4.20%	2.10% – 4.54%

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

34 LONG-TERM LOANS (continued)

At 31 December 2025, long-term loans were guaranteed by the following parties:

	2025		Total	2024		Total
	Long-term bank loans	Other long-term loans		Long-term bank loans	Other long-term loans	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
The Company	639,119	–	639,119	546,974	–	546,974
Others (Note)	4,632	79,102	83,734	235,216	–	235,216
	643,751	79,102	722,853	782,190	–	782,190

Note:

Others represent loans guaranteed by subsidiaries of the Group for both years.

Please refer to note 47 for the details of assets pledged for securing the long-term loans.

35 LONG-TERM BONDS

	2025	2024
	RMB'000	RMB'000
Corporate bonds (Note)	7,091,694	4,338,927
Less: Amount due for settlement within 12 months (shown under current liabilities)	(91,694)	(338,927)
	7,000,000	4,000,000

Note:

At 31 December 2025, such bonds, are secured by assets of China Datang and of which certain portion were counter-guaranteed by the Company, are of 2 to 10 years (2024: 3 to 10 years) term with fixed annual coupon and effective interest rates ranged from 1.81% to 2.32% per annum (2024: 2.01% to 5.00% per annum). As at 31 December 2025, accrued interests of RMB91,694,000 (2024: RMB48,927,000) was included in corporate bonds.

Long-term bonds are repayable as follows:

	2025	2024
	RMB'000	RMB'000
Within one year or on demand	91,694	338,927
More than one year, but not exceeding two years	5,000,000	–
More than two years, but not more than five years	2,000,000	4,000,000
	7,091,694	4,338,927

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

36 DEFERRED INCOME

Deferred income primarily represented government grants received by the Group from local environmental protection authorities for undertaking approved environmental protection projects. There are no unfulfilled conditions and contingencies relating to the grants.

37 DEFERRED TAX

For the purpose of presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

	2025	2024
	RMB'000	RMB'000
Deferred tax assets	2,268,924	2,896,233
Deferred tax liabilities	(997,847)	(711,439)
	1,271,077	2,184,794

	Deductible tax losses	Intragroup unrealised profits	Impairment of assets	Assets revaluation	Fair value change on equity instruments	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2024	2,179,664	309,918	76,455	(455,735)	(183,160)	249,108	2,176,250
Credit/(charge) to profit or loss	(148,678)	(36,954)	79,010	49,457	11,912	(48,649)	(93,902)
Disposal of subsidiaries (Note 44(b))	-	-	-	197,374	-	(75,000)	122,374
Charge to other comprehensive income	-	-	-	-	(19,928)	-	(19,928)
At 31 December 2024 and 1 January 2025	2,030,986	272,964	155,465	(208,904)	(191,176)	125,459	2,184,794
Credit/(charge) to profit or loss	(696,583)	(22,285)	28,071	32,528	6,251	47,991	(604,027)
Acquisition of a subsidiary (Note 44(a))	-	-	-	(214,253)	-	-	(214,253)
Disposal of subsidiaries (Note 44(b))	(43,307)	-	-	-	-	(48,210)	(91,517)
Charge to other comprehensive income	-	-	-	-	(3,920)	-	(3,920)
At 31 December 2025	1,291,096	250,679	183,536	(390,629)	(188,845)	125,240	1,271,077

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

37 DEFERRED TAX (continued)

No deferred tax asset has been recognised in respect of certain unused tax losses of RMB19,853,323,000 (2024: RMB22,287,093,000) due to the unpredictability of future profit streams. The unused tax losses not recognised can be carried forward for five years from the year of the incurrence and an analysis of their expiry dates are as follows:

	2025	2024
	RMB'000	RMB'000
Unused tax losses expiring in:		
2025	–	3,447,806
2026	7,565,161	7,614,027
2027	2,891,108	3,153,177
2028	4,084,741	4,304,787
2029	2,987,064	3,767,296
2030	2,325,249	–
	19,853,323	22,287,093

At the end of the reporting period, the Group has deductible temporary differences of RMB6,054,392,000 (2024: RMB6,048,849,000) relating to impairment of assets and fair value change on equity instruments. No deferred tax asset has been recognised in relation to such deductible temporary difference as it is not probable that taxable profit will be available against which the deductible temporary differences can be utilised.

38 OTHER NON-CURRENT LIABILITIES

	2025	2024
	RMB'000	RMB'000
Other pledged financing (Note)	6,668,235	5,319,748
Others	588,170	401,114
	7,256,405	5,720,862
Less: Amount due for settlement within 12 months (shown under current liabilities)	(1,806,306)	(2,074,940)
	5,450,099	3,645,922

Note:

To better manage the Group's capital structure and financing needs, the Group sometimes enters into sale and leaseback arrangements in relation to machinery leases. These legal transfer does not satisfy the requirements of IFRS 15 to be accounted for as a sale of the machinery.

Notes to the Consolidated Financial Statements

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38 OTHER NON-CURRENT LIABILITIES (continued)

Other pledged financing are repayable as follows:

	2025	2024
	RMB'000	RMB'000
Within one year or on demand	1,410,952	1,704,797
More than one year, but not exceeding two years	1,283,070	891,312
More than two years, but not more than five years	3,054,346	1,556,768
More than five years	919,867	1,166,871
	6,668,235	5,319,748

The interest rates for other pledged financing per annum at 31 December were as follows:

	2025	2024
Fixed rate	2.40% – 5.88%	2.43% – 4.90%

The pledged financing borrowed are secured by certain of the Group's property, plant and equipment. For the details, please refer to note 47.

39 LEASE LIABILITIES

Lease liabilities payable:

	2025	2024
	RMB'000	RMB'000
Within one year	242,915	209,607
After one year but within two years	185,115	153,404
After two years but within five years	490,748	457,340
After five years	1,226,955	1,006,137
	2,145,733	1,826,488
Less: Amount due for settlement within 12 months (shown under current liabilities)	(242,915)	(209,607)
Amount due for settlement after 12 months	1,902,818	1,616,881

The weighted average incremental borrowing rate applied to lease liabilities ranging from 1.90% to 4.99% (2024: 2.10% to 4.99%).

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For the year ended 31 December 2025

40 TRADE PAYABLES AND ACCRUED LIABILITIES/CONTRACT LIABILITIES

	2025	2024
	RMB'000	RMB'000
Trade payables	21,949,736	22,386,324
Notes payables	1,059,505	1,072,413
Accrued expenses	191,533	155,091
Other payables	6,125,686	7,370,697
	29,326,460	30,984,525

	2025	2024
	RMB'000	RMB'000
Contract liabilities	1,942,373	1,879,740

The ageing analysis of the trade and notes payables as at the end of the reporting period, based on the invoice date, is as follows:

	2025	2024
	RMB'000	RMB'000
Within one year	18,673,404	18,615,002
Between one to two years	1,906,804	1,911,673
Between two to three years	767,597	909,967
Over three years	1,661,436	2,022,095
	23,009,241	23,458,737

Contract liabilities represent advances received for the sales of electricity, coal and others. These advances are recognised as contract liabilities until the sales transactions are made.

Revenue recognised during the year ended 31 December 2025 that was included in the contract liabilities as at 1 January 2025 is RMB1,879,740,000 (2024: RMB1,723,120,000).

The Group has applied the practical expedient in IFRS 15 to exempt the disclosure of revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date as the performance obligations had an original expected duration of one year or less.

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40 TRADE PAYABLES AND ACCRUED LIABILITIES/CONTRACT LIABILITIES (continued)

Information of supplier finance arrangements

	2025	2024
	RMB'000	RMB'000
Carrying amount of the financial liabilities that are subject to supplier finance arrangements		
Presented as part of "Trade payables and accrued liabilities"	89,000	232,000
– Of which suppliers have already received payment from the finance provider	89,000	232,000
Presented as part of "Short-term loans"	3,037,231	2,021,777
– Of which suppliers have already received payment from the finance provider	3,037,231	2,021,777
Presented as part of "Long-term loans"	–	30,000
– Of which suppliers have already received payment from the finance provider	–	30,000

	2025	2024
	Days	Days
Range of payment due dates		
For liabilities presented as part of "Trade payables and accrued liabilities"		
– Liabilities that are part of supplier finance arrangements	Up to 12 months Payment on/before delivery	Up to 12 months Payment on/before delivery
– Comparable trade payables that are not part of supplier finance arrangements		
For liabilities presented as part of "Short-term loans"		
– Liabilities that are part of supplier finance arrangements	Up to 12 months Payment on/before delivery	Up to 12 months Payment on/before delivery
– Comparable trade payables that are not part of supplier finance arrangements		
For liabilities presented as part of "Long-term loans"		
– Liabilities that are part of supplier finance arrangements	More than 12 months Payment on/before delivery	More than 12 months Payment on/before delivery
– Comparable trade payables that are not part of supplier finance arrangements		

Changes in liabilities that are subject to supplier finance arrangements are primarily attributable to additions resulting from purchases of goods and subsequent cash settlements. During the year, borrowings under supplier finance arrangement of RMB3,037,231,000 (2024: RMB2,021,777,000) represent the payments to the suppliers by the relevant banks directly.

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41 SHORT-TERM LOANS

	2025	2024
	RMB'000	RMB'000
Short-term bank loans	33,065,420	25,020,428
Other short-term loans	8,050,323	11,812,694
	41,115,743	36,833,122

Short-term loans are classified as follows:

	2025			2024		
	Short-term bank loans	Other short- term loans	Total	Short-term bank loans	Other short- term loans	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Secured loans	20,014	119,439	139,453	–	479,140	479,140
Guaranteed loans	120,090	–	120,090	100,087	154,657	254,744
Unsecured loans	32,925,316	7,930,884	40,856,200	24,920,341	11,178,897	36,099,238
	33,065,420	8,050,323	41,115,743	25,020,428	11,812,694	36,833,122

At 31 December 2025, short-term loans of RMB120,090,000 (2024: RMB254,744,000) are guaranteed by the Company and a non-controlling shareholder of a subsidiary.

The interest rates for short-term loans per annum at 31 December were as follows:

	2025	2024
Short-term bank loans	0.83% – 3.70%	1.48% – 3.99%
Other short-term loans	2.00% – 3.99%	1.70% – 4.78%

Please refer to note 47 for the details of assets pledged for securing the short-term loans.

42 SHORT-TERM BONDS

At 31 December 2025, short-term bonds represented unsecured bonds issued by the Group with maturity date less than one year at par value of RMB100 each with fixed annual coupon and the effective interest rate was 1.47% to 1.66% (2024: 1.91% to 1.95%).

Notes to the Consolidated Financial Statements

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43 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

Reconciliation from profit before tax to cash generated from operations

	2025	2024
	RMB'000	RMB'000
Profit before tax	12,985,601	8,666,483
Adjustments for:		
Interest income from entrusted loan receivables	(25,954)	(40,183)
Bank interest income	(26,826)	(52,652)
Dividend income	(236,240)	(248,322)
Depreciation of right-of-use assets	340,553	315,877
Depreciation of property, plant and equipment	15,453,518	14,146,242
Depreciation of investment properties	57,989	26,354
Amortisation of intangible assets	160,915	156,784
Share of results of associates	(2,136,663)	(2,616,909)
Share of results of joint ventures	(3,847)	(6,073)
Impairment of long-term prepaid expenses	105,305	–
Impairment of goodwill	798,205	–
Impairment of property, plant and equipment	756,548	1,221,166
Impairment of interest in an associate	–	14,473
Allowance for inventories	26,176	1,540
Recognition of impairment of trade receivables, net	46,028	49,515
(Reversal)/recognition of impairment of other receivables, net	(15,939)	137,858
(Reversal)/recognition of impairment of non-current assets, net	(250,366)	250,366
Loss on disposal of property, plant and equipment	531,268	232,169
Finance costs	4,427,106	5,304,392
Amortisation of deferred income	(200,842)	(217,771)
Loss/(gain) on change of fair value of financial assets		
at fair value through profit or loss	34,648	(41,328)
Gain on disposal of non-current assets	(32,511)	(14,592)
Gain on disposal of subsidiaries	(45,694)	(1,104)
Gain on partial disposal of interests in an associate	(16,122)	–
Gain on disposal of interests in associates	–	(49,894)
Loss on de-consolidation of subsidiaries	–	124,062
Operating profit before working capital changes	32,732,856	27,358,453
Decrease/(increase) in trade and notes receivables	585,844	(1,766,341)
Decrease/(increase) in prepayments and other receivables	476,906	(1,100,800)
Increase in trade payables, accrued liabilities and contract liabilities	2,504,594	4,587,057
Decrease/(increase) in inventories	503,481	(1,191,907)
Increase in other non-current assets	(139,065)	(245,045)
Decrease in current portion of other non-current assets	664,283	–
Decrease/(increase) in other non-current liabilities	439,441	(45,378)
Cash generated from operations	37,768,340	27,596,039

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For the year ended 31 December 2025

44 ACQUISITION AND DISPOSAL/DE-CONSOLIDATION OF SUBSIDIARIES

(a) Acquisition of a subsidiary

On 24 September 2025, Datang Anhui Power Generation Company Limited (“Anhui Datang”) (a direct subsidiary the Company) acquired an additional 50% equity interests in Anhui Electric Power from an independent third party for a consideration of RMB1. Accordingly, the Group’s effective equity interests in Anhui Electric Power increased from 50.00% to 100.00%. Anhui Electric Power ceased to be a joint venture of the Group and became a subsidiary of the Group. The transaction has been completed on 6 November 2025.

The acquired subsidiary is principally engaged in the sales of electricity and heat supply.

This acquisition has been accounted for as acquisition of business using the acquisition method.

Summary of the fair value of identifiable assets acquired and liabilities recognised at the date of acquisition in the transactions during the year are as follows:

	Anhui Electric Power 2025
	RMB’000
Property, plant and equipment (Note 18)	1,135,723
Right-of-use assets	204,236
Intangible assets (Note 21)	3,939
Other non-current assets	721
Inventories	37,120
Trade and notes receivables	97,271
Prepayments and other receivables	46,703
Cash and cash equivalents	16,733
Trade payables and accrued liabilities	(786,337)
Contract liabilities	(409)
Tax payables	(6,679)
Current portion of non-current liabilities	(1,010,717)
Long-term loans	(576,000)
Other non-current liabilities	(123,666)
Deferred income	(1,438)
Deferred tax liabilities	(214,253)
	<hr/>
Net liabilities	(1,177,053)
Goodwill arising on acquisition (Note 21)	1,177,053
	<hr/>
Total consideration	–

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

44 ACQUISITION AND DISPOSAL/DE-CONSOLIDATION OF SUBSIDIARIES (continued)

(a) Acquisition of a subsidiary (continued)

Goodwill arising on acquisition

Goodwill arose on the acquisition of Anhui Electric Power is mainly attributable to the benefit of the opportunities for operational synergies and future market development. These fair value increases are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

None of the goodwill arising on this acquisition is expected to be deductible for tax purposes.

Net cash inflow on acquisitions:

	Anhui Electric Power 2025 RMB'000
Cash consideration paid	-*
Add: Cash and cash equivalents balances acquired	<u>16,733</u>
	<u>16,733</u>

* The amount is less than RMB1,000.

Impact of acquisition on the results of the Group

Included in the revenue and profit for the year are revenue of RMB202,875,000 and loss of RMB124,125,000 attributable to the additional business generated by this newly acquired company.

Had the acquisition been completed on 1 January 2025, revenue for the year of the Group would have been RMB121,968,076,000, and profit for the year would have been RMB10,033,918,000. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2025, nor is it intended to be a projection of future results.

In determining the 'pro-forma' revenue and profit of the Group had these newly acquired companies been acquired at the beginning of the current year, the directors of the Company calculated depreciation of property, plant and equipment based on the recognised amounts of property, plant and equipment at the date of the acquisition.

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For the year ended 31 December 2025

44 ACQUISITION AND DISPOSAL/DE-CONSOLIDATION OF SUBSIDIARIES (continued)

(b) Disposal of subsidiaries

During the year ended 31 December 2025, the Group disposed its equity interest in a subsidiary (2024: a subsidiary) to third parties.

Details of the Group's disposals during the year ended 31 December 2025 and 2024 are as follows:

On 15 July 2025, the Company entered into an equity transfer agreement with COSCO Datang Shipping Company Limited, an associate of the Company, pursuant to which the Company agreed to dispose of 98.11% equity interest of Jiangsu Datang Shipping Company Limited ("Jiangsu Shipping") for consideration of RMB149,000,000. Jiangsu Shipping is principally engaged in cargo shipping. The disposal has been completed during the year ended 31 December 2025, accordingly Jiangsu Shipping ceased to be the subsidiary of the Group.

On 16 June 2022, the Company entered into an equity transfer agreement with China Datang Group Energy Investment Company Limited, a wholly owned subsidiary of China Datang, pursuant to which the Company has conditionally agreed to dispose of 52% equity interest of Inner Mongolia Datang International Zhungeer Mining Company Limited ("Zhungeer Mining") for consideration of RMB497,203,000. Zhungeer Mining is principally engaged in the operation of the Kongduigou coal mine project. During the year ended 31 December 2024, the precedent conditions of the disposal were fulfilled, which the approval from the minority shareholders and internal approval authorities were obtained. Thus, the disposal has been completed during the year ended 31 December 2024, accordingly Zhungeer Mining ceased to be the subsidiary of the Group.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

44 ACQUISITION AND DISPOSAL/DE-CONSOLIDATION OF SUBSIDIARIES (continued)

(b) Disposal of subsidiaries (continued)

The net assets of the disposed subsidiaries at the date of disposal were as follows:

	Jiangsu Shipping 2025 RMB'000	Zhungeer Mining 2024 RMB'000
Property, plant and equipment (Note 18)	386,399	166,678
Right-of-use assets	106,398	163
Intangible assets (Note 21)	726	921,655
Deferred tax assets	91,987	–
Inventories	17,528	–
Trade and notes receivables	69,646	–
Prepayments and other receivables	12,027	33,497
Cash and cash equivalents	33,586	147,989
Trade payables and accrued liabilities	(114,995)	(4,425)
Contract liabilities	(11,713)	–
Tax payables	(40)	(79)
Short-term loans	(60,202)	–
Current portion of non-current liabilities	(82,206)	–
Long-term loans	(340,439)	–
Lease liabilities	(1,276)	–
Deferred income	–	(300,000)
Deferred tax liabilities	(470)	(122,374)
Net assets disposed of	106,956	843,104
Consideration received:		
	Jiangsu Shipping 2025 RMB'000	Zhungeer Mining 2024 RMB'000
Cash received	149,000	497,203

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

44 ACQUISITION AND DISPOSAL/DE-CONSOLIDATION OF SUBSIDIARIES (continued)

(b) Disposal of subsidiaries (continued)

Gain on disposal of subsidiaries:

	Jiangsu Shipping 2025 RMB'000	Zhungeer Mining 2024 RMB'000
Consideration received	149,000	497,203
Net assets disposed of	(106,956)	(843,104)
Non-controlling interests	3,650	347,005
	45,694	1,104
Gain on disposal (Note 10)	45,694	1,104

Net cash inflow/(outflow) arising on disposal:

	Jiangsu Shipping 2025 RMB'000	Zhungeer Mining 2024 RMB'000
Cash consideration	149,000	–
Less: Cash and cash equivalents disposed of	(33,586)	(147,989)
	115,414	(147,989)

(c) De-consolidation of subsidiaries

During the year ended 31 December 2025, four subsidiaries (2024: four subsidiaries) had been deconsolidated as these subsidiaries were in the process of liquidation, no gain or loss (2024: loss of RMB124,062,000) has been recognised on de-consolidation of subsidiaries in the "Other income and other gains and losses, net" of the consolidated financial statements.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

45 CAPITAL COMMITMENTS

Capital expenditures contracted for at the end of the reporting period but not yet incurred are as follows:

	2025	2024
	RMB'000	RMB'000
Property, plant and equipment	20,164,200	22,052,080
Interests in joint ventures	1,132,659	2,268,171
	21,296,859	24,320,251

46 OPERATING LEASE COMMITMENT

The Group as lessor

Undiscounted lease payments receivable on leases are as follows:

	2025	2024
	RMB'000	RMB'000
Within one year	57,846	51,123
In the second year	56,451	48,587
In the third year	44,590	34,661
In the fourth year	36,743	32,195
In the fifth year	32,457	31,984
After five years	37,701	32,828
	265,788	231,378

47 PLEDGE OF ASSETS

The Group had pledged the following assets to secure the borrowings of the Group at the end of the reporting period. The carrying amounts of the assets pledged are as follows:

	2025	2024
	RMB'000	RMB'000
Pledged bank deposit	386,737	526,446
Property, plant and equipment	9,395,230	11,329,636
Right-of-use assets	667,173	751,826
Others	–	106,130
	10,449,140	12,714,038

As at 31 December 2025, the Group's borrowings of RMB24,223,280,000 (2024: RMB27,564,886,000) were secured by the Group's future rights on electricity and heat tariffs amounting to RMB9,982,093,000 (2024: RMB6,498,790,000).

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

48 RELATED PARTY TRANSACTIONS

In addition to those related party transactions and balances disclosed elsewhere in the consolidated financial statements, the Group had the following significant transactions and balances with its related parties during the both years:

(a) Significant balances and transactions with related parties

- (i) Significant transactions with China Datang and its subsidiaries, associates and joint ventures other than the Group (collectively referred to as “China Datang Group”) and associates of the Group

Name of related company	Nature of transaction	2025	2024
		RMB'000	RMB'000
China Datang Group:			
China National Water Resources & Electric Power Materials & Equipment Group Company Limited	Procurement of production and infrastructure materials and relevant auxiliary services	4,459,786	2,552,815
	Training service fee expense	–	219
	Receiving services of technological transformation, operations management and repair maintenance	26,383	422
	Receiving services of technical supervision and technical services	2,333	–
	Receiving services of information system development	833	–
	Receiving property management and other logistical services	227	–
	Providing production and infrastructure materials and relevant auxiliary services	–	986
	Providing services of operations management and repair and maintenance	974	214
	Providing services of information system development	2,053	–
	Providing property management and other logistical services	2,467	–
	Rental income	3,103	2,947
Datang Environment Industry Group Company Limited	Receiving services of franchising of flue gas environmental protection facilities	2,378,811	2,454,837
	Expenses of infrastructure EPC Contracting	–	9,395
	Receiving services of technical supervision and technical services	845	–
	Receiving services of technological transformation, operations management and repair maintenance	94,976	–
	Providing services of franchising of flue gas environmental protection facilities, water and electricity supply	806,829	853,221
	Providing services of operations management and repair and maintenance	73,041	77,499
	Income from equipment lease	868	1,470

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

48 RELATED PARTY TRANSACTIONS (continued)

(a) Significant balances and transactions with related parties (continued)

- (i) Significant transactions with China Datang and its subsidiaries, associates and joint ventures other than the Group (collectively referred to as "China Datang Group") and associates of the Group (continued)

Name of related company	Nature of transaction	2025	2024
		RMB'000	RMB'000
China Datang Group: (continued)			
China Datang Corporation	Procurement of production and infrastructure materials and relevant auxiliary services	48,915	41,965
Science and Technology General Research Institute Limited	Receiving services of technological transformation, operations management and repair maintenance	29,210	9,039
	Receiving services of technical supervision and technical services	309,602	334,802
	Receiving services of research and development in technological projects	11,021	14,874
	Receiving services of information system development	3,040	–
	Providing services of operations management and repair and maintenance	747	68
	Training service fee expense	5	–
	Providing services information system development	23	–
Datang International Fuel Trading Company Limited	Procurement of production and infrastructure materials and relevant auxiliary services	55,710	–
	Purchase of coal	15,649,210	12,275,905
	Sales of coal and transportation services	140,926	312,243
	Receiving services of information system development	251	–
	Rental income	413	1,426
China Datang Group International Trading Company Limited	Procurement of production and infrastructure materials and relevant auxiliary services	2,858,995	6,454,395
Datang (Beijing) Coal Sales Limited	Purchase of coal	136,988	124,641
	Rental income	1,798	1,810
China Datang	Procurement of production and infrastructure materials and relevant auxiliary services	1,124,850	2,065,559
China Datang Corporation Hong Kong Company Limited	Purchase of coal	1,058,025	1,022,824
	Sales of coal and transportation services	12,876	–
Shanghai Datang Financial Leasing Company Limited	Additions to direct lease	1,002,386	55,134
	Additions to sales and lease-back	2,296,100	372,000
	Additions to entrusted loans	350,000	–
Datang Commercial Factoring Company Limited	Receiving factoring business services	4,505,844	5,332,464
Datang Energy Supply (Tianjin) Partnership (Limited Partnership)	Additions to entrusted loans	2,600,000	1,200,000

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

48 RELATED PARTY TRANSACTIONS (continued)

(a) Significant balances and transactions with related parties (continued)

- (i) Significant transactions with China Datang and its subsidiaries, associates and joint ventures other than the Group (collectively referred to as “China Datang Group”) and associates of the Group (continued)

Name of related company	Nature of transaction	2025	2024
		RMB'000	RMB'000
Group's associates:			
Datang Finance	Interest income	17,445	32,711
	Interest expenses	255,026	309,185
Datang Financial Leasing Company Limited	Additions to direct lease	651,610	2,020,535
	Additions to sales and lease-back	2,936,580	2,281,000
	Additions to entrusted loans	-	250,000

- (ii) Significant balances with China Datang Group and associates of the Group

The Group has the following significant balances with related parties:

	2025	2024
	RMB'000	RMB'000
Bank deposits		
Associates:		
Datang Finance	8,666,991	7,143,704
Other non-current assets		
China Datang Group:		
China National Water Resources & Electric Power Materials & Equipment Group Company Limited	3,432,702	2,252,419
China Datang Group International Trading Company Limited	1,170,846	1,797,861
China Datang	669,397	857,634
Trade receivables		
China Datang Group:		
Datang Environment Industry Group Company Limited	458,306	449,547
Prepayments		
China Datang Group:		
Datang Environment Industry Group Company Limited	33,167	-
Datang International Fuel Trading Company Limited	110,966	115,437
China National Water Resources & Electric Power Materials & Equipment (Beijing) Company Limited	307,766	279,411
Other receivables		
China Datang Group:		
Beijing Shangshan Hengsheng Real Estate Company Limited	98,000	98,000

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

48 RELATED PARTY TRANSACTIONS (continued)

(a) Significant balances and transactions with related parties (continued)

(ii) Significant balances with China Datang Group and associates of the Group (continued)

The Group has the following significant balances with related parties: (continued)

	2025	2024
	RMB'000	RMB'000
Other receivables (continued)		
Associate:		
Inner Mongolia Datang Tongfang Silicon Aluminum Technology Company Limited	–	112,153
Tongmei Datang Tashan Coal Company Limited	456,014	508,000
Trade payables		
China Datang Group:		
Datang Environment Industry Group Company Limited	1,529,521	1,723,458
China Datang Group Technology and Engineering Company Limited	50,631	108,012
China National Water Resources & Electric Power Materials & Equipment Group Company Limited	164,739	125,893
China Datang Group International Trading Company Limited	814,112	1,304,936
Datang International Fuel Trading Company Limited	647,779	490,299
Other payables		
China Datang Group:		
China Datang	203,283	199,299
Datang International Energy Service Company Limited	–	103,757
Datang Environment Industry Group Company Limited	96,794	86,800
China Datang Group International Trading Company Limited	803,173	689,125
Associate:		
Datang Financial Leasing Company Limited	1,225,050	2,970,694
Borrowings		
China Datang Group:		
China Datang	900,100	884,300
Associate:		
Datang Finance	11,971,328	15,236,304
Other non-current liabilities		
China Datang Group:		
Shanghai Datang Financial Leasing Company Limited	3,102,601	1,887,706
Associate:		
Datang Financial Leasing Company Limited	2,580,757	2,236,125

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48 RELATED PARTY TRANSACTIONS (continued)

(a) Significant balances and transactions with related parties (continued)

(iii) Significant balances with China Datang Group and associates of the Group (continued)

As at 31 December 2025, the bank deposits with an associate are unsecured, interest-bearing ranged from 0.05% to 1.60% per annum and repayable on demand (2024: 0.20% to 1.50%).

As at 31 December 2025, the trade receivables from China Datang Group and trade payables to China Datang Group are unsecured, interest free and repayable within one year (2024: same).

As at 31 December 2025, the borrowings from China Datang Group are unsecured and interest-bearing ranged from 2.00% to 4.20% per annum (2024: 3.60% to 4.20%).

As at 31 December 2025, the other non-current liabilities from China Datang Group and an associate are unsecured and interest-bearing ranged from 2.40% to 5.00% per annum (2024: 3.00% to 4.35%).

Except for mentioned above, all remaining balances are unsecured, interest free and repayable on demand (2024: same).

(iv) Significant transactions with government-related entities

Government-related entities, other than entities under China Datang which is a state-owned enterprise and its subsidiaries, directly or indirectly controlled, jointly controlled or significant influenced by the Central People's Government of the PRC ("Government-Related Entities") are also regarded as related parties of the Group.

For the purpose of the related party transactions disclosure, the Group has established procedures for determination, to the extent possible, of the identification of the ownership structure of its customers and suppliers as to whether they are Government-Related Entities to ensure the adequacy of disclosure for all material related party transactions given that many Government-Related Entities have multi-layered corporate structures and the ownership structures change over time as a result of transfers and privatisation programs.

During the years ended 31 December 2025 and 2024, the Group sold substantially all of its electricity to local government-related power grid companies. The Group maintained most of its bank deposits in government-related financial institutions while lenders of most of the Group's loans are also government-related financial institutions, associated with the respective interest income or interest expense incurred.

During the years ended 31 December 2025 and 2024, other collectively significant transactions with Government-Related Entities also included purchases of fuel, and property, plant and equipment.

Notes to the Consolidated Financial Statements

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48 RELATED PARTY TRANSACTIONS (continued)

(a) Significant balances and transactions with related parties (continued)

(v) Compensation to key management personnel of the Group

	2025	2024
	RMB'000	RMB'000
Short-term benefits	7,595	7,136
Retirement benefits	1,805	1,001
	<u>9,400</u>	<u>8,137</u>

Details of directors' and supervisors' remunerations are included in note 14 to the consolidated financial statements.

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49 PRINCIPAL SUBSIDIARIES

(a) General information of subsidiaries

Particulars of the principal subsidiaries as at 31 December 2025 and 2024 are as follows:

Name of subsidiary	Place of incorporation/ registration and operation	Kind of legal entity	Paid-up capital RMB'000	Percentage of equity interest				Principal activities
				Direct 2025	Direct 2024	Indirect 2025	Indirect 2024	
Liaoning Datang International Renewable Power Company Limited	the PRC	Company with limited liability	2,870,231 (2024: 2,692,141)	100.00%	100.00%	-	-	Wind power generation
Liaoning Datang International Changtu Wind Power Company Limited	the PRC	Company with limited liability	1,245,760 (2024: 1,145,760)	-	-	100.00%	100.00%	Wind power generation
Datang Zhangzhou Wind Power Company Limited	the PRC	Company with limited liability	217,590 (2024: 217,590)	-	-	100.00%	100.00%	Wind power generation
Datang Hebei Power Generation Company Limited	the PRC	Company with limited liability	3,921,136 (2024: 3,921,136)	100.00%	100.00%	-	-	Power generation
Datang Heilongjiang Power Generation Company Limited	the PRC	Company with limited liability	3,669,760 (2024: 3,669,760)	100.00%	100.00%	-	-	Power generation
Anhui Datang	the PRC	Company with limited liability	5,603,188 (2024: 5,603,188)	100.00%	100.00%	-	-	Power generation
Tianjin Datang International Panshan Power Generation Company Limited	the PRC	Company with limited liability	831,253 (2024: 831,253)	75.00%	75.00%	-	-	Power generation
Inner Mongolia Datang International Tuoketuo Power Generation Company Limited ("Tuoketuo Power")	the PRC	Company with limited liability	3,750,580 (2024: 3,750,580)	60.00%	60.00%	-	-	Power generation
Shanxi Datang International Shentou Power Generation Company Limited	the PRC	Company with limited liability	749,000 (2024: 749,000)	60.00%	60.00%	-	-	Power generation
Shanxi Datang International Yungang Thermal Power Company Limited	the PRC	Company with limited liability	690,000 (2024: 690,000)	100.00%	100.00%	-	-	Power generation and heat supply

Notes to the Consolidated Financial Statements

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49 PRINCIPAL SUBSIDIARIES (continued)

(a) General information of subsidiaries (continued)

Particulars of the principal subsidiaries as at 31 December 2025 and 2024 are as follows: (continued)

Name of subsidiary	Place of incorporation/ registration and operation	Kind of legal entity	Paid-up capital RMB'000	Percentage of equity interest				Principal activities
				Direct 2025	Direct 2024	Indirect 2025	Indirect 2024	
Hebei Datang International Tangshan Thermal Power Company Limited	the PRC	Company with limited liability	380,264 (2024: 380,264)	80.00%	80.00%	-	-	Power generation and heat supply
Jiangsu Datang International Lvsigang Power Generation Company Limited	the PRC	Company with limited liability	1,673,586 (2024: 1,301,967)	55.00%	55.00%	-	-	Power generation
Guangdong Datang International Chaozhou Power Generation Company Limited ("Chaozhou Power")	the PRC	Company with limited liability	2,044,911 (2024: 1,798,101)	52.50%	52.50%	-	-	Power generation
Fujian Datang International Ningde Power Generation Company Limited	the PRC	Company with limited liability	825,090 (2024: 825,090)	51.00%	51.00%	-	-	Power generation
Chongqing Datang International Pengshui Hydropower Development Company Limited ("Pengshui Hydropower")	the PRC	Company with limited liability	2,096,618 (2024: 2,096,618)	40.00%	40.00%	24.00%	24.00%	Hydropower generation
Chongqing Datang International Wulong Hydropower Development Company Limited	the PRC	Company with limited liability	1,500,930 (2024: 1,500,930)	51.00%	51.00%	24.50%	24.50%	Hydropower generation
Datang International (Hong Kong) Limited	Hong Kong	Company with limited liability	653,511 (2024: 653,511)	100.00%	100.00%	-	-	Trading business
Qinghai Datang International Zhiganglaka Hydropower Development Company Limited ("Zhiganglaka")	the PRC	Company with limited liability	380,000 (2024: 380,000)	-	-	90.00%	90.00%	Hydropower generation

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For the year ended 31 December 2025

49 PRINCIPAL SUBSIDIARIES (continued)

(a) General information of subsidiaries (continued)

Particulars of the principal subsidiaries as at 31 December 2025 and 2024 are as follows: (continued)

Name of subsidiary	Place of incorporation/ registration and operation	Kind of legal entity	Paid-up capital RMB'000	Percentage of equity interest				Principal activities
				Direct 2025	Direct 2024	Indirect 2025	Indirect 2024	
Hebei Datang International Wangtan Power Generation Company Limited	the PRC	Company with limited liability	450,000 (2024: 450,000)	70.00%	70.00%	-	-	Power generation
Chongqing Datang International Shizhu Power Generation Company Limited	the PRC	Company with limited liability	585,910 (2024: 585,910)	70.00%	70.00%	-	-	Power generation
Sichuan Datang International Ganzi Hydropower Development Company Limited ("Ganzi Hydropower")	the PRC	Company with limited liability	6,632,915 (2024: 6,632,915)	52.73%	52.73%	-	-	Hydropower generation
Beijing Datang Fuel Company Limited	the PRC	Company with limited liability	1,009,650 (2024: 1,009,650)	51.00%	51.00%	-	-	Coal trading
Zhejiang Datang Wushashan Power Generation Company Limited ("Wushashan Power")	the PRC	Company with limited liability	1,700,000 (2024: 1,700,000)	51.00%	51.00%	-	-	Power generation
Inner Mongolia Datang International Tuoketuo II Power Generation Company Limited ("Tuoketuo II Power") (Note (i))	the PRC	Company with limited liability	1,174,390 (2024: 1,174,390)	40.00%	40.00%	-	-	Power generation
Hebei Datang International Zhangjiakou Thermal Power Generation Company Limited	the PRC	Company with limited liability	458,000 (2024: 458,000)	100.00%	100.00%	-	-	Power generation and heat supply
Jiangxi Datang International Fuzhou Power Generation Company Limited ("Fuzhou Power")	the PRC	Company with limited liability	1,811,616 (2024: 1,811,616)	51.00%	51.00%	-	-	Power generation

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For the year ended 31 December 2025

49 PRINCIPAL SUBSIDIARIES (continued)

(a) General information of subsidiaries (continued)

Particulars of the principal subsidiaries as at 31 December 2025 and 2024 are as follows: (continued)

Name of subsidiary	Place of incorporation/ registration and operation	Kind of legal entity	Paid-up capital RMB'000	Percentage of equity interest				Principal activities
				Direct 2025	Direct 2024	Indirect 2025	Indirect 2024	
Chongqing Datang International Wulongxingshun Wind Power Company Limited	the PRC	Company with limited liability	261,640 (2024: 261,640)	89.52%	89.52%	10.48%	10.48%	Wind power generation
Hebei Datang International Fengrun Thermal Power Company Limited	the PRC	Company with limited liability	393,070 (2024: 393,070)	84.00%	84.00%	-	-	Power generation
Hohhot Aluminum Power	the PRC	Company with limited liability	3,442,281 (2024: 3,442,281)	100.00%	100.00%	-	-	Production and sale of alumina
Jiangsu Shipping (Note 44(b))	the PRC	Company with limited liability	N/A (2024: 264,900)	-	98.11%	-	-	Cargo shipping
Inner Mongolia Datang International Renewable Power Company Limited	the PRC	Company with limited liability	2,381,540 (2024: 2,162,880)	100.00%	100.00%	-	-	Wind power generation
Fujian Datang International Renewable Power Company Limited	the PRC	Company with limited liability	1,412,640 (2024: 1,037,140)	100.00%	100.00%	-	-	Wind power generation
Shanxi Datang International Linfen Thermal Power Company Limited	the PRC	Company with limited liability	342,520 (2024: 342,520)	80.00%	80.00%	-	-	Power generation and heat supply
Liaoning Datang International Fuxin Wind Power Company Limited	the PRC	Company with limited liability	526,860 (2024: 526,860)	-	-	100.00%	100.00%	Wind power generation
Tibet Datang International Nujiang Upstream Hydropower Development Company Limited	the PRC	Company with limited liability	387,540 (2024: 380,610)	100.00%	100.00%	-	-	Hydropower generation
Datang International Nuclear Power Company Limited	the PRC	Company with limited liability	315,326 (2024: 315,326)	100.00%	100.00%	-	-	Nuclear power generation
Datang Tongzhou Technology Company Limited	the PRC	Company with limited liability	100,000 (2024: 100,000)	100.00%	100.00%	-	-	Sales of coal ash and integrated application of solid wastes

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For the year ended 31 December 2025

49 PRINCIPAL SUBSIDIARIES (continued)

(a) General information of subsidiaries (continued)

Particulars of the principal subsidiaries as at 31 December 2025 and 2024 are as follows: (continued)

Name of subsidiary	Place of incorporation/ registration and operation	Kind of legal entity	Paid-up capital RMB'000	Percentage of equity interest				Principal activities
				Direct 2025	Direct 2024	Indirect 2025	Indirect 2024	
Yunnan Datang International Electric Power Company Limited	the PRC	Company with limited liability	3,182,488 (2024: 3,167,488)	100.00%	100.00%	-	-	Hydropower generation
Hebei Datang International Renewable Power Company Limited	the PRC	Company with limited liability	1,552,486 (2024: 1,515,486)	100.00%	100.00%	-	-	Wind power generation
Inner Mongolia Datang International Haibowan Water Conservancy Hub Development Company Limited	the PRC	Company with limited liability	133,910 (2024: 133,910)	100.00%	100.00%	-	-	Hydropower generation
Jiangxi Datang International Xinyu Power Generation Company Limited	the PRC	Company with limited liability	765,202 (2024: 717,372)	100.00%	100.00%	-	-	Power generation
Hebei Datang International Qian'an Thermal Power Company Limited	the PRC	Company with limited liability	214,914 (2024: 214,914)	93.33%	93.33%	-	-	Power generation
Yuneng (Group) Company Limited	the PRC	Company with limited liability	2,314,363 (2024: 2,284,143)	100.00%	100.00%	-	-	Hydropower generation
Qinghai Datang International Golmud Photovoltaic Power Generation Company Limited	the PRC	Company with limited liability	161,970 (2024: 161,970)	100.00%	100.00%	-	-	Solar power generation
Sichuan Jinkang Electricity Development Company Limited ("Sichuan Jinkang")	the PRC	Company with limited liability	528,150 (2024: 528,150)	54.44%	54.44%	-	-	Hydropower generation

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49 PRINCIPAL SUBSIDIARIES (continued)

(a) General information of subsidiaries (continued)

Particulars of the principal subsidiaries as at 31 December 2025 and 2024 are as follows: (continued)

Name of subsidiary	Place of incorporation/ registration and operation	Kind of legal entity	Paid-up capital RMB'000	Percentage of equity interest			Principal activities	
				Direct 2025	Direct 2024	Indirect 2025		Indirect 2024
Zhejiang Datang International Jiangshan Xincheng Thermal Power Company Limited	the PRC	Company with limited liability	351,400 (2024: 351,400)	100.00%	100.00%	-	-	Power generation and heat supply
Zhejiang Datang International Shaoxing Jiangbin Thermal Power Company Limited	the PRC	Company with limited liability	600,000 (2024: 600,000)	90.00%	90.00%	-	-	Power generation and heat supply
Erdos Ruidefeng Mining Company Limited	the PRC	Company with limited liability	237,220 (2024: 237,220)	100.00%	100.00%	-	-	Wholesale of coal
Jiangxi Datang International Renewable Power Company Limited	the PRC	Company with limited liability	2,781,592 (2024: 2,613,112)	100.00%	100.00%	-	-	Wind power generation
Shenzhen Datang Baochang Gas Power Generation Company Limited ("Baochang Gas")	the PRC	Company with limited liability	705,700 (2024: 705,700)	90.88%	90.88%	-	-	Power generation
Guangdong Datang International Zhaoqing Thermal Power Company Limited	the PRC	Company with limited liability	932,981 (2024: 932,981)	100.00%	100.00%	-	-	Power generation and heat supply
Liaoning Datang International Shendong Thermal Power Company Limited	the PRC	Company with limited liability	1,317,934 (2024: 1,317,934)	100.00%	100.00%	-	-	Power generation

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

49 PRINCIPAL SUBSIDIARIES (continued)

(a) General information of subsidiaries (continued)

Particulars of the principal subsidiaries as at 31 December 2025 and 2024 are as follows: (continued)

Name of subsidiary	Place of incorporation/ registration and operation	Kind of legal entity	Paid-up capital RMB'000	Percentage of equity interest				Principal activities
				Direct 2025	Direct 2024	Indirect 2025	Indirect 2024	
Guangdong Datang International Leizhou Power Generation Company Limited ("Leizhou Power") (Note (ii))	the PRC	Company with limited liability	1,731,758 (2024: 1,731,758)	34.00%	34.00%	-	-	Power generation
Hebei Datang International Tangshan Beijiao Thermal Power Generation Company Limited	the PRC	Company with limited liability	708,950 (2024: 708,950)	100.00%	100.00%	-	-	Power generation and heat Supply
Jiangsu Datang International Jintan Thermal Power Company Limited	the PRC	Company with limited liability	1,015,408 (2024: 1,015,408)	100.00%	100.00%	-	-	Power generation and heat Supply
Liaoning Datang International Huludao Thermal Power Company Limited	the PRC	Company with limited liability	1,718,300 (2024: 1,593,920)	100.00%	100.00%	-	-	Power generation and heat supply
Zhejiang Datang International Renewable Power Company Limited	the PRC	Company with limited liability	714,829 (2024: 660,429)	100.00%	100.00%	-	-	Wind power generation
Liaoning Datang International Shenfu Thermal Power Company Limited	the PRC	Company with limited liability	117,750 (2024: 117,750)	100.00%	100.00%	-	-	Power generation and heat Supply
Zhejiang Datang Power Marketing Company Limited	the PRC	Company with limited liability	201,000 (2024: 201,000)	100.00%	100.00%	-	-	Power trading
Fujian Datang Power Marketing Company Limited	the PRC	Company with limited liability	201,000 (2024: 201,000)	100.00%	100.00%	-	-	Power trading
Datang Jingjinji Power Marketing Company Limited	the PRC	Company with limited liability	201,000 (2024: 201,000)	100.00%	100.00%	-	-	Power trading

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49 PRINCIPAL SUBSIDIARIES (continued)

(a) General information of subsidiaries (continued)

Particulars of the principal subsidiaries as at 31 December 2025 and 2024 are as follows: (continued)

Name of subsidiary	Place of incorporation/ registration and operation	Kind of legal entity	Paid-up capital RMB'000	Percentage of equity interest			Principal activities	
				Direct 2025	Direct 2024	Indirect 2025		Indirect 2024
Liaoning Datang International Huludao Heat Power Company Limited	the PRC	Company with limited liability	156,345 (2024: 156,345)	100.00%	100.00%	-	-	Heat supply
Ningxia Datang International Hongsibao Renewable Power Company Limited	the PRC	Company with limited liability	816,477 (2024: 816,477)	100.00%	100.00%	-	-	Solar power generation
Ningxia Datang International Bronze Gorge Wind Power Company Limited	the PRC	Company with limited liability	209,448 (2024: 209,448)	100.00%	100.00%	-	-	Wind power generation
Shanxi Datang International Zuoyun Wind Power Company Limited	the PRC	Company with limited liability	328,518 (2024: 328,518)	100.00%	100.00%	-	-	Wind power generation
Datang Foshan Thermal Power Company Limited	the PRC	Company with limited liability	632,520 (2024: 632,520)	100.00%	100.00%	-	-	Power generation and heat supply
Datang Shantou Renewable Power Company Limited	the PRC	Company with limited liability	2,284,589 (2024: 2,284,589)	100.00%	100.00%	-	-	Wind power generation
Jiangxi Datang Power Marketing Company Limited	the PRC	Company with limited liability	201,000 (2024: 201,000)	100.00%	100.00%	-	-	Power and heat trading

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49 PRINCIPAL SUBSIDIARIES (continued)

(a) General information of subsidiaries (continued)

Particulars of the principal subsidiaries as at 31 December 2025 and 2024 are as follows: (continued)

Name of subsidiary	Place of incorporation/ registration and operation	Kind of legal entity	Paid-up capital RMB'000	Percentage of equity interest				Principal activities
				Direct 2025	Direct 2024	Indirect 2025	Indirect 2024	
Liaoning Zhuanghe Nuclear Power Company Limited ("Liaoning Zhuanghe Nuclear") (Note (iii))	the PRC	Company with limited liability	400,000 (2024: 400,000)	46.00%	46.00%	-	-	Nuclear power generation
Datang Chongqing Energy Marketing Company Limited	the PRC	Company with limited liability	201,000 (2024: 201,000)	100.00%	100.00%	-	-	Power generation and heat supply
Datang Fuzhou Linchuan Renewable Power Company Limited	the PRC	Company with limited liability	353,360 (2024: 353,360)	-	-	100.00%	100.00%	Wind and solar power generation
Datang (Gaoan) Renewable Power Company Limited	the PRC	Company with limited liability	215,518 (2024: 215,518)	-	-	100.00%	100.00%	Wind and solar power generation
Datang (Wannian County) Renewable Power Company Limited	the PRC	Company with limited liability	131,987 (2024: 131,987)	-	-	100.00%	100.00%	Wind and solar power generation
Datang Huizhou Thermal Power Company Limited	the PRC	Company with limited liability	413,040 (2024: 341,150)	100.00%	100.00%	-	-	Power generation and heat supply
Datang (Zhang Jia Kou) Renewable Power Company Limited	the PRC	Company with limited liability	187,390 (2024: 187,390)	100.00%	100.00%	-	-	Power generation
Datang Sunwu New Energy Company Limited	the PRC	Company with limited liability	118,100 (2024: 118,100)	-	-	100.00%	100.00%	Wind power generation
Datang (Alashanzuoqi) Electric Power Company Limited	the PRC	Company with limited liability	375,700 (2024: 375,700)	-	-	100.00%	100.00%	Wind and solar power generation
Datang Xinyu Gaoxin Renewable Power Company Limited	the PRC	Company with limited liability	211,940 (2024: 211,940)	-	-	100.00%	100.00%	Production and supply of power and heat

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For the year ended 31 December 2025

49 PRINCIPAL SUBSIDIARIES (continued)

(a) General information of subsidiaries (continued)

All the above subsidiaries are limited liability companies except that Zhiganglaka is also a foreign investment enterprise while Baochang Gas and Fuzhou Power are also sino-foreign equity joint ventures.

The above list contains the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group.

Notes:

- (i) During the year ended 31 December 2006, the Company entered into an agreement with China Datang, one of the shareholders of Tuoketuo II Power, which holds 20% equity interest in Tuoketuo II Power. In 2020, the abovementioned agreement was terminated and the Company entered into a new agreement with Datang Beijing Tianjin Hebei Energy Development Company Limited, one of the shareholders of Tuoketuo II Power, which holds 20% equity interest in Tuoketuo II Power. Pursuant to these agreements, the shareholder representatives and directors appointed from Datang Beijing Tianjin Hebei Energy Development Company Limited will act in concert with that of the Company's when exercising voting rights in shareholders' and directors' meetings of Tuoketuo II Power. Therefore, the Company obtained control over Tuoketuo II Power and accounted for it as a subsidiary onwards.
- (ii) During the year ended 31 December 2015, the Company entered into an agreement with China Datang, one of the shareholders of Leizhou Power, which holds 30% equity interest in Leizhou Power. Pursuant to this agreement, the shareholder representatives and directors appointed from China Datang will act in concert with that of the Company's when exercising voting rights in shareholders' and directors' meetings of Leizhou Power. Therefore, the Company obtained control over Leizhou Power and accounted for it as a subsidiary onwards.
- (iii) During the year ended 31 December 2020, the Company entered into an agreement with SPIC Nuclear Power Company Limited (formerly Known as CPI Nuclear Power Company Limited) one of the shareholders of Liaoning Zhuanghe Nuclear, which holds 44% equity interest in Liaoning Zhuanghe Nuclear. Pursuant to this agreement, the shareholder representatives and directors appointed from SPIC Nuclear Power Company Limited will act in concert with that of the Company's when exercising voting rights in shareholders' and directors' meetings of Liaoning Zhuanghe Nuclear. Therefore, the Company obtained control over Liaoning Zhuanghe Nuclear and accounted for it as a subsidiary onwards.

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For the year ended 31 December 2025

49 PRINCIPAL SUBSIDIARIES (continued)

(b) Summarised financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

Name	Tuoketuo Power		Sichuan Jinkang	
	2025	2024	2025	2024
Principal place of business/country of incorporation	the PRC/the PRC		the PRC/the PRC	
% of ownership interests/voting rights held by non-controlling interests	40.00%/ 40.00%	40.00%/ 40.00%	45.56%/ 45.56%	45.56%/ 45.56%
	RMB'000	RMB'000	RMB'000	RMB'000
At 31 December				
Non-current assets	12,304,872	12,633,525	3,632,052	3,741,603
Current assets	2,616,209	2,680,853	22,694	27,212
Non-current liabilities	(4,167,676)	(6,592,262)	(2,022,852)	(2,173,417)
Current liabilities	(4,678,172)	(3,169,954)	(257,100)	(198,556)
Net assets	6,075,233	5,552,162	1,374,794	1,396,842
Non-controlling interests	2,430,093	2,220,865	626,356	636,401
Revenue	6,592,918	6,266,163	290,062	273,390
Profit/(loss) for the year	1,326,733	863,792	(22,007)	8,972
Total comprehensive income/(expense)	1,326,733	863,792	(22,007)	8,972
Profit/(loss) allocated to non-controlling interests	530,693	345,517	(10,026)	4,088
Dividends paid to non-controlling interests	(322,593)	(243,111)	–	–
Net cash generated from operating activities	2,569,069	1,404,646	196,196	222,999
Net cash used in investing activities	(587,460)	(1,975,561)	(44,047)	(47,618)
Net cash (used in)/generated from financing activities	(1,912,703)	560,575	(156,395)	(178,154)
Net increase/(decrease) in cash and cash equivalents	68,906	(10,340)	(4,246)	(2,773)

Notes to the Consolidated Financial Statements

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49 PRINCIPAL SUBSIDIARIES (continued)

(b) Summarised financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations. (continued)

Name	Pengshui Hydropower		Ganzi Hydropower	
	2025	2024	2025	2024
Principal place of business/country of incorporation	the PRC/the PRC		the PRC/the PRC	
% of ownership interests/voting rights held by non-controlling interests	36.00%/ 36.00%	36.00%/ 36.00%	47.27%/ 47.27%	47.27%/ 47.27%
	RMB'000	RMB'000	RMB'000	RMB'000
At 31 December:				
Non-current assets	7,077,645	8,003,777	28,401,096	27,949,765
Current assets	746,560	45,114	361,298	154,716
Non-current liabilities	(3,532,115)	(3,835,191)	(14,590,143)	(15,547,148)
Current liabilities	(675,772)	(765,659)	(6,911,605)	(4,919,427)
Net assets	3,616,318	3,448,041	7,260,646	7,637,906
Non-controlling interests	1,301,874	1,241,295	3,432,107	3,610,438
Revenue	1,585,314	1,431,096	2,815,657	2,783,603
Profit for the year	758,495	655,799	199,667	641,514
Total comprehensive income	758,495	655,799	200,103	641,998
Profit allocated to non-controlling interests	273,058	236,088	94,383	303,244
Other comprehensive income allocated to non-controlling interests	–	–	206	299
Dividends paid to non-controlling interests	(212,479)	(116,268)	(272,919)	(244,255)
Net cash generated from operating activities	1,223,127	1,172,045	2,044,046	2,446,846
Net cash used in investing activities	(2,756)	(12,077)	(799,803)	(351,335)
Net cash used in financing activities	(1,122,910)	(1,160,873)	(1,235,106)	(2,171,325)
Net increase/(decrease) in cash and cash equivalents	97,461	(905)	9,137	(75,814)

Notes to the Consolidated Financial Statements

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49 PRINCIPAL SUBSIDIARIES (continued)

(b) Summarised financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations. (continued)

Name	Tuoketuo II Power		Fuzhou Power	
	2025	2024	2025	2024
Principal place of business/country of incorporation	the PRC/the PRC		the PRC/the PRC	
% of ownership interests/voting rights held by non-controlling interests	60.00%/ 60.00%	60.00%/ 60.00%	49.00%/ 49.00%	49.00%/ 49.00%
	RMB'000	RMB'000	RMB'000	RMB'000
At 31 December:				
Non-current assets	3,100,428	3,383,778	3,484,750	3,717,381
Current assets	750,911	686,743	646,982	927,742
Non-current liabilities	(97,948)	(240,701)	(694,976)	(1,257,103)
Current liabilities	(1,572,515)	(1,643,719)	(1,002,891)	(1,452,383)
Net assets	2,180,876	2,186,101	2,433,865	1,935,637
Non-controlling interests	1,308,526	1,311,661	1,192,594	948,462
Revenue	3,806,049	4,563,095	3,681,612	4,114,164
Profit for the year	419,292	424,515	487,445	283,051
Total comprehensive income	419,292	424,515	487,445	283,051
Profit allocated to non-controlling interests	251,575	254,709	238,848	138,695
Dividends paid to non-controlling interests	(254,709)	(236,352)	–	–
Net cash generated from operating activities	1,004,168	791,432	1,243,834	526,643
Net cash used in investing activities	(55,431)	(82,272)	(91,000)	(118,421)
Net cash used in financing activities	(900,876)	(701,555)	(1,095,456)	(742,032)
Net increase/(decrease) in cash and cash equivalents	47,861	7,605	57,378	(333,810)

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

49 PRINCIPAL SUBSIDIARIES (continued)

(b) Summarised financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations. (continued)

Name	Chaozhou Power		Wushashan Power	
	2025	2024	2025	2024
Principal place of business/country of incorporation	the PRC/the PRC		the PRC/the PRC	
% of ownership interests/voting rights held by non-controlling interests	47.50% / 47.50%	47.50% / 47.50%	49.00% / 49.00%	49.00% / 49.00%
	RMB'000	RMB'000	RMB'000	RMB'000
At 31 December:				
Non-current assets	7,234,650	5,305,789	3,276,228	3,567,635
Current assets	1,002,709	971,393	815,189	1,104,826
Non-current liabilities	(2,346,708)	(1,271,743)	(314,087)	(478,599)
Current liabilities	(2,874,340)	(1,994,876)	(2,016,731)	(2,709,080)
Net assets	3,016,311	3,010,563	1,760,599	1,484,782
Non-controlling interests	1,432,747	1,430,017	862,694	727,543
Revenue	5,948,404	6,775,339	4,848,297	6,165,591
Profit for the year	316,424	619,428	275,817	314,133
Total comprehensive income	316,424	619,428	275,817	314,133
Profit allocated to non-controlling interest	150,301	294,228	135,150	153,925
Dividends paid to non-controlling interest	(264,806)	(21,729)	–	–
Net cash generated from operating activities	1,471,622	1,086,356	902,819	1,032,226
Net cash used in investing activities	(2,482,360)	(1,476,019)	(193,787)	(429,084)
Net cash generated from/(used in) financing activities	1,049,158	283,467	(754,568)	(626,130)
Net increase/(decrease) in cash and cash equivalents	38,420	(106,196)	(45,536)	(22,988)

Notes to the Consolidated Financial Statements

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50 RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	At 1 January 2025	Cash inflows from financing activities	Cash outflows from financing activities	Non-cash changes	At 31 December 2025
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Long-term loans	139,132,271	48,786,840	(55,321,761)	3,216,024	135,813,374
Long-term bonds	4,338,927	3,000,000	(385,640)	138,407	7,091,694
Other pledged financing	5,319,748	3,437,000	(2,685,561)	597,048	6,668,235
Lease liabilities	1,826,488	–	(446,788)	766,033	2,145,733
Short-term loans (Note)	36,833,122	87,598,089	(87,842,533)	4,527,065	41,115,743
Short-term bonds	5,021,757	11,000,000	(11,044,803)	41,669	5,018,623
	192,472,313	153,821,929	(157,727,086)	9,286,246	197,853,402

	At 1 January 2024	Cash inflows from financing activities	Cash outflows from financing activities	Non-cash changes	At 31 December 2024
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Long-term loans	135,575,800	44,594,386	(44,855,356)	3,817,441	139,132,271
Long-term bonds	6,569,167	4,000,000	(6,452,940)	222,700	4,338,927
Other pledged financing	6,731,373	2,615,000	(4,240,849)	214,224	5,319,748
Lease liabilities	1,960,588	–	(652,768)	518,668	1,826,488
Short-term loans (Note)	29,019,793	63,278,549	(57,854,977)	2,389,757	36,833,122
Short-term bonds	–	8,500,000	(3,509,158)	30,915	5,021,757
	179,856,721	122,987,935	(117,566,048)	7,193,705	192,472,313

Note: During the year ended 31 December 2025, short-term loans under supplies chain financing arrangements of RMB3,037,231,000 (2024: RMB2,021,777,000) represent the payments to the supplies by the relevant banks directly.

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For the year ended 31 December 2025

51 EVENTS AFTER THE REPORTING PERIOD

Subsequent to the end of the reporting period, the Company issued the bonds and perpetual bonds in aggregated principal amounts of RMB6,000 million and RMB11,000 million respectively with coupon rates ranging from 1.48% to 1.92%. Further details of these transactions are set out in the Company's announcement dated 12 January 2026, 14 January 2026, 19 January 2026, 5 February 2026, 9 March 2026, 11 March 2026 and 18 March 2026.

Differences between financial statements

For the year ended 31 December 2025

The consolidated financial statements which are prepared by the Group in conformity with IFRS Accounting Standards, differ in certain respects from PRC GAAP. Major differences between IFRS Accounting Standards and PRC GAAP ("GAAP Differences"), which affect the net assets and net profit of the Group, are summarised as follows:

	Note	Net assets	
		2025	2024
		RMB'000	RMB'000
Net assets attributable to holders of equity instruments of the Company under IFRS Accounting Standards		80,383,176	76,491,772
Impact of IFRS Accounting Standards adjustments:			
Difference in the commencement of depreciation of property, plant and equipment	(a)	106,466	106,466
Difference in accounting treatment on work safety funds	(b)	(189,471)	(102,246)
Applicable deferred tax impact of the above GAAP Differences		49,545	44,980
Non-controlling interests' impact of the above GAAP Differences after tax		817	19,629
Net assets attributable to equity holders of the Company under PRC GAAP		80,350,533	76,560,601
	Note	Net profit	
		2025	2024
		RMB'000	RMB'000
Profit for the year attributable to holders of equity instruments of the Company under IFRS Accounting Standards		7,539,217	4,537,854
Impact of IFRS Accounting Standards adjustments:			
Difference in accounting treatment on work safety funds	(b)	(122,592)	(44,003)
Applicable deferred tax impact of the above GAAP Differences		4,565	2,937
Non-controlling interests' impact of the above GAAP Differences after tax		(18,812)	9,395
Others		(16,122)	–
Net profit for the year attributable to equity holders of the Company under PRC GAAP		7,386,256	4,506,183

Differences between financial statements

For the year ended 31 December 2025

Notes:

- (a) Difference in the commencement of depreciation of property, plant and equipment

This represents the depreciation difference arose from the different timing of the start of depreciation charge in previous years.

- (b) Difference in accounting treatment on work safety funds

Under PRC GAAP, accrual of future development and work safety expenses are included in respective product cost or current period profit or loss and recorded in a specific reserve accordingly. When such future development and work safety expenses are applied and related to revenue expenditures, specific reserve is directly offset when expenses incurred. When capital expenditures are incurred, they are included in construction in progress and transferred to fixed assets when the related assets reach the expected use condition. They are then offset against specific reserve based on the amount included in fixed assets while corresponding amount is recognised in accumulated depreciation. Such fixed assets are not depreciated in subsequent periods.

Under IFRS Accounting Standards, coal mining and power generation companies are required to set aside an amount to a fund for future development and work safety through transferring from accumulated losses to capital reserve. When qualifying revenue expenditures are incurred, such expenses are recorded in the profit or loss as incurred. When capital expenditures are incurred, an amount is transferred to property, plant and equipment and is depreciated in accordance with the depreciation policy of the Group. Internal equity items transfers take place based on the actual application amount of future development and work safety expenses whereas those related capital reserve is offset against accumulated losses to the extent of zero.



大唐国际发电股份有限公司

DATANG INTERNATIONAL POWER GENERATION CO., LTD.

Stock Code: 00991