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## ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION OF JIANGSU HUADIAN ENERGY CO., LTD.\* (華電江蘇能源有限公司) TO THE DIRECTORS OF HUADIAN POWER INTERNATIONAL CORPORATION LIMITED

### Introduction

We report on the historical financial information of Jiangsu Huadian Energy Co., Ltd.\* (華電江蘇能源有限公司) (“Jiangsu Huadian”) and its subsidiaries (collectively, “Jiangsu Huadian Group”), set out on pages 4 to 81, which comprises the combined statements of financial position as at 31 December 2021, 2022 and 2023 and 30 June 2024, the combined statements of profit or loss and other comprehensive income, the combined statements of changes in equity and the combined statements of cash flows for each of the years ended 31 December 2021, 2022 and 2023 and six months ended 30 June 2024 (the “Relevant Periods”) and material accounting policy information and other explanatory information (together, the “Historical Financial Information”). The Historical Financial Information set out on pages 4 to 81 forms an integral part of this report, which has been prepared for inclusion in the circular of the Huadian Power International Corporation Limited (the “Company”) dated 8 November 2024 (the “Circular”) in connection with the proposed major transaction and connected acquisition.

### Directors' Responsibility for the Historical Financial Information

The directors of Jiangsu Huadian are responsible for the preparation of the Historical Financial Information that give a true and fair view in accordance with the basis of preparation and presentation set out in note 2 to the Historical Financial Information and for such internal control as the directors of Jiangsu Huadian determine is necessary to enable the preparation of the Historical Financial Information that is free from material misstatement, whether due to fraud or error.

The directors of the Company are responsible for the contents of the Circular in which the Historical Financial Information of Jiangsu Huadian Group is included, and such information is prepared based on accounting policies materially consistent with those of the Company.

### Reporting Accountants' Responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200 “Accountants' Reports on Historical Financial Information in Investment Circulars” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

\* *For identification purpose only*

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants' judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity's preparation and presentation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in note 2 to the Historical Financial Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors of the Jiangsu Huadian, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Opinion**

In our opinion, the Historical Financial Information gives, for the purposes of the accountants' report, a true and fair view of the financial position of Jiangsu Huadian Group as at 31 December 2021, 2022 and 2023 and 30 June 2024, and of Jiangsu Huadian Group's financial performance and cash flows for the Relevant Periods in accordance with the basis of preparation and presentation set out in note 2 to the Historical Financial Information.

### **Review of Relevant Period Comparative Financial Information**

We have reviewed the relevant period comparative financial information of Jiangsu Huadian Group which comprises the statement of combined profit or loss and other comprehensive income, combined statement of changes in equity and combined statement of cash flows for the six months ended 30 June 2023 and other explanatory information (the "Relevant Period Comparative Financial Information"). The directors of Jiangsu Huadian are responsible for the preparation of the Relevant Period Comparative Financial Information in accordance with the basis of preparation and presentation set out in note 2 to the Historical Financial Information. Our responsibility is to express a conclusion on the Relevant Period Comparative Financial Information based on our review. We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. Based on our review, nothing has come to our attention that causes us to believe that the Relevant Period Comparative Financial Information, for the purposes of the accountants' report, is not prepared, in all material respects, in accordance with the basis of preparation and presentation set out in note 2 to the Historical Financial Information.

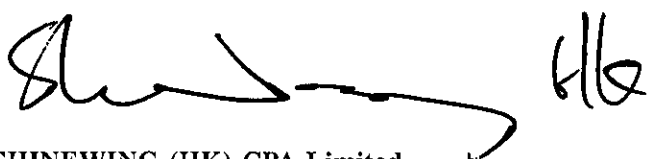
**Report on Matters Under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Companies (Winding Up and Miscellaneous Provisions) Ordinance**

*Adjustments*

In preparing the Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page 4 have been made.

*Dividends*

We refer to note 35(a) to the Historical Financial Information which contains information about dividend declared or paid by Jiangsu Huadian during the Relevant Periods.



**SHINEWING (HK) CPA Limited**  
*Certified Public Accountants*  
Wong Hon Kei, Anthony  
Practising Certificate Number: P05591

Hong Kong  
8 November 2024

## **A. HISTORICAL FINANCIAL INFORMATION OF JIANGSU HUADIAN GROUP**

### **Preparation of Historical Financial Information**

The combined financial statements of Jiangsu Huadian Group for the Relevant Periods, on which the Historical Financial Information is based, have been prepared in accordance with the accounting policies which conform with International Financial Reporting Standards (“IFRSs”) and were audited by SHINEWING (HK) CPA Limited in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) (the “Underlying Financial Statements”).

The Historical Financial Information is presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand (RMB’000) except when otherwise indicated.

**COMBINED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	Notes	Year ended 31 December			Six months ended	
		2021	2022	2023	30 June	
		RMB'000	RMB'000	RMB'000	2023	2024
				RMB'000	RMB'000	
				<i>(Unaudited)</i>		
<b>Turnover</b>	6	<u>20,961,779</u>	<u>23,981,628</u>	<u>25,895,876</u>	<u>12,089,824</u>	<u>10,984,729</u>
<b>Operating expenses</b>						
Fuel costs		(17,505,244)	(20,554,780)	(18,893,733)	(9,386,842)	(7,881,137)
Depreciation and amortisation		(2,056,553)	(2,074,217)	(2,108,877)	(1,042,103)	(1,056,798)
Repairs, maintenance and inspection		(1,160,503)	(1,001,668)	(1,572,657)	(435,310)	(485,605)
Personnel costs	7	(1,358,427)	(1,444,211)	(1,528,007)	(593,129)	(662,641)
Administration expenses		(413,295)	(184,057)	(101,021)	(36,562)	(52,633)
Taxes and surcharges	8	(173,395)	(161,400)	(171,511)	(76,838)	(88,740)
Other operating expenses	12(b)	<u>(1,138,030)</u>	<u>(798,993)</u>	<u>(581,528)</u>	<u>(338,577)</u>	<u>(190,665)</u>
		<u>(23,805,447)</u>	<u>(26,219,326)</u>	<u>(24,957,334)</u>	<u>(11,909,361)</u>	<u>(10,418,219)</u>
<b>Operating (loss)/profit</b>		(2,843,668)	(2,237,698)	938,542	180,463	566,510
Investment income	9	63,270	84,016	45,776	8,043	8,950
Other revenue	10	108,149	32,177	178,394	11,822	8,788
Other net income	10	634,860	147,668	216,338	39,411	55,433
Interest income from bank deposits		33,847	16,258	6,289	4,495	1,597
Finance costs	11	(750,521)	(688,341)	(566,411)	(317,348)	(213,125)
Share of results of associates		<u>(40,524)</u>	<u>70,751</u>	<u>137,946</u>	<u>20,063</u>	<u>41,989</u>
<b>(Loss)/profit before taxation</b>	12(a)	<u>(2,794,587)</u>	<u>(2,575,169)</u>	<u>956,874</u>	<u>(53,051)</u>	<u>470,142</u>
Income tax (expenses)/credit	15	<u>964</u>	<u>52,282</u>	<u>(221,992)</u>	<u>(22,666)</u>	<u>(77,041)</u>
<b>(Loss)/profit for the year/period</b>		<u><u>(2,793,623)</u></u>	<u><u>(2,522,887)</u></u>	<u><u>734,882</u></u>	<u><u>(75,717)</u></u>	<u><u>393,101</u></u>

Notes	Year ended 31 December			Six months ended	
	2021	2022	2023	30 June	
	RMB'000	RMB'000	RMB'000	2023	2024
			RMB'000	RMB'000	
			(Unaudited)		
<b>Other comprehensive income/(expense):</b>					
<i>Items that will not be reclassified subsequently to profit or loss:</i>					
Share of other comprehensive (expenses)/income of associates	(41)	174	19	--	--
Fair value gain/(loss) on equity investments designated at fair value through other comprehensive income	36,495	3,006	5,365	1,310	(9,053)
Other comprehensive income/(expense) for the year/period, net of income tax	36,454	3,180	5,384	1,310	(9,053)
<b>Total comprehensive (expense)/income for the year/period</b>	<b>(2,757,169)</b>	<b>(2,519,707)</b>	<b>740,266</b>	<b>(74,407)</b>	<b>384,048</b>
<b>(Loss)/profit for the year/period attributable to:</b>					
Equity holders of Jiangsu Huadian	(2,443,846)	(2,046,941)	423,385	(75,902)	324,509
Non-controlling interests	(349,777)	(475,946)	311,497	185	68,592
	<b>(2,793,623)</b>	<b>(2,522,887)</b>	<b>734,882</b>	<b>(75,717)</b>	<b>393,101</b>
<b>Total comprehensive income/(expense) for the year/period attributable to:</b>					
Equity holders of Jiangsu Huadian	(2,416,120)	(2,044,471)	428,558	(75,178)	318,839
Non-controlling interests	(341,049)	(475,236)	311,708	771	65,209
	<b>(2,757,169)</b>	<b>(2,519,707)</b>	<b>740,266</b>	<b>(74,407)</b>	<b>384,048</b>

## COMBINED STATEMENTS OF FINANCIAL POSITION

	Notes	As at 31 December			As at
		2021	2022	2023	30 June
		RMB'000	RMB'000	RMB'000	2024
				RMB'000	
<b>Non-current assets</b>					
Property, plant and equipment	17	25,862,632	24,007,201	22,012,324	21,015,197
Right-of-use assets	18	833,839	882,503	906,075	933,373
Construction in progress	19	686,903	992,040	2,375,011	3,653,632
Intangible assets	20	31,994	80,937	80,584	71,334
Interests in associates	21	915,569	1,005,703	1,070,411	1,038,789
Financial assets at fair value through other comprehensive income	22	177,263	180,932	186,297	177,244
Other non-current assets	23	126,853	3,890	317,601	341,209
Deferred tax assets	32	162,137	247,530	92,480	34,113
		<u>28,797,190</u>	<u>27,400,736</u>	<u>27,040,783</u>	<u>27,264,891</u>
<b>Current assets</b>					
Inventories	24	592,549	383,722	477,062	484,857
Trade debtors and bills receivables	25	2,521,926	3,133,341	3,167,310	2,517,012
Deposits, other receivables and prepayments	26	2,344,039	1,038,062	950,024	1,643,836
Tax recoverable		23,026	79,839	8,153	8,227
Restricted deposit	27	–	20	325	89
Cash and cash equivalents	28	1,094,629	1,051,860	733,355	540,756
		<u>6,576,169</u>	<u>5,686,844</u>	<u>5,336,229</u>	<u>5,194,777</u>
<b>Current liabilities</b>					
Bank loans	29(a)	3,383,915	3,675,870	6,013,635	6,118,217
Loans from shareholders	29(b)	3,602,390	3,005,041	1,849	201,008
Other loans	29(c)	1,449,784	1,802,846	320,863	76,387
Long-term debentures payable-current portion	29(d)	32,197	42,408	2,041,356	2,089,225
Short-term debentures	29(e)	5,234,074	6,224,184	2,305,475	1,204,253
Amount due to the parent company		1,645,687	498,404	109,479	30,636
Lease liabilities	18	5,691	1,138	2,210	7,323
Trade creditors and bills payable	30	2,308,793	1,425,382	1,937,962	1,784,014
Other payables and contract liabilities	31	4,138,791	3,749,142	3,587,690	3,699,448
Tax payable		24,281	3,101	28,551	14,926
Other non-current liabilities-current portion		–	150	150	150
		<u>21,825,603</u>	<u>20,427,666</u>	<u>16,349,220</u>	<u>15,225,587</u>
<b>Net current liabilities</b>		<u>(15,249,434)</u>	<u>(14,740,822)</u>	<u>(11,012,991)</u>	<u>(10,030,810)</u>
<b>Total assets less current liabilities</b>		<u>13,547,756</u>	<u>12,659,914</u>	<u>16,027,792</u>	<u>17,234,081</u>

	Notes	As at 31 December			As at
		2021	2022	2023	30 June
		RMB'000	RMB'000	RMB'000	2024
					RMB'000
<b>Non-current liabilities</b>					
Bank loans	29(a)	1,823,219	1,352,360	2,913,865	4,552,403
Loans from shareholders	29(b)	2,000,000	1,850,000	2,006,620	1,006,620
Other loans	29(c)	735,025	250,326	109,400	113,500
Long-term debentures payable	29(d)	1,994,961	2,994,343	998,395	998,893
Lease liabilities	18	16,260	4,297	4,653	11,309
Provisions	33	859	1,776	4,546	2,114
Deferred government grants	34	60,662	58,944	57,275	54,066
Deferred tax liabilities	32	13,304	12,517	11,729	11,481
Retirement benefit obligations	37	89,061	80,929	73,325	69,042
Other non-current liabilities		-	2,343	2,298	2,350
		<u>6,733,351</u>	<u>6,607,835</u>	<u>6,182,106</u>	<u>6,821,778</u>
<b>Net assets</b>		<u>6,814,405</u>	<u>6,052,079</u>	<u>9,845,686</u>	<u>10,412,303</u>
<b>Capital and reserves</b>					
Share capital	35(b)	2,553,163	2,553,163	2,553,163	2,553,163
Perpetual capital securities	35(e)	500,000	1,500,000	4,500,000	4,800,000
Reserves	35(c)	(434,959)	(1,764,327)	(1,428,443)	(1,278,256)
<b>Equity attributable to equity holders of Jiangsu Huadian</b>		<u>2,618,204</u>	<u>2,288,836</u>	<u>5,624,720</u>	<u>6,074,907</u>
<b>Non-controlling interests</b>		<u>4,196,201</u>	<u>3,763,243</u>	<u>4,220,966</u>	<u>4,337,396</u>
<b>Total equity</b>		<u>6,814,405</u>	<u>6,052,079</u>	<u>9,845,686</u>	<u>10,412,303</u>



## COMBINED STATEMENTS OF CHANGES IN EQUITY

	Share capital RMB'000 <i>(note 35(b))</i>	Capital reserve RMB'000	Statutory reserves RMB'000	Fair value reserves RMB'000	Retained Earnings RMB'000	Perpetual capital securities RMB'000 <i>(note 35(e))</i>	Total RMB'000	Non- controlling interests RMB'000	Total equity RMB'000
At 1 January 2021	2,553,163	702,877	449,620	4,093	891,515	-	4,601,268	5,057,707	9,658,975
Loss for the year	-	-	-	-	(2,443,846)	-	(2,443,846)	(349,777)	(2,793,623)
Other comprehensive income for the year	-	-	-	27,726	-	-	27,726	8,728	36,454
Total comprehensive expense for the year	-	-	-	27,726	(2,443,846)	-	(2,416,120)	(341,049)	(2,757,169)
Capital injection from non- controlling interests	-	-	-	-	-	-	-	29,780	29,780
Issue of perpetual capital securities	-	(1,415)	-	-	-	500,000	498,585	-	498,585
Dividends recognised as distribution	-	-	-	-	(1,000,000)	-	(1,000,000)	(429,698)	(1,429,698)
Distributions payable to holders of perpetual capital	-	-	-	-	(1,118)	-	(1,118)	-	(1,118)
Disposal of a subsidiary	-	-	-	-	-	-	-	(96,524)	(96,524)
Others	-	(11,945)	-	-	947,534	-	935,589	(24,015)	911,574
At 31 December 2021 and 1 January 2022	2,553,163	689,517	449,620	31,819	(1,605,915)	500,000	2,618,204	4,196,201	6,814,405
Loss for the year	-	-	-	-	(2,046,941)	-	(2,046,941)	(475,946)	(2,522,887)
Other comprehensive income for the year	-	-	-	2,470	-	-	2,470	710	3,180
Total comprehensive expense for the year	-	-	-	2,470	(2,046,941)	-	(2,044,471)	(475,236)	(2,519,707)

	Share capital RMB'000 (note 35(b))	Capital reserve RMB'000	Statutory reserves RMB'000	Fair value reserves RMB'000	Retained Earnings RMB'000	Perpetual capital securities RMB'000 (note 35(e))	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
Capital injection from non-controlling interests	-	-	-	-	-	-	-	404,231	404,231
Issue of perpetual capital securities	-	(3,000)	-	-	-	1,000,000	997,000	-	997,000
Dividends recognised as distribution	-	-	-	-	-	-	-	(192,558)	(192,558)
Distributions payable to holders of perpetual capital	-	-	-	-	(21,085)	-	(21,085)	-	(21,085)
Others	-	299,958	-	-	439,230	-	739,188	(169,395)	569,793
<b>At 31 December 2022 and 1 January 2023</b>	<b>2,553,163</b>	<b>986,475</b>	<b>449,620</b>	<b>34,289</b>	<b>(3,234,711)</b>	<b>1,500,000</b>	<b>2,288,836</b>	<b>3,763,243</b>	<b>6,052,079</b>
Profit for the year	-	-	-	-	423,385	-	423,385	311,497	734,882
Other comprehensive income for the year	-	-	-	5,173	-	-	5,173	211	5,384
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,173</b>	<b>423,385</b>	<b>-</b>	<b>428,558</b>	<b>311,708</b>	<b>740,266</b>
Capital injection from non-controlling interests	-	-	-	-	-	-	-	208,901	208,901
Issue of perpetual capital securities	-	(1,500)	-	-	-	3,000,000	2,998,500	-	2,998,500
Dividends recognised as distribution	-	-	-	-	-	-	-	(41,878)	(41,878)
Distributions payable to holders of perpetual capital	-	-	-	-	(93,218)	-	(93,218)	-	(93,218)
Disposal of a subsidiary	-	-	-	-	-	-	-	(21,748)	(21,748)
Others	-	956	-	-	1,088	-	2,044	740	2,784
<b>At 31 December 2023 and 1 January 2024</b>	<b>2,553,163</b>	<b>985,931</b>	<b>449,620</b>	<b>39,462</b>	<b>(2,903,456)</b>	<b>4,500,000</b>	<b>5,624,720</b>	<b>4,220,966</b>	<b>9,845,686</b>
Profit for the period	-	-	-	-	324,509	-	324,509	68,592	393,101
Other comprehensive expense for the period	-	-	-	(5,670)	-	-	(5,670)	(3,383)	(9,053)

	Share capital RMB'000 (note 35(b))	Capital reserve RMB'000	Statutory reserves RMB'000	Fair value reserves RMB'000	Retained Earnings RMB'000	Perpetual capital securities RMB'000 (note 35(e))	Total RMB'000	Non- controlling interests RMB'000	Total equity RMB'000
Total comprehensive income for the period	-	-	-	(5,670)	324,509	-	318,839	65,209	384,048
Capital injection from non- controlling interests	-	-	-	-	-	-	-	82,637	82,637
Issue of perpetual capital securities	-	(150)	-	-	-	300,000	299,850	-	299,850
Dividends recognised as distribution	-	-	-	-	-	-	-	(31,618)	(31,618)
Distributions payable to holders of perpetual capital	-	-	-	-	(71,949)	-	(71,949)	-	(71,949)
Others	-	594	-	-	(97,147)	-	(96,553)	202	(96,351)
<b>At 30 June 2024</b>	<b>2,553,163</b>	<b>986,375</b>	<b>449,620</b>	<b>33,792</b>	<b>(2,748,043)</b>	<b>4,800,000</b>	<b>6,074,907</b>	<b>4,337,396</b>	<b>10,412,303</b>
<b>1 January 2023</b>	<b>2,553,163</b>	<b>986,475</b>	<b>449,620</b>	<b>34,289</b>	<b>(3,234,711)</b>	<b>1,500,000</b>	<b>2,288,836</b>	<b>3,763,243</b>	<b>6,052,079</b>
(Loss)/profit for the period (Unaudited)	-	-	-	-	(75,902)	-	(75,902)	185	(75,717)
Other comprehensive income for the period (Unaudited)	-	-	-	724	-	-	724	586	1,310
Total comprehensive expense for the period (Unaudited)	-	-	-	724	(75,902)	-	(75,178)	771	(74,407)
Issue of perpetual capital securities (Unaudited)	-	-	-	-	-	1,499,250	1,499,250	-	1,499,250
Dividends recognised as distribution (Unaudited)	-	-	-	-	-	-	-	(36,978)	(36,978)
Distributions payable to holders of perpetual capital (Unaudited)	-	-	-	-	(22,945)	-	(22,945)	-	(22,945)
Others (Unaudited)	-	-	-	-	(47,840)	-	(47,840)	-	(47,840)
<b>At 30 June 2023 (Unaudited)</b>	<b>2,553,163</b>	<b>986,475</b>	<b>449,620</b>	<b>35,103</b>	<b>(3,381,398)</b>	<b>2,999,250</b>	<b>3,642,123</b>	<b>3,727,036</b>	<b>7,369,159</b>

## COMBINED STATEMENTS OF CASH FLOWS

	Year ended 31 December			Six months ended 30 June	
	2021 <i>RMB'000</i>	2022 <i>RMB'000</i>	2023 <i>RMB'000</i>	2023 <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Cash flows from operating activities</b>					
Cash received from customers and others	25,294,320	28,639,333	30,097,657	14,470,040	13,383,900
Cash paid to suppliers, employees and others	<u>(22,475,846)</u>	<u>(29,496,518)</u>	<u>(27,704,443)</u>	<u>(13,987,740)</u>	<u>(12,168,975)</u>
<b>Cash generated from operations</b>	2,818,474	(857,185)	2,393,214	482,300	1,214,925
Interest paid	(745,147)	(641,031)	(601,124)	(280,189)	(184,225)
PRC enterprise income tax (paid)/refunded	<u>(150,255)</u>	<u>(111,704)</u>	<u>28,912</u>	<u>46,810</u>	<u>(32,250)</u>
<b>Net cash from/(used in) operating activities</b>	<u>1,923,072</u>	<u>(1,609,920)</u>	<u>1,821,002</u>	<u>248,921</u>	<u>998,450</u>
<b>Cash flows from/(used in) investing activities</b>					
Payment of purchase of property, plant and equipment, construction in progress, land use rights and intangible assets	(1,047,924)	(1,132,449)	(1,801,664)	(542,031)	(1,212,157)
Proceeds from disposal of property, plant and equipment	334,367	110,469	230,340	113,194	41,587
Proceeds from disposal of subsidiaries and business	560,169	304,293	77,734	-	-
Proceeds from disposal of investments in associates	-	18,359	10,998	-	-
Purchases of financial assets at fair value through other comprehensive income	(4,397)	-	-	-	-
Interest received	27,790	16,258	7,787	3,562	1,597
Withdrawal of restricted deposits	-	-	-	-	236
Placement of restricted deposits	-	(20)	(305)	-	-
Dividends received	197,818	66,514	75,272	-	19,450
Other investing activities	<u>(684)</u>	<u>159,207</u>	<u>2,796</u>	<u>31,005</u>	<u>317</u>
<b>Net cash from/(used in) investing activities</b>	<u>67,139</u>	<u>(457,369)</u>	<u>(1,397,042)</u>	<u>(394,270)</u>	<u>(1,148,970)</u>

	Year ended 31 December			Six months ended 30 June	
	2021 RMB'000	2022 RMB'000	2023 RMB'000	2023 RMB'000	2024 RMB'000
<b>Cash flows from financing activities</b>					
Debtures					
– Net proceeds from debtures	21,590,394	21,447,461	17,499,703	10,599,856	3,599,907
– Repayment of debtures	(20,305,918)	(19,450,000)	(21,400,000)	(11,600,000)	(4,702,742)
Loans					
– Proceeds from loans	28,073,084	48,184,760	61,123,180	28,678,310	15,025,404
– Repayment of loans	(29,907,946)	(49,070,440)	(61,593,924)	(28,900,291)	(14,320,127)
Lease liabilities					
– Payment for principal portion of lease liabilities	(2,356)	(2,901)	(2,356)	(1,006)	(1,727)
Capital injection from non-controlling interests	29,780	246,407	206,531	–	82,637
Issue of perpetual capital securities	498,500	997,000	2,998,500	1,499,250	299,850
– Dividends paid to non-controlling interests	(455,760)	(133,223)	(120,975)	(72,662)	(3,662)
– Dividends distribution	(1,000,000)	–	–	–	–
– Dividends paid to holders of perpetual capital securities	–	(17,000)	(46,000)	–	(50,350)
– Other financing activities	(28,368)	(176,680)	592,654	(3,129)	28,713
<b>Net cash (used in)/from financing activities</b>	<b>(1,508,590)</b>	<b>2,025,384</b>	<b>(742,687)</b>	<b>200,328</b>	<b>(42,097)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>481,621</b>	<b>(41,905)</b>	<b>(318,727)</b>	<b>54,979</b>	<b>(192,617)</b>
<b>The impact of exchange rate changes on cash and cash equivalents</b>	<b>(1,033)</b>	<b>(864)</b>	<b>222</b>	<b>147</b>	<b>18</b>
<b>Cash and cash equivalents at beginning of the year/period</b>	<b>614,041</b>	<b>1,094,629</b>	<b>1,051,860</b>	<b>1,051,860</b>	<b>733,355</b>
<b>Cash and cash equivalents at end of the year/period</b>	<b>1,094,629</b>	<b>1,051,860</b>	<b>733,355</b>	<b>1,106,986</b>	<b>540,756</b>

## B. NOTES TO THE HISTORICAL FINANCIAL INFORMATION OF JIANGSU HUADIAN GROUP

### 1. GENERAL INFORMATION AND GROUP REORGANISATION

Jiangsu Huadian Energy Co., Ltd.\* (華電江蘇能源有限公司) (the “Jiangsu Huadian”) established in the People’s Republic of China (the “PRC”) on 16 June 2008 with limited liability. The registered office and the principal place of business of Jiangsu Huadian is at No. 1, Hua Circuit, Lingang Industrial Concentration Zone, Xiashu Town, Jurong City.

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

Its immediate and ultimate holding company of Jiangsu Huadian is China Huadian Corporation Limited, a company incorporated in the PRC with limited liability.

The Historical Financial Information is presented in renminbi (“RMB”), which is also the function currency of Jiangsu Huadian.

As at the date of this report, Jiangsu Huadian had direct and indirect interests in its subsidiaries, which are private limited liability companies established in the PRC, the particulars of which are set out below:

Name	Place and date of incorporation/ registration and place of operations	Paid up capital RMB'000	Proportion of ownership interest and voting rights		Principal activities
			Direct	Indirect	
Jiangsu Huadian Jurong Power Generation Co., Ltd.* 江蘇華電句容發電有限公司	The PRC	1,705,000	51.72%	–	Generation and sale of electricity
Jiangsu Huadian Wangting Natural Gas Power Generation Co., Ltd.* 江蘇華電望亭天然氣發電有限公司	The PRC	438,868	55.00%	–	Natural gas power generation
Taicang Huadian Development Construction Co., Ltd.* 太倉華電開發建設有限公司	The PRC	162,600	51.00%	–	Port development
Jiangsu Huadian Wujiang Thermal Power Co., Ltd.* 江蘇華電吳江熱電有限公司	The PRC	351,460	60.00%	40.00%	Generation and sale of electricity and heat
Jiangsu Huadian Qishuyan Power Generation Co., Ltd.* 江蘇華電戚墅堰發電有限公司	The PRC	1,111,000	41.50% (Note)	–	Generation and sale of electricity
Jiangsu Huadian Qishuyan Thermal Power Co., Ltd.* 江蘇華電戚墅堰熱電有限公司	The PRC	340,926	51.00%	–	Generation and sale of electricity and heat
Jiangsu Huadian Yangzhou Power Generation Co., Ltd.* 江蘇華電揚州發電有限公司	The PRC	911,297	55.29%	–	Generation and sale of electricity
Jiangsu Huadian Kunshan Thermal Power Co., Ltd.* 江蘇華電昆山熱電有限公司	The PRC	456,000	60.00%	–	Generation and sale of electricity
Jiangsu Electric Power Development Co., Ltd.* 江蘇電力發展股份有限公司	The PRC	478,645	48.46%	12.60%	Investment

\* For identification purposes only

Name	Place and date of incorporation/ registration and place of operations	Paid up capital RMB'000	Proportion of ownership interest and voting rights		Principal activities
			Direct	Indirect	
Jiangsu Huadian Yizheng Thermal Power Co., Ltd.* 江蘇華電儀征熱電有限公司	The PRC	480,000	48.00% (Note)	–	Natural gas power generation
Jiangsu Huadian Jinhu Energy Co., Ltd.* 江蘇華電金湖能源有限公司	The PRC	219,200	100.00%	–	Natural gas power generation
Jiangsu Huadian Tongzhou Thermal Power Co., Ltd.* 江蘇華電通州熱電有限公司	The PRC	280,000	65.00%	–	Generation and sale of electricity
Jiangsu Huadian Tongzhouwan Energy Co., Ltd.* 江蘇華電通州灣能源有限公司	The PRC	81,395	100.00%	–	Generation and sale of electricity
Huarui (Jiangsu) Gas Turbine Service Co., Ltd.* 華瑞(江蘇)燃機服務有限公司	The PRC	160,000	51.00%	–	Generation and sale of electricity
Jiangsu Huadian Huahui Energy Co., Ltd.* 江蘇華電華匯能源有限公司	The PRC	251,800	36.00% (Note)	–	Generation and sale of electricity
Jiangsu Huadian Energy Sales Co., Ltd.* 江蘇華電能源銷售有限公司	The PRC	201,000	100.00%	–	Sale of electricity
Huadian Zaolinwan (Yizheng) Comprehensive Energy Services Co., Ltd.* 華電棗林灣(儀征)綜合能源服務有限公司	The PRC	6,045	45.00% (Note)	–	Sale of electricity
Jiangsu Huadian Yangzhou Zhongran Energy Co., Ltd.* 江蘇華電揚州中燃能源有限公司	The PRC	211,252	56.23%	–	Generation and sale of electricity
Jiangsu Huadian Yihua Thermal Power Co., Ltd.* 江蘇華電儀化熱電有限公司	The PRC	635,000	51.00%	–	Natural gas power generation
Jiangsu Huadian Ganyu Liquefied Natural Gas Co., Ltd.* 江蘇華電贛榆液化天然氣有限公司	The PRC	1,950,000	51.00%	–	Generation and sale of electricity
Shanghai Tonghua Gas Turbine Services Co., Ltd.* 上海通華燃氣輪機服務有限公司	The PRC	60,000	51.00%	–	Generation and sale of electricity
Jiangsu Huadian Coal Co., Ltd.* 江蘇華電煤炭有限公司	The PRC	10,000	100.00%	–	Coal mining
Jiangsu Huadian Energy Storage Technology Co., Ltd.* 江蘇華電儲能科技有限公司	The PRC	220,000	66.20%	–	Generation and sale of electricity and heat
Jiangsu Huadian Natural Gas Trading Co., Ltd.* 江蘇華電天然氣貿易有限公司	The PRC	255,000	100.00%	–	Production of gas
Shanghai Huadian Electric Power Development Co., Ltd.* 上海華電電力發展有限公司	The PRC	1,470,660	100.00%	–	Generation and sale of electricity and heat

*Note:* In the opinion of the directors of Jiangsu Huadian, Jiangsu Huadian Group controls Jiangsu Huadian Qishuyan Power Generation Co., Ltd., Jiangsu Huadian Yizheng Thermal Power Co., Ltd., Jiangsu Huadian Huahui Energy Co., Ltd. and Huadian Zaolinwan (Yizheng) Comprehensive Energy Services Co., Ltd. by virtue of having the power to direct the relevant activities of these investees, and is exposed, or has rights to variable returns from the involvement with these investees, and has the ability to use its power to affect the amount of those returns.

\* For identification purposes only

## Group reorganisation

Pursuant to the completion of the transfer of assets and liabilities of Jiangsu Wangting Electric Branch\* (江蘇望亭發電分公司) (the “Acquisition”) on 30 October 2024, Jiangsu Huadian controls Jiangsu Wangting Electric Branch\* and hence Jiangsu Huadian its subsidiaries now comprising Jiangsu Huadian Group. The companies now comprising Jiangsu Huadian Group were under the common control of the controlling shareholder China Huadian Corporation Limited before and after the Acquisition. Accordingly, for the purpose of this report, the Historical Financial Information has been prepared on a combined basis by applying the principles of merger accounting as if the Acquisition had been completed at the beginning of the Relevant Periods.

The combined statements of profit or loss and other comprehensive income, combined statements of changes in equity and combined statements of cash flows of Jiangsu Huadian Group for the Relevant Periods and the period covered by the Relevant Period Comparative Financial Information include the results and cash flows of all companies now comprising Jiangsu Huadian Group from the earliest date presented or since the date when the subsidiaries and/or businesses first came under the common control of the controlling shareholder, where this is a shorter period. The combined statements of financial position of Jiangsu Huadian Group as at 31 December 2021, 2022 and 2023 and 30 June 2024 have been prepared to present the assets and liabilities of the subsidiaries and/or businesses using the existing book values from the controlling shareholder’s perspective. No adjustments are made to reflect fair values, or recognise any new assets or liabilities as a result of the Acquisition.

All intra-group transactions and balances have been eliminated in full on combination.

\* For identification purposes only

## 2. BASIS OF PREPARATION OF HISTORICAL FINANCIAL INFORMATION

### Basis of preparation of Historical Financial Information

The Historical Financial Information has been prepared in accordance with the accounting policies set out in note 4 below which conform with International Financial Reporting Standards (“IFRSs”) issued by the International Accounting Standards Board (the “IASB”). In addition, the Historical Financial Information includes the applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

Statutory financial statements of Jiangsu Huadian for the years ended 31 December 2021 and 2022 have been audited by Grant Thornton Certified Public Accountants LLP. Statutory financial statements of Jiangsu Huadian for the year ended 31 December 2023 have been audited by BDO China Shu Lun Pan Certified Public Accountants LLP.

### Going concern

At 30 June 2024, Jiangsu Huadian Group had net current liabilities of approximately RMB10,031 millions and certain capital commitments (see note 38). The directors of Jiangsu Huadian are of the opinion that, taking into account the current operation of Jiangsu Huadian Group and the unutilised banking facilities available to Jiangsu Huadian Group, Jiangsu Huadian Group has sufficient working capital to enable it to meet in full its financial obligations as and when they fall due in the coming twelve months from the end of the reporting period. Therefore, the Historical Financial Information have been prepared on a going concern basis.

## 3. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRS(s)”)

For the purpose of preparing the Historical Financial Information for the Relevant Periods, Jiangsu Huadian Group has adopted all applicable new and amendments to IFRSs that are effective for accounting periods commencing on 1 January 2024 throughout the Relevant Periods.

### New and amendments to IFRSs issued but not yet effective

Jiangsu Huadian Group has not early applied the following amendments to IFRSs that have been issued but are not yet effective:

Amendments to IAS 21	The effect of change in foreign exchange rates: Lack of Exchangeability <sup>1</sup>
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>4</sup>
IFRS 18	Presentation and Disclosure in Financial Statements <sup>3</sup>
IFRS 19	Subsidiaries without Public Accountability: Disclosures <sup>3</sup>
Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments <sup>2</sup>



- <sup>1</sup> Effective for annual periods beginning on or after 1 January 2025.
- <sup>2</sup> Effective for annual periods beginning on or after 1 January 2026.
- <sup>3</sup> Effective for annual periods beginning on or after 1 January 2027.
- <sup>4</sup> Effective for annual periods beginning on or after a date to be determined.

The directors of the Jiangsu Huadian anticipate that the application of new and amendments to IFRSs will have no material impact on the results and the financial position of Jiangsu Huadian Group.

#### 4. MATERIAL ACCOUNTING POLICY INFORMATION

The measurement basis used in the preparation of the Historical Financial Information is the historical cost basis.

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, Jiangsu Huadian 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 the Historical Financial Information is determined on such a basis, except for leasing transactions that are within the scope of 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 in IAS 36 Impairment of Assets (“IAS 36”).

For financial instruments which are transacted at fair value and a valuation technique that unobservable inputs are 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 equal the transaction price.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

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

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

Judgement made by management in the application of IFRSs that have significant effects on the Historical Financial Information and major sources of estimation uncertainty are discussed in note 5.

The material accounting policies information are set out below.

**(a) Subsidiaries and non-controlling interests**

Subsidiaries are entities controlled by Jiangsu Huadian Group. Control is achieved when Jiangsu Huadian Group:

- 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.

Jiangsu Huadian 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 Jiangsu Huadian Group has less than a majority of the voting rights of an investee, 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. Jiangsu Huadian Group considers all relevant facts and circumstances in assessing whether or not Jiangsu Huadian Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Jiangsu Huadian's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by Jiangsu Huadian Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that Jiangsu Huadian 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 shareholder's meetings.

The financial information of the subsidiaries are prepared for the same reporting period as the Jiangsu Huadian, using consistent accounting policies. The results of the subsidiaries are combined from the date on which Jiangsu Huadian Group obtains control, and continue to be combined until the date that such control ceases. Intra-group balances and transactions and any unrealised profits arising from intra-group transactions are eliminated in full on combination. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Jiangsu Huadian, and in respect of which Jiangsu Huadian Group has not agreed any additional terms with the holders of those interests which would result in Jiangsu Huadian Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability.

Non-controlling interests are presented in the combined statements of financial position within equity, separately from equity attributable to the equity holders of the Jiangsu Huadian. Non-controlling interests in the results of Jiangsu Huadian Group are presented on the face of the combined statements of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income or expense for the year between non-controlling interests and the equity holders of Jiangsu Huadian.

Changes in Jiangsu Huadian Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of Jiangsu Huadian Group's relevant components of equity and non-controlling interests within combined equity to reflect the change in relative interests, including re-attribution of relevant reserves between Jiangsu Huadian Group and the non-controlling interests according to Jiangsu Huadian 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 equity holders of Jiangsu Huadian.

**(b) Property, plant and equipment**

Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (see note 4(h)(ii)).

Costs includes expenditures that are 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 properly and, for qualifying assets, borrowing costs capitalised in accordance with Jiangsu Huadian Group' 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 costs of those items are 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 proved and probable coal reserves have been determined, costs incurred to develop coal mines are capitalised as part of the cost of the mining structures. When stripping activities can be shown to give rise to future benefits from the mineral property, Jiangsu Huadian Group capitalises the related production stripping costs into property, plant and equipment as mining structure, including production stripping costs for surface mining activities.

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight-line method over their estimated useful lives as follows:

Building	20 – 45 years
Generators, machinery and equipment	5 – 20 years
Motor vehicles, furniture, fixtures, equipment and others	5 – 10 years

Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

**(c) Leases**

*As a lessee*

All leases are required to be capitalised in the combined statements of financial position as right-of-use assets and lease liabilities, but accounting policy choices exist for an entity to choose not to capitalise (i) leases which are short-term leases and/or (ii) leases for which the underlying asset is of low-value. Jiangsu Huadian Group has elected not to recognise right-of-use assets and lease liabilities for low value assets and leases for which at the commencement date have a lease term less than 12 months. The lease payments associated with those leases have been expensed on straight-line basis over the lease term.

*(i) Right-of-use asset*

The right-of-use asset should be recognised at cost and would comprise: (i) the amount of the initial measurement of the lease liability (see below for the accounting policy to account for lease liability); (ii) any lease payments made at or before the commencement date, less any lease incentives received; (iii) any initial direct costs incurred by the lessee and (iv) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. Jiangsu Huadian Group measures the right-to-use at cost, less any accumulated depreciation and any impairment losses.

The recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term as follows:

Building	3 years
Generators, machinery and equipment	10 – 20 years
Land use rights and sea use rights	15 – 50 years

*(ii) Lease liability*

The lease liability is recognised at the present value of the lease payments that are not paid at the date of commencement of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, Jiangsu Huadian Group uses Jiangsu Huadian Group's incremental borrowing rate.

Subsequent to the commencement date, Jiangsu Huadian Group measures the lease liability by:

- (i) increasing the carrying amount to reflect interest on the lease liability;
- (ii) reducing the carrying amount to reflect the lease payments made; and
- (iii) remeasuring the carrying amount to reflect any reassessment or lease modification, or to reflect revised in-substance fixed lease payments.

*(iii) Sale and leaseback transaction*

Jiangsu Huadian Group acts as a seller-lessee

Jiangsu Huadian Group applies the requirements of IFRS 15 Revenue from Contracts with Customers ("IFRS 15") to assess whether sale and leaseback transaction constitutes a sale by Jiangsu Huadian Group as a seller-lessee. For a transfer that does not satisfy the requirements as a sale, Jiangsu Huadian Group accounts for the transfer proceeds as borrowings within the scope of IFRS 9 Financial Instruments ("IFRS 9").

**(d) Construction in progress**

Construction in progress is stated at cost, which comprises construction expenditure, including interest costs and foreign exchange differences on related borrowed funds to the extent that they are regarded as an adjustment to interest costs during the construction period, and the cost of related equipment, less impairment losses (see note 4(h)(ii)).

The costs are transferred to property, plant and equipment and depreciation will be provided at the appropriate rates specified in note 4(b) above when the relevant assets are completed and ready for their intended use.

**(e) Intangible assets**

Intangible assets that are acquired by Jiangsu Huadian Group are stated at cost less accumulated amortisation and impairment losses (see note 4(h)(ii)).

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

Software licenses	5 – 10 years
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Both the period and method for amortisation are reviewed annually.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or 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.

**(f) Interests in associates**

An associate is an entity over which Jiangsu Huadian 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 or joint control over those policies.

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

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over Jiangsu Huadian 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. When there is an objective evidence indicating that the net investments in associates may be impaired, 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 is recognised in profit or loss. When a group entity transacts with an associate of Jiangsu Huadian Group, profits and losses resulting from the transactions with the associate are recognised in Jiangsu Huadian Group's Historical Financial Information only to the extent of interests in the associate that are not related to Jiangsu Huadian Group.

**(g) Other investments in securities**

*Equity securities*

An investment in equity securities is classified as FVPL unless the equity investment is not held for trading purposes and on initial recognition, Jiangsu Huadian Group makes an irrevocable election to designate the investment at FVOCI such that subsequent change in fair value is recognised in other comprehensive income. Dividends from an investment in equity securities classified as at FVPL are recognised in profit or loss as other income in accordance with the policy set out in note 4(o)(iv).

**(h) Impairment of assets**

**(i) Impairment of financial assets**

Jiangsu Huadian Group recognises loss allowances for expected credit loss (the “ECL”) on the debtors and bills receivables related to sales of electricity, heat and coal, other receivables, restricted deposits, cash and cash equivalents and other financial assets measured at amortised cost and debt instruments measured at FVOCI. The ECLs are measured on either of the following bases:

- (1) 12-month ECLs: these are the ECLs that result from possible default events within the 12 months after the reporting date; and
- (2) lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

The maximum period considered when estimating ECLs is the maximum contractual period over which Jiangsu Huadian Group is exposed to credit risk.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the difference between all contractual cash flows that are due to Jiangsu Huadian Group in accordance with the contract and all the cash flows that Jiangsu Huadian Group expects to receive. The shortfall is then discounted at an approximation to the assets’ original effective interest rate.

For trade debtors and bills receivables related to sale of electricity, heat and coal, Jiangsu Huadian Group applies the simplified approach to providing for ECLs prescribed by IFRS 9, which requires the use of the lifetime expected losses provision for all debtors. Jiangsu Huadian Group performs impairment assessment based on Jiangsu Huadian Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

For cash and cash equivalents placed in high credit-rated financial institutions are considered to be low credit risk. Thus, the impairment provision recognised during the Relevant Periods and the six months ended 30 June 2023 was limited to 12-month ECLs.

For all other instruments, Jiangsu Huadian Group recognises a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial asset since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, Jiangsu Huadian Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information analysis, based on Jiangsu Huadian Group’s historical experience and informed credit assessment and including forward-looking information.

Jiangsu Huadian Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due unless Jiangsu Huadian Group has reasonable and supportable information that demonstrates otherwise.

Jiangsu Huadian Group considers a financial asset to be credit-impaired when:

- (1) the borrower is unlikely to pay its credit obligations to Jiangsu Huadian Group in full, without recourse by Jiangsu Huadian Group to actions such as realising security (if any is held); or
- (2) the financial asset is more than 90 days past due unless Jiangsu Huadian Group has reasonable and supportable information to demonstrate that a more lagging default criteria is more appropriate.

Interest income on credit-impaired financial assets is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset. For non-credit-impaired financial assets, interest income is calculated based on the gross carrying amount.

**(ii) Impairment of other assets**

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or, except in the case of goodwill, an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment;
- right-of-use assets;
- construction in progress;
- intangible assets; and
- other non-current assets (other than financial assets).

If any such indication exists, the asset's recoverable amount is estimated.

- *Calculation of recoverable amount*

The recoverable amount of an asset is the greater of its 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. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

- *Recognition of impairment losses*

An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount.

- *Reversals of impairment losses*

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

**(i) Inventories**

Inventories, comprising coal, stalk, fuel oil, gas, materials, components and spare parts for consumption, are carried at the lower of cost and net realisable values. Cost is calculated using the weighted average cost formula and comprises all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable values is the estimated selling price in the ordinary course of business less the estimated costs of completion, the estimated conversion costs during power generation, and the estimated costs necessary to make the sale.

When inventories are used or sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

**(j) Trade debtors and bills receivables, deposits and other receivables (“Trade and other receivables”)**

Trade and other receivables that do not contain a significant financing component are initially measured at their transaction price. If Jiangsu Huadian Group holds the trade and other receivables with the objective to collect the contractual cash flows, they are subsequently stated at amortised cost using the effective interest method, less allowance for credit loss (see note 4(h)(i)).

Interest income is recognised by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial.

**(k) Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

Cash and cash equivalents are assessed for ECL in accordance with the accounting policy as stated in note 4(h)(i).

**(l) Financial liabilities and equity instruments**

Debt and equity instruments issued by a group entity 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.

**(i) 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 Jiangsu Huadian are recognised at the proceeds received, net of direct issue costs.

Perpetual capital securities is classified as equity if it is non-redeemable, or redeemable only at Jiangsu Huadian’s option, and any interests are discretionary. Interest on perpetual capital securities classified as equity are recognised as distributions within equity.

**(ii) Other financial liabilities**

Other financial liabilities including bank loans, other loans, trade creditors and bills payable and other payables, are initially measured at fair value and subsequently measured at amortised cost, using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash 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 liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Interest expense is recognised on an effective interest basis.

**(m) Derecognition of financial assets or financial liabilities**

Jiangsu Huadian 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 Jiangsu Huadian Group retains substantially all the risks and rewards of ownership of a transferred financial asset, Jiangsu Huadian Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset’s carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.



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

**(n) Provisions and contingent liabilities**

Provisions are recognised for liabilities of uncertain timing or amount when Jiangsu Huadian Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

**(o) Revenue recognition**

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which Jiangsu Huadian Group expects to be entitled in exchange for those goods or services, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

Depending on the terms of the contract and the laws that apply to the contract, control of the goods or service may be transferred over time or at a point in time. Control of the goods or service is transferred over time if Jiangsu Huadian Group's performance:

- provides all of the benefits received and consumed simultaneously by the customer;
- creates or enhances an asset that the customer controls as Jiangsu Huadian Group performs; or
- does not create an asset with an alternative use to Jiangsu Huadian Group and Jiangsu Huadian Group has an enforceable right to payment for performance completed to date.

Revenue is recognised at a point in time when the customer obtains control of the goods or services.

Where the contract contains a financing component which provides a significant financing benefit to Jiangsu Huadian Group, revenue recognised under that contract includes the interest expense accreted on the contract liability under the effective interest method. For contracts where the period between the payment and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in IFRS 15.

**(i) Electricity Income**

For sales of electricity, each unit sold is generally considered a distinct good and the related performance obligation is generally satisfied at a point in time when control of electricity is transferred to the customer. Revenue is thus recognised upon when the power grid companies received each unit of electricity. A standard tariff which is established by the government is charged for each unit of electricity.

**(ii) Heat Income**

For sales of heat, each unit sold is generally considered a distinct good and the related performance obligation is generally satisfied at a point in time when control of heat is transferred to the customer. Revenue is thus recognised upon the customers received each unit of heat.

**(iii) Sale of coal**

Revenue is recognised when control of the goods has transferred, being when the goods are delivered to and have been accepted by customers.

**(iv) Other income**

*Dividend income*

Dividend income from investments is recognised when the shareholder's right to receive payment is established.

*Interest income*

Interest income is recognised as it accrues using the effective interest method.

*Government grants*

Government grants are recognised in the combined statements of financial position initially when there is reasonable assurance that they will be received and that Jiangsu Huadian Group will comply with the conditions attaching to them. Government grants are recognised in profit or loss on a systematic basis over the periods in which Jiangsu Huadian Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that Jiangsu Huadian Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred government grants in the combined statements 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 that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to Jiangsu Huadian Group with no future related costs are recognised in profit or loss in which they become receivable.

*Upfront installation fees*

Upfront installation fee received for connecting the customers in which they become receivable. Jiangsu Huadian Group is deferred and recognised on a straight-line basis over the expected useful life of the relevant assets installed, which approximates to the expected service terms of the relevant contracts of sale of heat.

**(p) Income tax**

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the combined statements of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. Jiangsu Huadian 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.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Historical Financial Information 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 difference 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 goodwill or 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.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, except where Jiangsu Huadian 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 in which 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. When different tax rates apply to different levels of taxable income, deferred tax assets and liabilities are measured using the average tax rates that are expected to apply to the taxable income of the periods in which the temporary differences are expected to reverse.

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

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 by the same taxation authority and Jiangsu Huadian Group intends to settle current tax liabilities and assets on a net basis.

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 in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

**(q) Borrowing costs**

Borrowing costs that are directly attributable to the acquisition or construction of an asset which necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of asset. Other borrowing costs are expensed in the period in which they are incurred.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use are interrupted or complete.

**(r) Employee benefits**

*Short-term employee benefits and contributions to defined contribution retirement plans*

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 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.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by Jiangsu Huadian Group in respect of services provided by employees up to the reporting date.

**(s) Related parties**

- (a) A person, or a close member of that person's family, is related to Jiangsu Huadian Group if that person:
  - (i) has control or joint control over Jiangsu Huadian Group;
  - (ii) has significant influence over Jiangsu Huadian Group; or
  - (iii) is a member of the key management personnel of Jiangsu Huadian Group or Jiangsu Huadian Group's parent.
- (b) An entity is related to Jiangsu Huadian Group if any of the following conditions applies:

- (i) The entity and Jiangsu Huadian 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 Jiangsu Huadian Group or an entity related to Jiangsu Huadian 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).
- (viii) The entity, or any member of a group of which it is part, provides key management personnel services to Jiangsu Huadian Group or to the Jiangsu Huadian 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.

**(t) Dividends**

Dividends are recognised as a liability in the period in which they are declared.

**5. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

**Critical accounting judgment**

The following is the critical judgement, apart from those involving estimations (see below), that the directors of Jiangsu Huadian have made in the process of applying Jiangsu Huadian Group's accounting policies and that have the most significant effect on the amounts recognised in the Historical Financial Information.

***Going concern basis***

These Historical Financial Information have been prepared on a going concern basis, the validity of which depends upon the availability of funding from various sources to enable Jiangsu Huadian Group to operate as a going concern and meet its liabilities as they fall due. Details are explained in note 2.

**Key sources of estimation uncertainty**

The followings 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 twelve months.

***(a) Estimated impairment of property, plant and equipment, intangible assets, right-of-use assets and construction in progress***

In determining whether an asset is impaired, Jiangsu Huadian 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's recoverable amount; (2) whether the carrying value of an asset can be supported by the net present value of future cash flows which are estimated based upon the continued use of the asset or fair value less costs of disposal; and (3) the appropriate key assumptions, including future sales volumes and selling price, future fuel prices and discount rate applied in preparing cash flow projections. Changing the assumptions selected by management to determine the level of impairment, including the discount rate in the cash flow projections, could materially affect net present value used in the impairment test. Impairment loss of property, plant and equipment and construction in progress were recognised in the Historical Financial Information during the Relevant Periods and the six months ended 30 Jun 2023 are disclosed in note 12(a). No impairment loss of intangible assets and right-of-use assets were recognised in the Historical Financial Information during the Relevant Periods and the six months ended 30 Jun 2023.

**(b) Provision of ECLs on trade and other receivables**

The provision of ECLs is made based on the assessment of their recoverability and the ageing analysis of the trade and other receivables as well as other quantitative and qualitative information and on management's judgement and assessment of the forward-looking information. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. Jiangsu Huadian Group's historical credit loss experience and forecast of economic conditions may also not be representative of customers' actual default in the future. Information about the ECLs on Jiangsu Huadian Group's trade and other receivables are disclosed in notes 25, 26 and 39(b).

**(c) Depreciation and amortisation**

Property, plant and equipment, right-of-use assets and intangible assets are depreciated or amortised over their estimated useful lives, after taking into account the estimated residual value. Jiangsu Huadian Group reviews the estimated useful lives of the assets regularly in order to determine the amount of depreciation and amortisation expense to be recorded during any reporting period. The useful lives are based on Jiangsu Huadian Group's historical experience with similar assets and taking into account upgrading and improvement work performed, and anticipated technological changes. If there have been significant changes in the factors used to determine the depreciation or amortisation, the rate of depreciation or amortisation is revised prospectively.

**(d) Deferred tax assets**

As disclosed in note 32, a deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the unused tax losses and credits can be utilised. Jiangsu Huadian Group uses all readily available information which includes reasonable and supportable assumptions and projections of sales volume, tariff and relevant operating costs to estimate whether there will be sufficient available future taxable profits to utilise deductible temporary differences. Any significant change in estimates would result in adjustment in the amount of deferred tax assets and income tax in future years.

**6. TURNOVER AND SEGMENT INFORMATION**

**(a) Disaggregation of turnover**

***Revenue from contracts with customers within the scope of IFRS 15***

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

	Year ended 31 December			Six months ended 30 June	
	2021	2022	2023	2023	2024
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
				<i>(Unaudited)</i>	
- Sale of electricity	18,611,181	21,497,377	23,152,422	10,857,643	9,946,535
- Sale of heat	1,728,968	1,991,629	1,951,299	1,003,871	870,823
- Sale of coal	621,630	492,622	792,155	228,310	167,371
	<u>20,961,779</u>	<u>23,981,628</u>	<u>25,895,876</u>	<u>12,089,824</u>	<u>10,984,729</u>

The revenue from sale of electricity, heat and coal is recognised at a point in time.

(b) *Segment information*

The chief operating decision makers review the Jiangsu Huadian's revenue and profit as a whole, which are determined in accordance with the Jiangsu Huadian's accounting policies, for resources allocation and performance assessment. Therefore, the Jiangsu Huadian has only one operating and reportable segment and no further segment information is presented in the Historical Financial Information.

Geographical information

The Jiangsu Huadian's non-current assets are located in the PRC. The Jiangsu Huadian's all customers are based in the PRC.

Information about major customers

Revenue from customers of the corresponding years/periods contributing over 10% of the total revenue of the Jiangsu Huadian is as follows:

	Year ended 31 December			Six months ended 30 June	
	2021	2022	2023	2023	2024
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
				(Unaudited)	
Customer A*	<u>18,224,913</u>	<u>21,208,136</u>	<u>23,109,757</u>	<u>10,804,431</u>	<u>9,926,453</u>

\* Revenue from sale of electricity.

**7. PERSONNEL COSTS**

	Year ended 31 December			Six months ended 30 June	
	2021	2022	2023	2023	2024
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
				(Unaudited)	
Wages, welfare and other benefits (including directors' and supervisors' salaries)	857,612	891,526	962,504	339,425	382,000
Retirement benefits (note 37)	304,043	295,309	375,385	159,268	164,015
Other staff costs	<u>196,772</u>	<u>257,376</u>	<u>190,118</u>	<u>94,436</u>	<u>116,626</u>
	<u>1,358,427</u>	<u>1,444,211</u>	<u>1,528,007</u>	<u>593,129</u>	<u>662,641</u>

**8. TAXES AND SURCHARGES**

During the three years ended 31 December 2021, 2022 and 2023 and six months ended 30 June 2023 and 2024, taxes and surcharges represent city maintenance and construction tax, education surcharge, urban land use tax, real estate tax and other taxes and surcharges.

9. INVESTMENT INCOME

	Year ended 31 December			Six months ended 30 June	
	2021	2022	2023	2023	2024
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
				<i>(Unaudited)</i>	
Interest on loans and receivables	139	(33)	(168)	-	-
Gain on deregistration of subsidiaries	13,304	-	-	-	-
Gain on disposal of subsidiaries and business	45,663	48,884	34,438	-	-
Gain on disposal of associates	-	15,658	3,463	-	-
Dividend income from financial assets measured at FVOCI	4,164	19,507	8,043	8,043	8,950
	<u>63,270</u>	<u>84,016</u>	<u>45,776</u>	<u>8,043</u>	<u>8,950</u>

10. OTHER REVENUE AND NET INCOME/(LOSS)

	Year ended 31 December			Six months ended 30 June	
	2021	2022	2023	2023	2024
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
				<i>(Unaudited)</i>	
<b>Other revenue</b>					
Government grants (Note)	74,353	16,998	33,395	8,485	5,374
Others	33,796	15,179	144,999	3,337	3,414
	<u>108,149</u>	<u>32,177</u>	<u>178,394</u>	<u>11,822</u>	<u>8,788</u>
<b>Other net income/(loss)</b>					
Gain on disposal of property, plant and equipment, and intangible assets	330,245	886	118,598	3,994	2,194
Net income from sale of materials	324,304	171,614	139,408	80,018	55,331
Others	(19,689)	(24,832)	(41,668)	(44,601)	(2,092)
	<u>634,860</u>	<u>147,668</u>	<u>216,338</u>	<u>39,411</u>	<u>55,433</u>

*Note:* Government grants mainly represent the grants from refund of value added tax. In addition, the amount include the deferred income regarding government grant received for improvement of various energy-saving and environmental protection technologies. There is no unfulfilled condition relating to those grants.

## 11. FINANCE COSTS

	Year ended 31 December			Six months ended 30 June	
	2021	2022	2023	2023	2024
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
				<i>(Unaudited)</i>	
Interest on loans and other financial liabilities	715,320	665,568	575,358	315,649	229,468
Interest on lease liabilities	2,139	1,074	454	176	361
Other finance costs	36,580	30,785	5,557	6,439	3,563
Net foreign exchange loss/(gain)	(1,033)	(864)	222	147	(1,408)
Less: interest capitalised	(2,485)	(8,222)	(15,180)	(5,063)	(18,859)
	<u>750,521</u>	<u>688,341</u>	<u>566,411</u>	<u>317,348</u>	<u>213,125</u>

The borrowing costs have been capitalised at an average rate of 2.42%, 4.53%, 3.55%, 2.75% (unaudited) and 3.80% per annum for construction in progress during the three years ended 31 December 2021, 2022 and 2023 and six months ended 30 June 2023 and 2024 respectively.

## 12. (LOSS)/PROFIT BEFORE TAXATION

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

	Year ended 31 December			Six months ended 30 June	
	2021	2022	2023	2023	2024
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
				<i>(Unaudited)</i>	
Amortisation					
– Intangible assets	9,507	10,745	16,990	8,495	9,305
Depreciation					
– Property, plant and equipment	2,024,498	2,041,059	2,063,031	1,021,212	1,032,561
– Right-of-use assets	22,548	22,413	28,856	12,396	14,932
Total depreciation and amortisation	2,056,553	2,074,217	2,108,877	1,042,103	1,056,798
Auditor's remuneration					
– Audit services	1,810	2,489	2,438	1,094	1,430
– Non-audit services	–	–	–	881	–
Cost of inventories recognised	17,505,244	20,554,780	18,893,733	9,386,842	7,881,137
(Reversal of impairment losses)/impairment losses under expected credit loss model, net (included in administration expenses)					
– Trade debtors and bills receivables	581	4,007	–	–	(2,975)
– Deposits, other receivables and prepayments	–	5,622	(50)	–	(100)



	Year ended 31 December			Six months ended 30 June	
	2021	2022	2023	2023	2024
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
				<i>(Unaudited)</i>	
Impairment losses on non-financial assets (included in administration expenses):					
– Property, plant and equipment	–	–	–	–	12,140
– Construction in progress	347,142	89,552	10,347	–	1,193
Expense relating to short-term leases	13,895	13,532	14,573	3,729	3,136
Research and development costs (included in administrative expenses)	8,178	9,478	9,944	2,661	4,333

(b) Other operating expenses:

	Year ended 31 December			Six months ended 30 June	
	2021	2022	2023	2023	2024
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
				<i>(Unaudited)</i>	
Heating	268,846	269,436	255,397	125,248	62,693
Power charges	470,652	148,538	142,412	57,954	79,687
Water charges	42,091	39,421	37,482	17,442	15,614
Others	356,441	341,598	146,237	137,933	32,671
Total other operating expenses	1,138,030	798,993	581,528	338,577	190,665

### 13. DIRECTORS', CHIEF EXECUTIVES' AND SUPERVISORS' EMOLUMENTS

Details of directors', chief executives' and supervisors' emoluments are as follows:

30 June 2024

	Directors' and supervisors' fees <i>RMB'000</i>	Salaries, allowances and benefits in kind <i>RMB'000</i>	Retirement benefits <i>RMB'000</i>	Bonuses <i>RMB'000</i>	Total <i>RMB'000</i>
<b>Directors</b>					
YANG Huixin	–	183	59	487	729
HOU Chuangye	–	–	–	–	–
XIE Chunwang	–	–	–	–	–
LI Xiyang	–	–	–	–	–
FENG Rong <sup>(1B)</sup>	–	–	–	–	–
LIU Zhijun	–	160	59	203	422
<b>Supervisors</b>					
WANG Yingdong	–	82	53	376	511
WANG Beichuan	–	–	–	–	–
PENG Tongyu	–	187	65	401	653
	–	612	236	1,467	2,315

30 June 2023 (Unaudited)

	Directors' and supervisors' fees <i>RMB'000</i>	Salaries, allowances and benefits in kind <i>RMB'000</i>	Retirement benefits <i>RMB'000</i>	Bonuses <i>RMB'000</i>	Total <i>RMB'000</i>
<b>Directors</b>					
YANG Huixin	–	182	77	387	646
HOU Chuangye	–	–	–	–	–
LIU Yangzhi	–	175	62	387	624
XIE Chunwang	–	–	–	–	–
LI Xiyang	–	–	–	–	–
WANG Feng'e	–	–	–	–	–
JU Bin	–	–	–	–	–
<b>Supervisors</b>					
WANG Yingdong	–	163	67	296	526
WANG Beichuan	–	–	–	–	–
PENG Tongyu	–	184	63	128	375
	–	704	269	1,198	2,171

31 December 2023

	Directors' and supervisors' fees <i>RMB'000</i>	Salaries, allowances and benefits in kind <i>RMB'000</i>	Retirement benefits <i>RMB'000</i>	Bonuses <i>RMB'000</i>	Total <i>RMB'000</i>
<b>Directors</b>					
YANG Huixin	–	366	154	619	1,139
HOU Chuangye	–	–	–	–	–
LIU Yangzhi <sup>(15)</sup>	–	292	103	480	875
XIE Chunwang	–	–	–	–	–
LI Xiyang	–	–	–	–	–
WANG Feng'e <sup>(14)</sup>	–	–	–	–	–
JU Bin <sup>(17)</sup>	–	–	–	–	–
LIU Zhijun <sup>(16)</sup>	–	26	12	26	64
<b>Supervisors</b>					
WANG Yingdong	–	327	134	517	978
WANG Beichuan	–	–	–	–	–
PENG Tongyu	–	371	129	484	984
	–	1,382	532	2,126	4,040

31 December 2022

	Directors' and supervisors' fees <i>RMB'000</i>	Salaries, allowances and benefits in kind <i>RMB'000</i>	Retirement benefits <i>RMB'000</i>	Bonuses <i>RMB'000</i>	Total <i>RMB'000</i>
<b>Directors</b>					
DAI Jun <sup>(13)</sup>	–	210	74	363	647
YANG Huixin <sup>(12)</sup>	–	152	53	259	464
HOU Chuangye	–	–	–	–	–
XIE Chunwang <sup>(8)</sup>	–	–	–	–	–
LUO Xian <sup>(10)</sup>	–	–	–	–	–
LI Xiyang <sup>(9)</sup>	–	–	–	–	–
LIU Yangzhi <sup>(15)</sup>	–	146	40	257	443
ZHU Yueguang <sup>(11)</sup>	–	315	128	527	970
WANG Feng'e <sup>(14)</sup>	–	–	–	–	–
JU Bin	–	330	114	528	972
<b>Supervisors</b>					
WANG Yingdong	–	324	114	517	955
WANG Beichuan	–	–	–	–	–
PENG Tongyu	–	364	123	484	971
	–	1,841	646	2,935	5,422

31 December 2021

	Directors' and supervisors' fees <i>RMB'000</i>	Salaries, allowances and benefits in kind <i>RMB'000</i>	Retirement benefits <i>RMB'000</i>	Bonuses <i>RMB'000</i>	Total <i>RMB'000</i>
<b>Directors</b>					
DAI Jun	–	343	116	858	1,317
ZHANG Fan <sup>(6)</sup>	–	–	–	–	–
HOU Chuangye <sup>(3)</sup>	–	–	–	–	–
YANG Huixin	–	343	115	858	1,316
ZHU Yueguang	–	295	118	725	1,138
JU Bin	–	130	44	307	481
TANG Jian <sup>(7)</sup>	–	–	–	–	–
<b>Supervisors</b>					
ZHAO Wentian <sup>(2)</sup>	–	–	–	–	–
WANG Yingdong <sup>(11)</sup>	–	254	71	629	954
WANG Beichuan	–	–	–	–	–
GU Haoyun <sup>(5)</sup>	–	84	24	121	229
PENG Tongyu <sup>(4)</sup>	–	152	57	206	415
	–	1,601	545	3,704	5,850

- (1) Appointed as supervisor in March 2021.
- (2) Resigned as supervisor in March 2021
- (3) Appointed as director in August 2021.
- (4) Appointed as supervisor in August 2021.
- (5) Resigned as supervisor in August 2021.
- (6) Resigned as director in August 2021.
- (7) Resigned as director in August 2021.
- (8) Appointed as director in April 2022.
- (9) Appointed as director in April 2022.
- (10) Appointed as director in April 2022 and resigned in September 2022.
- (11) Resigned as director in April 2022
- (12) Appointed as director in September 2022.
- (13) Resigned as director in September 2022.
- (14) Appointed as director in September 2022 and resigned in December 2023.
- (15) Appointed as director in September 2022 and resigned in December 2023.
- (16) Appointed as director in December 2023.
- (17) Resigned as director in December 2023.
- (18) Appointed as director in May 2024.

#### 14. INDIVIDUALS WITH HIGHEST EMOLUMENTS

The five highest paid employees of Jiangsu Huadian Group during the three years ended 31 December 2021, 2022 and 2023 and six months ended 30 June 2023 and 2024 included 3, 3, 3, 2 (unaudited) and 2 directors and supervisors respectively, details of whose remuneration are set out in note 13 above. Details of the remuneration for the three years ended 31 December 2021, 2022 and 2023 and six months ended 30 June 2023 and 2024 of the remaining 2, 2, 2, 3 (unaudited) and 3 highest paid employees who are not a director and supervisor of Jiangsu Huadian are as follows:

	Year ended 31 December			Six months ended 30 June	
	2021 RMB'000	2022 RMB'000	2023 RMB'000	2023 RMB'000 (Unaudited)	2024 RMB'000
Salaries and other emoluments	567	628	656	491	482
Retirement benefits	202	232	291	212	181
Bonus	1,410	1,083	1,065	886	1,358
	<u>2,179</u>	<u>1,943</u>	<u>2,012</u>	<u>1,589</u>	<u>2,021</u>

The number of the highest paid employees who are not the directors or supervisor of Jiangsu Huadian whose remuneration fell within following bands is as follows:

	Year ended 31 December			Six months ended 30 June	
	2021 Number of Individuals	2022 Number of Individuals	2023 Number of Individuals	2023 Number of Individuals (Unaudited)	2024 Number of Individuals
Nil-Hong Kong Dollars ("HK\$") 1,000,000	-	-	-	3	3
HK\$1,000,001 to HK\$1,500,000	2	2	2	-	-

#### 15. INCOME TAX IN THE COMBINED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(a) Taxation in the combined statements of profit or loss and other comprehensive income represents:

	Year ended 31 December			Six months ended 30 June	
	2021 RMB'000	2022 RMB'000	2023 RMB'000	2023 RMB'000 (Unaudited)	2024 RMB'000
<b>Current tax – PRC</b>					
Enterprise Income Tax Charge for the year/period	94,717	33,024	67,538	22,887	18,156
Under/(over)-provision in respect of prior year/period	739	874	192	(183)	766
	<u>95,456</u>	<u>33,898</u>	<u>67,730</u>	<u>22,704</u>	<u>18,922</u>
<b>Deferred tax</b>					
Origination and reversal of temporary differences and tax losses	(96,420)	(86,180)	154,262	(38)	58,119
	<u>(964)</u>	<u>(52,282)</u>	<u>221,992</u>	<u>22,666</u>	<u>77,041</u>

(b) Reconciliation between income tax and accounting (loss)/profit at applicable tax rates:

	Year ended 31 December			Six months ended 30 June	
	2021 RMB'000	2022 RMB'000	2023 RMB'000	2023 RMB'000 (Unaudited)	2024 RMB'000
(Loss)/profit before taxation	<u>(2,794,587)</u>	<u>(2,575,169)</u>	<u>956,874</u>	<u>(53,051)</u>	<u>470,142</u>
Notional PRC enterprise income tax at statutory tax rate of 25%	(698,647)	(643,792)	239,219	(13,263)	117,536
Tax effect of non-deductible expenses	5,394	6,625	6,942	–	4,051
Tax effect of non-taxable income	(53,417)	(7,034)	(5,301)	(6,752)	(2,238)
Preferential tax rate on subsidiaries' profit or loss ( <i>Note</i> )	(2,978)	(3,241)	–	–	–
Tax effect of share of results of associates	10,131	(17,688)	(34,486)	(5,016)	(10,497)
Tax effect of tax losses and deductible temporary differences not recognised	835,307	697,863	268,714	47,880	58,072
Utilisation of tax losses and deductible temporary differences previously not recognised	(97,493)	(85,889)	(253,288)	–	(90,649)
Under/(over)-provision in respect of prior year/period	<u>739</u>	<u>874</u>	<u>192</u>	<u>(183)</u>	<u>766</u>
	<u>(964)</u>	<u>(52,282)</u>	<u>221,992</u>	<u>22,666</u>	<u>77,041</u>

*Note:* Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate is 25%. However, certain subsidiaries of Jiangsu Huadian Group is eligible for tax concessions of "High and New Technology Enterprise" and was eligible to a preferential tax rate of 15% for the year ended 31 December 2021 and 2022. For the year ended 31 December 2023 and the six months ended 30 June 2023 and 2024, tax rate of 25% is applied.

## 16. EARNINGS/(LOSS) PER SHARE

No earnings/(loss) per share information is prepared as its inclusion, for the purpose of the Historical Financial information, is not meaningful.

17. PROPERTY, PLANT AND EQUIPMENT

	Buildings <i>RMB'000</i>	Generators machinery and equipment <i>RMB'000</i>	Motor vehicles furniture, fixtures, equipment and others <i>RMB'000</i>	Total <i>RMB'000</i>
<b>Cost</b>				
<b>At 1 January 2021</b>	9,295,862	32,331,668	2,422,115	44,049,645
Additions	54	–	21,040	21,094
Transferred from construction in progress ( <i>note 19</i> )	162,497	930,051	–	1,092,548
Disposals of subsidiaries	–	–	(951)	(951)
Disposals/write-offs	(1,457)	(80,110)	(10,342)	(91,909)
<b>At 31 December 2021 and 1 January 2022</b>	9,456,956	33,181,609	2,431,862	45,070,427
Additions	13,254	1,462	12,532	27,248
Transferred from construction in progress ( <i>note 19</i> )	–	416,493	64,607	481,100
Disposals/write-offs	(7,705)	(359,682)	(17,655)	(385,042)
<b>At 31 December 2022 and 1 January 2023</b>	9,462,505	33,239,882	2,491,346	45,193,733
Additions	–	230	8,637	8,867
Transferred from construction in progress ( <i>note 19</i> )	16,335	239,101	36,915	292,351
Disposals of subsidiaries	(15,469)	(128,497)	(628)	(144,594)
Disposals/write-offs	(159,027)	(895,941)	(116,378)	(1,171,346)
<b>At 31 December 2023 and 1 January 2024</b>	9,304,344	32,454,775	2,419,892	44,179,011
Additions	–	1,762	5,432	7,194
Transferred from construction in progress ( <i>note 19</i> )	3,776	42,139	8,016	53,931
Disposals/write-offs	(24,458)	(25,965)	(16,170)	(66,593)
<b>At 30 June 2024</b>	<u>9,283,662</u>	<u>32,472,711</u>	<u>2,417,170</u>	<u>44,173,543</u>

	Buildings <i>RMB'000</i>	Generators machinery and equipment <i>RMB'000</i>	Motor vehicles furniture, fixtures, equipment and others <i>RMB'000</i>	Total <i>RMB'000</i>
<b>Accumulated depreciation and impairment</b>				
<b>At 1 January 2021</b>	3,039,299	12,889,741	1,283,148	17,212,188
Charge for the year	370,067	1,565,855	88,576	2,024,498
Written back on disposals	(1,458)	(18,108)	(9,325)	(28,891)
<b>At 31 December 2021 and 1 January 2022</b>	3,407,908	14,437,488	1,362,399	19,207,795
Charge for the year	379,081	1,564,971	97,007	2,041,059
Written back on disposals	(2,280)	(50,761)	(9,281)	(62,322)
<b>At 31 December 2022 and 1 January 2023</b>	3,784,709	15,951,698	1,450,125	21,186,532
Charge for the year	377,835	1,585,070	100,126	2,063,031
Written back on disposals	(133,345)	(836,205)	(113,326)	(1,082,876)
<b>At 31 December 2023 and 1 January 2024</b>	4,029,199	16,700,563	1,436,925	22,166,687
Charge for the period	187,425	801,503	43,633	1,032,561
Written back on disposals	(23,013)	(22,790)	(7,239)	(53,042)
Impairment loss <i>(note (i))</i>	–	12,140	–	12,140
<b>At 30 June 2024</b>	<u>4,193,611</u>	<u>17,491,416</u>	<u>1,473,319</u>	<u>23,158,346</u>
<b>Net book value</b>				
<b>At 30 June 2024</b>	<u>5,090,051</u>	<u>14,981,295</u>	<u>943,851</u>	<u>21,015,197</u>
<b>At 31 December 2023</b>	<u>5,275,145</u>	<u>15,754,212</u>	<u>982,967</u>	<u>22,012,324</u>
<b>At 31 December 2022</b>	<u>5,677,796</u>	<u>17,288,184</u>	<u>1,041,221</u>	<u>24,007,201</u>
<b>At 31 December 2021</b>	<u>6,049,048</u>	<u>18,744,121</u>	<u>1,069,463</u>	<u>25,862,632</u>



*Notes:*

(i) Impairment loss

When any indicators of impairment or reversal of impairment are identified, property, plant and equipment are reviewed for impairment or reversal of impairment based on each CGU. The CGU is an individual plant. The carrying values of these individual plants were compared to the recoverable amounts of the CGUs, which were based on fair values less costs of disposal or value-in-use. Market comparison approach is used to measure the fair value less costs of disposal of the CGU which is based on the recent transaction prices for similar property, plant and equipment adjusted for nature, location and conditions of the relevant assets. Value-in-use calculations use pre-tax cash flow projections based on financial budgets approved by management covering expected earning period.

During the years ended 31 December 2021, 2022, 2023 and six months ended 30 June 2024, the directors of Jiangsu Huadian conducted a review and determine that certain generators, machinery and equipment and construction in progress were impaired. The recoverable amounts of relevant property, plant and equipment, construction in progress and right of use assets have been determined based on the higher of their value in use and fair value less costs of disposal and the impairment of approximately nil, nil, nil and RMB12,140,000 had been recognised in profit or loss.

The valuations carried out on 31 December 2021, 2022 and 2023 and 30 June 2024 were performed by China Alliance Appraisal Co., Ltd., an independent qualified professional valuer not connected with Jiangsu Huadian Group. China Alliance Appraisal Co., Ltd. has appropriate qualifications and has recent experience in the valuation of similar property, plant and equipment in the relevant industries.

The fair value measurement of the property, plant and equipment is categorised within level 3 of the fair value hierarchy. There were no transfers between levels of fair value hierarchy during the year.

- (ii) As at 31 December 2021, 2022, 2023 and 30 June 2024, Jiangsu Huadian Group is still in a process of obtaining the buildings certificates with the carrying amount of approximately RMB1,064,369,000, RMB1,008,318,000, RMB933,485,000 and RMB952,725,000 respectively. In the opinion of the directors, based on the advice from Jiangsu Huadian Group's external legal adviser, the absence of the buildings certificates does not impair its carrying value to Jiangsu Huadian Group.
- (iii) As at 31 December 2021, 2022 and 2023 and six months ended 30 June 2024, the carrying values of property, generators and related machinery of property, plant and equipment held as collateral of the sales and leaseback agreements signed by Jiangsu Huadian Group for financing purposes (note 29(c)) were approximately RMB782,928,000, RMB463,218,000, nil and nil respectively.

## 18. LEASE

### Jiangsu Huadian Group as a lessee

Jiangsu Huadian Group has lease contracts for various items of buildings, generators, machinery and equipment, land use rights and sea use rights that were used in its operations. During the three years ended 31 December 2021, 2022 and 2023 and six months ended 30 June 2024, leases of buildings, generators, machinery and equipment generally have lease terms between 3 years and 20 years, while land use rights and sea use rights generally have lease terms between 15 years and 50 years. Generally, Jiangsu Huadian Group is restricted from assigning and subleasing the leased assets outside Jiangsu Huadian Group.

(a) *Right-of-use assets*

(i) The carrying amounts of Jiangsu Huadian Group's right-of-use assets are as follows:

	As at 31 December			As at
	2021	2022	2023	30 June
	RMB'000	RMB'000	RMB'000	2024
Buildings	3,001	882	6,772	5,633
Generators, machinery and equipment	–	–	–	11,680
Land use rights and sea use rights	830,838	881,621	899,303	916,060
Total	<u>833,839</u>	<u>882,503</u>	<u>906,075</u>	<u>933,373</u>

During the three years ended 31 December 2021, 2022, 2023 and six months ended 30 June 2024, additions to new buildings, new machineries, land use rights and sea use rights are in aggregate of RMB23,323,000, RMB86,780,000, RMB68,307,000, and RMB42,230,000 respectively.

(ii) Depreciation charge of right-of-use assets is as follows:

	Year ended 31 December			Six months
	2021	2022	2023	ended
	RMB'000	RMB'000	RMB'000	30 June
Buildings	2,118	2,118	2,241	1,138
Generators, machinery and equipment	–	–	–	1,884
Land use rights and sea use rights	20,430	20,295	26,615	11,910
Total	<u>22,548</u>	<u>22,413</u>	<u>28,856</u>	<u>14,932</u>

(b) *Lease liabilities*

Amounts payable under lease liabilities

	As at 31 December			As at
	2021	2022	2023	30 June
	RMB'000	RMB'000	RMB'000	2024
Within one year	5,691	1,138	2,210	7,323
After one year and within two years	2,629	226	2,314	6,925
After than two years and within five years	8,032	833	1,657	3,527
After five years	5,599	3,238	682	857
	<u>21,951</u>	<u>5,435</u>	<u>6,863</u>	<u>18,632</u>
Analysed into:				
Current portion	5,691	1,138	2,210	7,323
Non-current portion	16,260	4,297	4,653	11,309

The weighted average incremental borrowing rates applied to lease liabilities range from 4.65% to 4.75%, 4.65% to 4.75%, 4.75% to 4.90% and 2.30% to 4.90% as at 31 December 2021, 2022 and 2023 and 30 June 2024 respectively. The total cash outflow for leases for the three years ended 31 December 2021, 2022 and 2023 and six months ended 30 June 2024 were approximately RMB17,405,000, RMB72,248,000, RMB77,106,000 and RMB33,422,000 respectively.

## 19. CONSTRUCTION IN PROGRESS

	As at 31 December			As at
	2021	2022	2023	30 June
	RMB'000	RMB'000	RMB'000	2024
				RMB'000
At 1 January	3,110,367	686,903	992,040	2,375,011
Additions	264,464	875,789	1,685,669	1,333,745
Transferred to property, plant and equipment (note 17)	(1,092,548)	(481,100)	(292,351)	(53,931)
Disposals of subsidiaries	(1,248,238)	–	–	–
Impairment loss (Note)	(347,142)	(89,552)	(10,347)	(1,193)
	<u>686,903</u>	<u>992,040</u>	<u>2,375,011</u>	<u>3,653,632</u>
At 31 December/30 June	<u>686,903</u>	<u>992,040</u>	<u>2,375,011</u>	<u>3,653,632</u>

Note: During three years ended 31 December 2021, 2022, 2023 and six months ended 30 June 2024, it was identified that certain preliminary projects of Jiangsu Huadian Group have no economic value for further development or remote possibility of obtaining relevant approval of the National Development and Reform Commission or its local agencies. As a result, the gross carrying amount of these projects of approximately RMB570,619,000, RMB660,171,000, RMB662,430,000 and RMB650,031,000 was written down to its recoverable amount of RMB223,477,000, RMB570,619,000, RMB652,083,000, RMB648,838,000 as of 31 December 2021, 2022 and 2023 and 30 June 2024 respectively. The recoverable amounts of these assets are based on their fair value less costs of disposal. As of 31 December 2021, 2022 and 2023 and 30 June 2024, the accumulated impairment loss of construction in progress was approximately RMB347,142,000, RMB89,552,000, RMB10,347,000 and RMB1,193,000 respectively.

## 20. INTANGIBLE ASSETS

	Software licenses
	RMB'000
<b>Cost</b>	
At 1 January 2021	78,647
Additions	8,313
Disposal of a subsidiary	(63)
Disposals	<u>(1,512)</u>
<b>At 31 December 2021 and 1 January 2022</b>	<b>85,385</b>
Additions	60,312
Disposals	<u>(1,055)</u>
<b>At 31 December 2022 and 1 January 2023</b>	<b>144,642</b>
Additions	16,758
Disposal of a subsidiary	(159)
Disposals	<u>(213)</u>
<b>At 31 December 2023 and 1 January 2024</b>	<b>161,028</b>
Additions	<u>55</u>
<b>At 30 June 2024</b>	<b>161,083</b>

	<b>Software licenses</b> <i>RMB'000</i>
<b>Accumulated amortisation</b>	
At 1 January 2021	44,158
Charge for the year	9,507
Written back on disposals	(274)
	<hr/>
<b>At 31 December 2021 and 1 January 2022</b>	53,391
Charge for the year	10,745
Written back on disposals	(431)
	<hr/>
<b>At 31 December 2022 and 1 January 2023</b>	63,705
Charge for the year	16,990
Written back on disposals	(251)
	<hr/>
<b>At 31 December 2023 and 1 January 2024</b>	80,444
Charge for the period	9,305
	<hr/>
<b>At 30 June 2024</b>	89,749
	<hr/>
<b>Net book value</b>	
At 30 June 2024	71,334
	<hr/> <hr/>
At 31 December 2023	80,584
	<hr/> <hr/>
At 31 December 2022	80,937
	<hr/> <hr/>
At 31 December 2021	31,994
	<hr/> <hr/>

The amortisation recognised for the years ended 31 December 2021, 2022 and 2023 and six months ended 30 June 2024 amounting to approximately RMB9,507,000, RMB10,745,000, RMB16,990,000, and RMB9,305,000 respectively are included in “Depreciation and amortisation in the combined statements of profit or loss and other comprehensive income”.

## 21. INTERESTS IN ASSOCIATES

	<b>As at 31 December</b>			<b>As at</b>
	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>30 June</b>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Share of net assets	915,569	1,005,703	1,070,411	1,038,789
Less: impairment loss	–	–	–	–
	<hr/>	<hr/>	<hr/>	<hr/>
	915,569	1,005,703	1,070,411	1,038,789
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

### Notes:

- (i) Disposal of equity interest in Haimen Xinyuan Environmental Protection Thermal Power Co., Ltd\* (海門鑫源環保熱電有限公司) (“Haimen Xinyuan”)

On 31 August 2022, a subsidiary of the Jiangsu Huadian Group entered into an agreement with an independent third party, for the disposal of 29.00% equity interest of Haimen Xinyuan with carrying amount of approximately RMB2,701,000 for a cash consideration of RMB18,359,000. Gain on disposal of an associate of approximately RMB15,658,000 had been recognised for the year ended 31 December 2022.

- (ii) Disposal of equity interest in Changzhou Huayuan Power Generation Co., Ltd\* (常州華源發電有限公司) (“Changzhou Huayuan”)

On 3 November 2023, a subsidiary of the Jiangsu Huadian Group entered into an agreement with an independent third party, for the disposal of 35.00% equity interest of Changzhou Huayuan with carrying amount of approximately RMB7,535,000 for a cash consideration of RMB10,998,000. Gain on disposal of an associate of approximately RMB3,463,000 had been recognised for the year ended 31 December 2023.

\* For identification purpose only

(a) General information of associates

The following list contains the particulars of associates as at 31 December 2021, 2022 and 2023 and 30 June 2024, all of which are limited liability companies established and operating in the PRC, which principally affected the results, assets or liabilities of Jiangsu Huadian Group:

Company name	Paid up Capital RMB'000	Proportion of ownership interest and voting rights								Principal activities
		As at December				As at 30 June				
		2021 Held by the Company	Held by Subsidiaries	2022 Held by the Company	Held by Subsidiaries	2023 Held by the Company	Held by Subsidiaries	2024 Held by the Company	Held by Subsidiaries	
%	%	%	%	%	%	%	%			
Yangzhou Hanjiang PetroChina Kunlun Gas Co., Ltd* 揚州邗江中石油崑 崙燃氣有限公司	2024: 23,950 (2023: 23,950 2022: 23,950 2021: 23,950)	N/A	34%	N/A	34%	N/A	34%	N/A	34%	Gas business
Wuxi Xinlian Heating Co., Ltd* 無錫新聯熱力有限 公司	2024: 100,000 (2023: 100,000 2022: 100,000 2021: 100,000)	N/A	35%	N/A	35%	N/A	35%	N/A	35%	Heating services
Jiangyin Sulong Thermal Power Co., Ltd* (“Sulong Thermal Power”) 江陰蘇龍熱電有限 公司	2024: 1,185,751 (2023: 1,185,751 2022: 1,185,751 2021: 1,185,751)	N/A	25%	N/A	25%	N/A	25%	N/A	25%	Generation and sale of electricity
Yangzhou Port Sludge Power Generation Co., Ltd* 揚州港口污泥 發電有限公司	2024: 116,200 (2023: 116,200 2022: 116,200 2021: 116,200)	N/A	22%	N/A	22%	N/A	22%	N/A	22%	Generation and sale of electricity
Yangzhou Huasheng Energy Co., Ltd* 揚州華昇能源有限 公司	2024: 67,800 (2023: 67,800 2022: 60,000 2021: 60,000)	N/A	45%	N/A	45%	N/A	45%	N/A	45%	Heating and power supply
Suzhou Dongwu Thermal Power Co., Ltd* 蘇州東 吳熱電有限公司	2024: 152,780 (2023: 152,780 2022: 152,780 2021: 152,780)	N/A	25%	N/A	25%	N/A	25%	N/A	25%	Generation and sale of electricity

Company name	Proportion of ownership interest and voting rights									Principal activities
	Paid up Capital RMB'000	As at December				As at 30 June 2024				
		2021		2022		2023		2024		
		Held by the Company	Held by Subsidiaries	Held by the Company	Held by Subsidiaries	Held by the Company	Held by Subsidiaries	Held by the Company	Held by Subsidiaries	
	%	%	%	%	%	%	%	%		
Suzhou Taihu Zhongfa Environmental Technology Co., Ltd* 蘇州太湖中法環境技術有限公司	2024: 40,000 (2023: 40,000 2022: 40,000 2021: 40,000)	N/A	20%	N/A	20%	N/A	20%	N/A	20%	Sludge collection, treatment and reuse
Huaneng Huaiyin Second Power Generation Co., Ltd* 華能淮陰第二發電有限公司	2024: 930,870 (2023: 930,870 2022: 930,870 2021: 930,870)	N/A	10% (Note)	N/A	10% (Note)	N/A	10% (Note)	N/A	10% (Note)	Generation and sale of electricity
Nanjing Huarun Thermal Power Co., Ltd* 南京華潤熱電有限公司	2024: 728,000 (2023: 728,000 2022: 728,000 2021: 728,000)	N/A	10% (Note)	N/A	10% (Note)	N/A	10% (Note)	N/A	10% (Note)	Generation and sale of electricity
Changzhou Huayuan Power Generation Co., Ltd* 常州華源發電有限公司	Nil (2022: 16,000 2021: 16,000)	N/A	35%	N/A	35%	N/A	N/A	N/A	N/A	Generation and sale of electricity
Haimen Xinyuan Environmental Protection Thermal Power Co., Ltd* 海門鑫源環保熱電有限公司	Nil (2021: 66,155)	N/A	29%	N/A	N/A	N/A	N/A	N/A	N/A	Generation and sale of electricity
Suzhou Huahui Energy Co., Ltd* 蘇州華惠能源有限公司	2024: 200,000 (2023: 200,000 2022: 200,000 2021: 200,000)	N/A	35%	N/A	35%	N/A	35%	N/A	35%	Heating services

*Note:* According to the articles of association of these companies, the Company has representations in the board of directors and therefore can participate in the financial and operating policy decisions of these companies so as to have significant influence in their activities.

\* For identification purpose only

(b) Summarised financial information of material associates

Summarised financial information in respect of each of Jiangsu Huadian Group's material associates is set out below. The summarised financial information below represents amounts shown in the associate's financial statements prepared in accordance with IFRSs.

*Sulong Thermal Power*

	As at 31 December			As at
	2021	2022	2023	30 June
	RMB'000	RMB'000	RMB'000	2024
Current assets	1,330,099	1,244,557	1,305,572	1,365,026
Non-current assets	4,164,604	4,609,220	4,908,019	5,045,154
Current liabilities	2,641,126	2,467,280	2,358,034	2,424,052
Non-current liabilities	56,166	257,930	480,056	762,074

Reconciliation of the above summarised financial information to the carrying amount of the interest in Sulong Thermal Power recognised in the Historical Financial Information:

	As at 31 December			Six months ended 30 June	
	2021	2022	2023	2023	2024
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Revenue	9,307,867	8,779,871	6,355,504	3,012,343	3,120,689
Profit and total comprehensive income for the year/period	354,719	451,559	484,686	148,466	124,978
Share of result of associates	79,767	110,042	116,114	58,057	25,705

	As at 31 December			As at
	2021	2022	2023	30 June
	RMB'000	RMB'000	RMB'000	2024
Net assets	2,797,411	3,128,567	3,375,501	3,224,054
Non-controlling interests of Sulong Thermal Power	(51,675)	(45,835)	(44,845)	(45,442)
Proportion of Jiangsu Huadian Group's ownership interest	25%	25%	25%	25%
Carrying amount of Jiangsu Huadian Group's interest	686,434	770,683	832,664	794,653

(c) Aggregate information of associates that are not individually material

	As at 31 December			As at
	2021	2022	2023	30 June
	RMB'000	RMB'000	RMB'000	2024
Jiangsu Huadian Group's share of profit/(loss) for the year/period	(120,290)	(39,291)	21,832	16,283
Jiangsu Huadian Group's share of other comprehensive income/(expenses) for the year/period	(41)	174	19	-
Aggregate carrying amount of Jiangsu Huadian Group's interests in these associates	<u>229,135</u>	<u>235,020</u>	<u>237,747</u>	<u>244,136</u>

(d) Unrecognised share of losses of associates

	As at 31 December			As at
	2021	2022	2023	30 June
	RMB'000	RMB'000	RMB'000	2024
The unrecognised share of losses of associates for the year/period	(240)	(80,653)	-	-
Cumulative unrecognised share of losses of associates	<u>(240)</u>	<u>(80,893)</u>	<u>(36,400)</u>	<u>(30,757)</u>

22. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	As at 31 December			As at
	2021	2022	2023	30 June
	RMB'000	RMB'000	RMB'000	2024
Unlisted equity securities	<u>177,263</u>	<u>180,932</u>	<u>186,297</u>	<u>177,244</u>

The above unlisted equity securities are incorporated in the PRC.

23. OTHER NON-CURRENT ASSETS

	As at 31 December			As at
	2021	2022	2023	30 June
	RMB'000	RMB'000	RMB'000	2024
Other long-term receivables with fixed interest rates over one year	102,686	-	-	-
Deductible Value Added Tax and other tax	24,167	3,890	54,212	82,167
Prepayment for construction in progress	-	-	263,389	259,042
	<u>126,853</u>	<u>3,890</u>	<u>317,601</u>	<u>341,209</u>



## 24. INVENTORIES

	As at 31 December			As at
	2021	2022	2023	30 June
	RMB'000	RMB'000	RMB'000	2024
				RMB'000
Coal, gas and stalk	489,459	263,947	320,237	289,353
Fuel oil	2,679	3,512	4,404	3,984
Materials, components and spare parts	100,411	116,263	152,421	191,520
	<u>592,549</u>	<u>383,722</u>	<u>477,062</u>	<u>484,857</u>

All of the inventories for future usage and sales are expected to be utilised within one year.

## 25. TRADE DEBTORS AND BILLS RECEIVABLES

	As at 31 December			As at
	2021	2022	2023	30 June
	RMB'000	RMB'000	RMB'000	2024
				RMB'000
Trade debtors and bills receivables for the sale of electricity	2,187,357	2,918,489	2,924,770	2,316,244
Trade debtors and bills receivables for the sale of heat	338,140	222,430	245,530	200,783
	<u>2,525,497</u>	<u>3,140,919</u>	<u>3,170,300</u>	<u>2,517,027</u>
Less: allowance for impairment	(3,571)	(7,578)	(2,990)	(15)
	<u>2,521,926</u>	<u>3,133,341</u>	<u>3,167,310</u>	<u>2,517,012</u>

### (a) Ageing analysis

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

	As at 31 December			As at
	2021	2022	2023	30 June
	RMB'000	RMB'000	RMB'000	2024
				RMB'000
Within 1 year	2,473,536	3,132,181	3,167,310	2,505,579
1 to 2 years	46,889	1,160	–	11,433
2 to 3 years	1,501	–	–	–
	<u>2,521,926</u>	<u>3,133,341</u>	<u>3,167,310</u>	<u>2,517,012</u>

(b) Impairment of trade debtors and bills receivables

Impairment loss in respect of trade debtors and bills receivables are recorded using an allowance account unless Jiangsu Huadian Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade debtors and bills receivables directly. The movement in allowance for impairment during the Relevant Periods is as follows:

	2021 RMB'000	2022 RMB'000	2023 RMB'000	2024 RMB'000
At the beginning of the year/period	2,990	3,571	7,578	2,990
Impairment loss recognised	581	4,587	–	15
Reversal of impairment loss	–	(580)	–	(2,990)
Write-off	–	–	(4,588)	–
	<u>2,990</u>	<u>3,571</u>	<u>7,578</u>	<u>2,990</u>
At the end of the year/period	<u>3,571</u>	<u>7,578</u>	<u>2,990</u>	<u>15</u>

Jiangsu Huadian Group has applied the simplified approach in IFRS 9 to measure the loss allowance at lifetime ECL. Except for debtors with significant outstanding balances, Jiangsu Huadian Group determines the ECL on these items on a collective basis.

During the year ended December 2021 2022 and 2023 and six months ended 30 June 2024, Jiangsu Huadian Group's trade debtors and bills receivables totalling of approximately RMB581,000, RMB4,578,000, nil and RMB15,000 respectively were individually determined to be credit-impaired and loss allowance of the same amount has been recognised during the Relevant Periods.

The information about the ECLs on Jiangsu Huadian Group's trade debtors and bills receivables are disclosed in note 40(b).

26. DEPOSITS, OTHER RECEIVABLES AND PREPAYMENTS

	As at 31 December			As at 30 June
	2021 RMB'000	2022 RMB'000	2023 RMB'000	2024 RMB'000
Financial assets				
– Dividends receivable	2,452	1,000	1,000	64,908
– Deposits	38,687	7,378	7,116	4,122
– Consideration receivables	272,500	15,309	–	–
– Machinery and equipment related receivables	110,291	286,826	194,573	200,639
– Other receivables	931,981	110,033	183,926	138,612
	<u>1,355,911</u>	<u>420,546</u>	<u>386,615</u>	<u>408,281</u>
Less: allowance for impairment (Note)	<u>–</u>	<u>(5,622)</u>	<u>(5,572)</u>	<u>(5,472)</u>
	<u>1,355,911</u>	<u>414,924</u>	<u>381,043</u>	<u>402,809</u>
Deductible Value Added Tax	649,883	229,877	241,299	322,241
Prepayments	231,965	290,575	323,707	913,638
Contract assets	–	–	3,975	5,148
Others	<u>106,280</u>	<u>102,686</u>	<u>–</u>	<u>–</u>
	<u>2,344,039</u>	<u>1,038,062</u>	<u>950,024</u>	<u>1,643,836</u>

Note: ECLs are estimated by applying a loss rate approach with reference to the historical loss record of Jiangsu Huadian Group. The loss rate is adjusted to reflect the current conditions and forecasts of future economic conditions, as appropriate.

As at 31 December 2021, 2022 and 2023 and 30 June 2024, ECLs of deposits and other receivables of Jiangsu Huadian Group amounted to approximately nil, RMB5,622,000, RMB5,572,000 and RMB5,472,000 respectively. The information about the ECLs on Jiangsu Huadian Group's deposits and other receivables are disclosed in note 39(b).

## 27. RESTRICTED DEPOSITS

Restricted deposits mainly represent other financial institutions. These guarantees ensure compliance with contractual obligations.

## 28. CASH AND CASH EQUIVALENTS

	As at 31 December			As at
	2021	2022	2023	30 June
	RMB'000	RMB'000	RMB'000	2024
				RMB'000
Cash at bank and in hand	4	62,431	7,453	427
Cash at other financial institutions	1,094,625	989,429	725,902	540,329
	<u>1,094,629</u>	<u>1,051,860</u>	<u>733,355</u>	<u>540,756</u>

## 29. BORROWINGS

### (a) Bank loans

	As at 31 December			As at
	2021	2022	2023	30 June
	RMB'000	RMB'000	RMB'000	2024
				RMB'000
Due:				
Within 1 year				
– short-term bank loans	3,208,702	3,642,873	5,914,136	5,961,717
– current portion of long-term bank loans	175,213	32,997	99,499	156,500
	<u>3,383,915</u>	<u>3,675,870</u>	<u>6,013,635</u>	<u>6,118,217</u>
After 1 year but within 2 years	287,401	153,055	782,211	910,409
After 2 years but within 5 years	611,422	749,196	1,343,455	2,249,649
After 5 years	924,396	450,109	788,199	1,392,345
	<u>1,823,219</u>	<u>1,352,360</u>	<u>2,913,865</u>	<u>4,552,403</u>
	<u>5,207,134</u>	<u>5,028,230</u>	<u>8,927,500</u>	<u>10,670,620</u>

As at 31 December 2021, 2022 and 2023 and 30 June 2024, all of the bank loans are unsecured, except for amounts of approximately RMB1,570,000,000, nil, nil and nil respectively which are secured by the income stream in respect of the sale of electricity and heat and trade debtors for the sale of electricity and heat of certain subsidiaries. None of the bank loans contain financial covenants.

Details of the interest rates and maturity dates of bank loans are as follows:

	As at 31 December			As at
	2021	2022	2023	30 June
	RMB'000	RMB'000	RMB'000	2024
				RMB'000
Floating interest rates ranging from 2021: 3.15% to 4.98% per annum with maturities ranged from 2022 to 2034				
2022: 2.90% to 3.98% per annum with maturities ranged from 2023 to 2037				
2023: 2.00% to 3.50% per annum with maturities ranged from 2024 to 2040				
2024: 2.29% to 3.40% per annum with maturities ranged from 2025 to 2029				
	2,369,210	2,876,717	4,738,584	5,213,068
Fixed interest rates ranging from 2021:3.35% to 4.80% per annum with maturities ranged from 2022 to 2029				
2022:2.00% to 3.50% per annum with maturities up to 2023				
2023: 2.00% to 3.20% per annum with maturities ranged from 2024 to 2026				
2024:2.28% to 3.20% per annum with maturities ranged from 2025 to 2027				
	2,837,924	2,151,513	4,188,916	5,457,552
	<u>5,207,134</u>	<u>5,028,230</u>	<u>8,927,500</u>	<u>10,670,620</u>

(b) Loans from shareholders

	As at 31 December			As at
	2021	2022	2023	30 June
	RMB'000	RMB'000	RMB'000	2024
				RMB'000
Due:				
Within 1 year				
– short-term loans from shareholders	–	2,001,953	–	–
– current portion of long-term loans from shareholders	3,602,390	1,003,088	1,849	201,008
	<u>3,602,390</u>	<u>3,005,041</u>	<u>1,849</u>	<u>201,008</u>
After 1 year but within 2 years	2,000,000	850,000	1,000,000	–
After 2 years but within 5 years	–	1,000,000	1,006,620	1,006,620
	<u>2,000,000</u>	<u>1,850,000</u>	<u>2,006,620</u>	<u>1,006,620</u>
	<u>5,602,390</u>	<u>4,855,041</u>	<u>2,008,469</u>	<u>1,207,628</u>

Loans from shareholders are mainly borrowed from China Huadian Corporation Limited. Loans from shareholders bear interest rates ranging from 3.36% to 5.46%, 3.00% to 4.25%, 3.00% to 3.45% and 3.00% to 3.45% per annum, as at 31 December 2021, 2022, 2023 and 30 June 2024 respectively.



	As at 31 December			As at
	2021	2022	2023	30 June
	RMB'000	RMB'000	RMB'000	2024
				RMB'000
Loans from China Huadian Finance Corporation Limited ("China Huadian Finance")				
Floating interest rates ranging from 2021: 3.50% to 4.51% per annum, with maturities ranged from 2022 to 2029				
2022: 2.90% to 4.41% per annum, with maturities ranged from 2023 to 2040				
2023: 2.50% to 3.15% per annum, with maturities ranged from 2024 to 2041				
2024: 2.50% to 3.05% per annum, with maturities ranged from 2025 to 2041	799,003	721,947	109,989	114,835
Fixed interest rates ranging from 2021: 3.50% to 4.41% per annum, with maturities ranged from 2022 to 2027				
2022: 3.00% to 3.20% per annum, with maturities up to 2023				
2023: 2.80% to 2.80% per annum, with maturities up to 2024				
2024: 2.50% to 2.50% per annum, with maturities up to 2025	1,385,806	1,331,225	320,274	75,052
	<u>2,184,809</u>	<u>2,053,172</u>	<u>430,263</u>	<u>189,887</u>

(d) Long-term debentures payable

	As at 31 December			As at
	2021	2022	2023	30 June
	RMB'000	RMB'000	RMB'000	2024
				RMB'000
First tranche of medium-term notes for the year of 2021	2,027,158	2,028,704	2,030,704	2,065,110
First tranche of medium-term notes for the year of 2022	--	1,008,047	1,009,047	1,023,008
	2,027,158	3,036,751	3,039,751	3,088,118
Less: Long-term debentures due within one year	(32,197)	(42,408)	(2,041,356)	(2,089,225)
	<u>1,994,961</u>	<u>2,994,343</u>	<u>998,395</u>	<u>998,893</u>

On 8 July 2021, Jiangsu Huadian Group issued the first tranche of company debentures for the year of 2021 in PRC interbank debenture market. The debenture was issued at a total par value of RMB2,000 million with a maturity period of 3 years and bears interest at 3.35% per annum. The tranche is unsecured.

On 8 August 2022, Jiangsu Huadian Group issued the first tranche of medium-term notes for the year of 2022 in PRC interbank debenture market. The medium-term notes was issued at a total par value of RMB1,000 million with a maturity period of 3 years and bears interest at 2.70% per annum. The tranche is unsecured.

(e) Short-term debentures payables

During the Relevant Periods, Jiangsu Huadian Group issued a tranche of super short-term debentures in PRC interbank debenture market.

At the end of each reporting period, the outstanding balance of Jiangsu Huadian Group's short-term debentures are as follows:

	As at 31 December			As at
	2021	2022	2023	30 June
	RMB'000	RMB'000	RMB'000	2024
				RMB'000
Tranche of short-term notes for the year of 2024 (SCP004)	–	–	–	602,350
Tranche of short-term notes for the year of 2024 (SCP005)	–	–	–	601,903
Tranche of short-term notes for the year of 2023 (SCP022)	–	–	702,252	–
Tranche of short-term notes for the year of 2023 (SCP023)	–	–	802,508	–
Tranche of short-term notes for the year of 2023 (SCP024)	–	–	800,715	–
First tranche of short-term notes for the year of 2022 (SCP01)	–	1,014,339	–	–
Tranche of short-term notes for the year of 2022 (SCP025)	–	601,874	–	–
Tranche of short-term notes for the year of 2022 (SCP026)	–	601,872	–	–
Tranche of short-term notes for the year of 2022 (SCP027)	–	1,002,344	–	–
Tranche of short-term notes for the year of 2022 (SCP028)	–	500,938	–	–
Tranche of short-term notes for the year of 2022 (SCP029)	–	1,001,244	–	–
Tranche of short-term notes for the year of 2022 (SCP030)	–	1,001,175	–	–
Tranche of short-term notes for the year of 2022 (SCP031)	–	500,398	–	–
Tranche of short-term notes for the year of 2021 (SCP027)	505,342	–	–	–
Tranche of short-term notes for the year of 2021 (SCP028)	504,504	–	–	–
Tranche of short-term notes for the year of 2021 (SCP029)	504,620	–	–	–
Tranche of short-term notes for the year of 2021 (SCP030)	504,418	–	–	–
Tranche of short-term notes for the year of 2021 (SCP031)	504,452	–	–	–
Tranche of short-term notes for the year of 2021 (SCP038)	603,196	–	–	–
Tranche of short-term notes for the year of 2021 (SCP039)	402,179	–	–	–
Tranche of short-term notes for the year of 2021 (SCP040)	452,214	–	–	–
Tranche of short-term notes for the year of 2021 (SCP041)	351,728	–	–	–
Tranche of short-term notes for the year of 2021 (SCP042)	601,239	–	–	–
Tranche of short-term notes for the year of 2021 (SCP043)	300,182	–	–	–
	<u>5,234,074</u>	<u>6,224,184</u>	<u>2,305,475</u>	<u>1,204,253</u>

### 30. TRADE CREDITORS AND BILLS PAYABLE

As at the end of each reporting period, the ageing analysis of trade creditors and bills payable, presented based on the invoice date, is as follows:

	As at 31 December			As at
	2021	2022	2023	30 June
	RMB'000	RMB'000	RMB'000	2024
Within 1 year	2,282,572	1,102,431	1,650,388	1,526,389
1 to 2 years	9,841	306,523	85,924	102,128
Over 2 years	16,380	16,428	201,650	155,497
	<u>2,308,793</u>	<u>1,425,382</u>	<u>1,937,962</u>	<u>1,784,014</u>

### 31. OTHER PAYABLES AND CONTRACT LIABILITIES

	As at 31 December			As at
	2021	2022	2023	30 June
	RMB'000	RMB'000	RMB'000	2024
Financial liabilities				
– Construction deposits	266,124	221,039	240,129	283,283
– Wages payable	4,655	4,662	3,870	4,871
– Dividends payable to common shareholders	509,214	568,430	489,210	516,615
– Distributions payable to holders of perpetual capital	1,118	5,203	52,421	74,020
– Payable to parent	<u>3,004,557</u>	<u>2,651,572</u>	<u>2,502,956</u>	<u>2,568,104</u>
	3,785,668	3,450,906	3,288,586	3,446,893
Other tax payables	244,737	98,694	82,409	72,519
Contract liabilities	46,372	69,564	96,439	93,916
– Others (Note (i))	<u>62,014</u>	<u>129,978</u>	<u>120,256</u>	<u>86,120</u>
	<u>4,138,791</u>	<u>3,749,142</u>	<u>3,587,690</u>	<u>3,699,448</u>

Notes:

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



## Contract liabilities

	As at 31 December			As at
	2021	2022	2023	30 June
	RMB'000	RMB'000	RMB'000	2024
Contract liabilities arising from:				RMB'000
Sale of heat	29,201	38,691	72,064	62,679
Others	17,171	30,873	24,375	31,237
	<u>46,372</u>	<u>69,564</u>	<u>96,439</u>	<u>93,916</u>

Contract liabilities mainly relate to the deposits received from customers for sale of heat, coal and others. Jiangsu Huadian Group expects to deliver the goods to satisfy the performance obligations of these contract liabilities within one year or less.

For the total contract liabilities of approximately RMB38,289,000, RMB46,372,000, RMB69,564,000 and RMB96,439,000 as of 31 December 2020, 2021, 2022 and 2023 respectively, approximately RMB38,289,000, RMB46,372,000, RMB69,564,000 and RMB25,730,000 has been recognised as revenue for the three years ended 31 December 2021, 2022 and 2023 and six months ended 30 June 2024 respectively from performance obligations satisfied.

## 32. DEFERRED TAXATION

### (a) Deferred tax assets and liabilities recognised:

The components of deferred tax assets/(liabilities) recognised in the combined statements of financial position and the movements during the Relevant Periods are as follows:

	At 1	(Charged)/	At	Credited/	At	Credited/	At	(Charged)/	At 30 June
	January	credited to	31 December	(charged) to	31 December	(charged) to	31 December	credited to	2024
	2021	profit or loss	2021 and 1	profit or loss	2022 and 1	profit or loss	2023 and 1	profit or loss	2024
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Impairment of assets	5,880	(5,132)	748	290	1,038	290	1,328	(748)	580
Accelerated tax depreciation	-	(2,154)	(2,154)	141	(2,013)	141	(1,872)	70	(1,802)
Tax losses	42,276	104,476	146,752	86,519	233,271	(153,923)	79,348	(57,424)	21,924
Others (Note)	4,257	(770)	3,487	(770)	2,717	(770)	1,947	(17)	1,930
	<u>52,413</u>	<u>96,420</u>	<u>148,833</u>	<u>86,180</u>	<u>235,013</u>	<u>(154,262)</u>	<u>80,751</u>	<u>(58,119)</u>	<u>22,632</u>

Note: Others represent deferred tax arising from deferred government grants and provision for miscellaneous expenses.

Reconciliation to the combined statements of financial position is as follows:

	As at 31 December			As at
	2021	2022	2023	30 June
	RMB'000	RMB'000	RMB'000	2024
				RMB'000
Net deferred tax assets recognised in the combined statements of financial position	162,137	247,530	92,480	34,113
Net deferred tax liabilities recognised in the combined statements of financial position	(13,304)	(12,517)	(11,729)	(11,481)
	<u>148,833</u>	<u>235,013</u>	<u>80,751</u>	<u>22,632</u>

As at 31 December 2021, 2022 and 2023 and 30 June 2024, Jiangsu Huadian Group has unused estimated tax losses of approximately RMB2,834,508,000, RMB4,528,588,000, RMB4,273,560,000 and RMB3,852,606,000 respectively for certain subsidiaries in the PRC. The tax losses incurred by the subsidiaries will expire in five years from the year in which the loss originated.

As at 31 December 2021, 2022 and 2023 and 30 June 2024, Jiangsu Huadian Group has not recognised deferred tax assets in respect of cumulative tax losses of approximately RMB2,247,500,000, RMB3,595,504,000, RMB3,956,168,000 and RMB3,764,910,000 respectively.

### 33. PROVISIONS

The provisions represent Jiangsu Huadian Group's best estimate of the remediation costs for Jiangsu Huadian Group's liability on mine disposal and environmental restoration, which is based on industry standards and historical experience.

	As at 31 December			As at
	2021	2022	2023	30 June
	RMB'000	RMB'000	RMB'000	2024
				RMB'000
At the beginning of the year/period	2,698	859	1,776	4,546
Additions	4	917	2,770	–
Settlement	(1,843)	–	–	(2,432)
At the end of the year/period	<u>859</u>	<u>1,776</u>	<u>4,546</u>	<u>2,114</u>

### 34. DEFERRED GOVERNMENT GRANTS

During the three years ended 31 December 2021, 2022 and 2023 and six months ended 30 June 2024, government grants of RMB1,920,000, RMB4,778,000, RMB4,726,000 and nil have been received in each period mainly towards improvement of various energy-saving and environmental protection technologies. The amount has been treated as deferred income in each period. During the three years ended 31 December 2021, 2022 and 2023 and six months ended 30 June 2024, this policy has resulted in a credit to other income of RMB19,434,000, RMB6,496,000, RMB6,395,000 and RMB3,209,000 respectively.

As at 31 December 2021, 2022, 2023 and 30 June 2024, an amount of RMB60,662,000, RMB58,944,000, RMB57,275,000, and RMB54,066,000 remains to be amortised.

### 35. SHARE CAPITAL, RESERVES AND DIVIDENDS

#### (a) Dividends

Pursuant to resolutions passed at the directors' meeting held on 27 August 2021, an interim dividend of RMB1,429,698,000, is declared and paid to shareholders for 2021. No dividend was paid or proposed for the years end 31 December 2022 and 2023 and during the six months ended 30 June 2024, nor has any dividend been proposed since 30 June 2024.

#### (b) Share capital

Movement of Jiangsu Huadian's registered, issued and fully paid up capital is tabled below.

	Registered, issued and fully paid up capital			
	2021	2022	2023	2024
	RMB'000	RMB'000	RMB'000	RMB'000
At beginning and the end of year/period	2,553,163	2,553,163	2,553,163	2,553,163

#### (c) Reserves

##### (i) Capital reserve

Capital reserve represents the difference between the consideration paid for the acquisition of additional equity interests in subsidiaries and the carrying value of the additional equity interests of the subsidiaries acquired.

##### (ii) Statutory surplus reserve

###### *General reserve*

According to Jiangsu Huadian's Articles of Association, Jiangsu Huadian is required to transfer at least 10% (at the discretion of the board of directors) of its profit after taxation, as determined under PRC accounting rules and regulations, to a statutory general surplus reserve until the reserve balance reaches 50% of the registered capital. The transfer to this reserve must be made before distribution of a dividend to shareholders.

The statutory general surplus reserve can be used to make good previous years' losses, if any, and may be converted into share capital by the issue of new shares to shareholders in proportion to their existing shareholdings or by increasing the par value of the shares currently held by them, provided that the balance after such issue is not less than 25% of the registered capital.

###### *Specific reserve*

Pursuant to the relevant PRC regulations for power generation companies and coal mining companies, Jiangsu Huadian Group is required to set aside an amount to maintenance and production funds. The funds can be used for maintenance of production and improvements of safety at the power plants and mines, and are not available for distribution to shareholders.

#### (d) Distributability of reserve

According to Jiangsu Huadian's Articles of Association, the retained profits available for distribution are the amount as determined under PRC accounting rules.

#### (e) Perpetual capital securities

For the three years ended 31 December 2021, 2022 and 2023 and six months ended 30 June 2024, the perpetual capital securities are issued at par value with a range of initial distribution rate from 3.40%, 2.90% to 3.40%, 2.90% to 3.40% and 2.40% to 3.40%. The interests of perpetual capital securities are recorded as distributions, which are payable annually after the approval of the directors of Jiangsu Huadian and may be deferred at the discretion of Jiangsu Huadian unless compulsory distribution payment events (distributions to ordinary shareholders of Jiangsu Huadian of the registered capital of Jiangsu Huadian) occurred.

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

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

The directors of Jiangsu Huadian are of the opinion that Jiangsu Huadian Group has no contractual obligation to repay the principal or to pay any distribution for the perpetual capital securities. Therefore, the perpetual capital securities are classified as equity instrument and recorded in equity in the combined statements of financial position. As at 31 December 2021, 2022 and 2023 and 30 June 2024, the profit attributable to holders of perpetual capital securities, based on the applicable distribution rate, was approximately RMB1,118,000, RMB21,085,000, RMB93,218,000 and RMB71,949,000 respectively.

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

Movement of the perpetual capital securities is as follows:

	<b>Principal</b> <i>RMB'000</i>	<b>Distribution</b> <i>RMB'000</i>	<b>Total</b> <i>RMB'000</i>
As at 1 January 2021			
Issue of perpetual capital securities	500,000	–	500,000
Profit attributable to holders of perpetual capital securities	–	1,118	1,118
Distributions payable to holders of perpetual capital securities	–	(1,118)	(1,118)
	<u>500,000</u>	<u>–</u>	<u>500,000</u>
As at 31 December 2021 and 1 January 2022	500,000	–	500,000
Issue of perpetual capital securities	1,000,000	–	1,000,000
Profit attributable to holders of perpetual capital securities	–	21,085	21,085
Distributions payable to holders of perpetual capital securities	–	(21,085)	(21,085)
	<u>1,500,000</u>	<u>–</u>	<u>1,500,000</u>
As at 31 December 2022 and 1 January 2023	1,500,000	–	1,500,000
Issue of perpetual capital securities	3,000,000	–	3,000,000
Profit attributable to holders of perpetual capital securities	–	93,218	93,218
Distributions payable to holders of perpetual capital securities	–	(93,218)	(93,218)
	<u>4,500,000</u>	<u>–</u>	<u>4,500,000</u>
As at 31 December 2023 and 1 January 2024	4,500,000	–	4,500,000
Issue of perpetual capital securities	300,000	–	300,000
Profit attributable to holders of perpetual capital securities	–	71,949	71,949
Distributions payable to holders of perpetual capital securities	–	(71,949)	(71,949)
	<u>4,800,000</u>	<u>–</u>	<u>4,800,000</u>
As at 30 June 2024	<u>4,800,000</u>	<u>–</u>	<u>4,800,000</u>

**(f) Capital management**

Jiangsu Huadian Group's capital management objectives are:

- to ensure Jiangsu Huadian Group's ability to continue as a going concern;
- to provide an adequate return to shareholders; and
- to maintain an optimal capital structure to reduce cost of capital

In order to maintain and improve the capital structure, Jiangsu Huadian may adjust the amount of dividends paid to shareholders.

**36. MATERIAL RELATED PARTY TRANSACTIONS**

**(a) Transactions with shareholders and fellow subsidiaries**

Shareholders, fellow subsidiaries and associates that had material transactions with Jiangsu Huadian Group are as follows:

<b>Name of related parties</b>	<b>Nature of relationship</b>
China Huadian Corporation Limited	Immediate parent and ultimate holding company of Jiangsu Huadian Group
Suzhou Huahui Energy Co., Ltd	An associate of Jiangsu Huadian Group
Suzhou Taihu Zhongfa Environmental Technology Co., Ltd	An associate of Jiangsu Huadian Group
Wuxi Xinlian Thermal Power Co., Ltd	An associate of Jiangsu Huadian Group
Huaneng Huaiyin Second Power Generation Co., Ltd	An associate of Jiangsu Huadian Group
Jiangyin Sulong Thermal Power Co., Ltd	An associate of Jiangsu Huadian Group
Yangzhou Huasheng Energy Co., Ltd	An associate of Jiangsu Huadian Group
Yangzhou Hanjiang PetroChina Kunlun Gas Co., Ltd	An associate of Jiangsu Huadian Group
Huadian Coal Industry Group Co., Ltd and its subsidiaries	Fellow subsidiaries of Jiangsu Huadian Group
CHD Power Plant Operation Company Limited and its subsidiaries	Fellow subsidiaries of Jiangsu Huadian Group
Fujian Huadian Furui Energy Development Company Limited and its subsidiaries	Fellow subsidiaries of Jiangsu Huadian Group
Huadian Power International Corporation Limited and its subsidiaries	Fellow subsidiaries of Jiangsu Huadian Group
China Huadian Engineering Corporation and its subsidiaries	Fellow subsidiaries of Jiangsu Huadian Group
Guodian Nanjing Automation Company Limited and its subsidiaries	Fellow subsidiaries of Jiangsu Huadian Group
China Huadian Materials Company Limited and its subsidiaries	Fellow subsidiaries of Jiangsu Huadian Group
Huadian Shanxi Energy Company Limited and its subsidiaries	Fellow subsidiaries of Jiangsu Huadian Group
Huadian Overseas Investment Limited and its subsidiaries	Fellow subsidiaries of Jiangsu Huadian Group
China Huadian Group Carbon Assets Operation Company Limited and its subsidiaries	Fellow subsidiaries of Jiangsu Huadian Group
Huadian Property Company Limited and its subsidiaries	Fellow subsidiaries of Jiangsu Huadian Group
China Huadian Group Industry and Finance Holdings Co., Ltd and its subsidiaries	Fellow subsidiaries of Jiangsu Huadian Group
Huadian Sichuan Power Company Limited and its subsidiaries	Fellow subsidiaries of Jiangsu Huadian Group
Guizhou Wujiang Hydroelectric Development Company Limited and its subsidiaries	Fellow subsidiaries of Jiangsu Huadian Group

Name of related parties	Nature of relationship
Huadian Yunnan Power Generation Company Limited and its subsidiaries	Fellow subsidiaries of Jiangsu Huadian Group
Huadian Tibet Energy Company Limited and its subsidiaries	Fellow subsidiaries of Jiangsu Huadian Group
China Huadian Finance Corporation Limited	Fellow subsidiaries of Jiangsu Huadian Group
Huadian Asset Management (Tianjin) Company Limited and its subsidiaries	Fellow subsidiaries of Jiangsu Huadian Group
China Huadian Advanced Training Centre Limited and its subsidiaries	Fellow subsidiaries of Jiangsu Huadian Group
Huadian Xinjiang Power Generation Company Limited and its subsidiaries	Fellow subsidiaries of Jiangsu Huadian Group
Huadian Electric Power Research Institute Company Limited	Fellow subsidiaries of Jiangsu Huadian Group
China National Petroleum Corporation Limited ("China National Petroleum")	Related company of Jiangsu Huadian Group

Jiangsu Huadian Group had the following material transactions with related parties during the Relevant Periods and six months ended 30 June 2023:

	Year ended 31 December			Six months ended	
	2021	2022	2023	2023	2024
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
				<i>(Unaudited)</i>	
Sales of heat Associates	638,507	756,015	677,752	504,790	298,184
Purchase of coal from China Huadian Fellow subsidiaries	5,123,514	11,240,497	6,465,894	2,959,083	1,528,505
Purchases of natural gas from China National Petroleum	3,941,035	7,302,794	7,685,867	4,337,152	2,991,119
Sales of equipment to Fellow subsidiaries	361,979	238,878	736,783	234,045	174,951
Other services income from China Huadian Fellow subsidiaries	1,387	2,891	2,669	855	2,151
Purchase of construction service and equipment from China Huadian Fellow subsidiaries	226	452	6,387	283	4,221
Loans proceeds obtained from China Huadian Fellow subsidiaries	1,020,980	3,000,000	1,006,620	–	–
Loans repaid to China Huadian Fellow subsidiaries	4,929,000	7,564,500	7,310,400	250,050	3,745,350
Interest paid to China Huadian	43,718	183,244	51,924	7,723	26,266

	Year ended 31 December			Six months ended	
	2021	2022	2023	30 June	
	RMB'000	RMB'000	RMB'000	2023	2024
				RMB'000	RMB'000
				<i>(Unaudited)</i>	
Fellow subsidiaries	120,400	90,300	28,149	6,699	1,863
Interest received from A fellow subsidiary	14,223	14,596	6,058	3,012	1,502
Lease and property service charges provided to China Huadian	–	–	326	–	326
Lease and property service charges payable to Fellow subsidiaries	2,928	5,105	691	251	285
Other service expenses paid to China Huadian	726	660	453	–	–
Fellow subsidiaries	33,457	72,308	78,187	7,791	37,910

**(b) Transactions with shareholders, fellow subsidiaries and associates**

Jiangsu Huadian Group had the following material transactions with related parties during the Relevant Periods and six months ended 30 June 2023:

	As at 31 December			As at
	2021	2022	2023	30 June
	RMB'000	RMB'000	RMB'000	2024
				RMB'000
Additional capital injection in Associates	–	–	3,510	–
Sale of equity interests to A fellow subsidiary	–	244,000	99,000	–
Construction in progress prepayments Fellow subsidiaries	485	13,657	6,754	6,550
Trade debtors and bills receivables Associates	60,973	39,394	62,453	54,037
Deposits, other receivables, prepayments and contract assets				
China Huadian	773,934	825	39,993	48,819
China National Petroleum	89,747	174,439	163,175	151,838
Associates	2,452	1,000	1,000	63,907
Fellow subsidiaries	172,548	93,169	163,168	725,773
Other non-current assets Fellow subsidiaries	–	–	9,120	–
Cash and cash equivalents and restricted deposits A fellow subsidiary	1,094,625	989,449	726,227	540,418

	As at 31 December			As at
	2021	2022	2023	30 June
	RMB'000	RMB'000	RMB'000	2024
Loans from a shareholder				
China Huadian	(5,602,390)	(4,855,041)	(2,008,469)	(1,207,628)
Other loans				
China Huadian Finance	(2,184,809)	(2,053,172)	(430,263)	(189,887)
Trade creditors and bills payable				
China Huadian	(1,645,687)	(498,404)	(109,656)	(31,735)
Fellow subsidiaries	(540,597)	(513,367)	(340,495)	(195,951)
Other payables				
China Huadian	(3,082,914)	(2,730,169)	(2,934,938)	(3,000,084)
Fellow subsidiaries	(60,643)	(40,759)	(26,809)	(25,864)
Contract liabilities				
Fellow subsidiaries	(787)	(6,304)	(561)	(7,810)

**(c) Transactions with key management personnel**

Remuneration for key management personnel of Jiangsu Huadian Group, including amounts paid to Jiangsu Huadian's directors and supervisors as disclosed in note 13 and the highest paid employees as disclosed in note 14, is as follows:

	Year ended 31 December			Six months ended	
	2021	2022	2023	30 June	
	RMB'000	RMB'000	RMB'000	2023	2024
				(Unaudited)	
Salaries and other remuneration	2,168	2,469	2,038	1,195	1,094
Retirement benefits	747	878	823	481	417
Bonuses	5,114	4,018	3,191	2,084	2,825
	<u>8,029</u>	<u>7,365</u>	<u>6,052</u>	<u>3,760</u>	<u>4,336</u>

Total remuneration is included in "personnel costs" (see note 7).

**(d) Contributions to defined contribution retirement plans**

Jiangsu Huadian Group participates in various defined contribution retirement plans organised by municipal and provincial governments and China Huadian for its staff. At the end of each reporting period, there were no material outstanding contributions to post-employment benefit plans.

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

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



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

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

- *sale of electricity to the grid*

Jiangsu Huadian Group sells substantially all its electricity to local government-related power grid companies, and the tariff of electricity is regulated by relevant government. For the years ended 31 December 2021, 2022 and 2023 and six months ended 30 June 2023 and 2024, management estimates that the aggregate amount of Jiangsu Huadian Group's significant transactions with other government-related entities are at least 99%, 99%, 99%, 99% and 99% of its sale of electricity.

- *depositing and borrowing*

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

- *other transactions*

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

(f) **Commitment with related parties**

	As at 31 December			As at
	2021	2022	2023	30 June
	RMB'000	RMB'000	RMB'000	RMB'000
Construction in progress	–	2,890	–	–
Improvement projects and others	80,287	–	92	92
	<u>80,287</u>	<u>2,890</u>	<u>92</u>	<u>92</u>

**37. RETIREMENT PLANS**

For the Relevant Periods and six months ended 30 June 2023, Jiangsu Huadian Group is required to make contributions to retirement plans operated by the State at range from 15% to 20% of the staff salaries. A member of the plan is entitled to receive from the State a pension equal to a fixed proportion of his or her salary prevailing at the retirement date. In addition, Jiangsu Huadian Group participates in a retirement plan managed by China Huadian to supplement the abovementioned plan. Jiangsu Huadian Group has no other material obligation to make payments in respect of pension benefits associated with these plans other than the annual contributions described above.

Contributions to the plans vest immediately, there is no forfeited contributions that may be used by Jiangsu Huadian Group to reduce the existing level of contribution.

Jiangsu Huadian Group's contribution to these plans amounted to approximately RMB304,043,000, RMB295,309,000, RMB375,385,000, RMB159,268,000 (unaudited) and RMB164,015,000 during the three years ended 31 December 2021, 2022 and 2023 and six months ended 30 June 2023 and 2024 which was charged to the combined statements of profit or loss and other comprehensive income (note 7).

As of 31 December 2021, 2022 and 2023 and 30 June 2024, the Jiangsu Huadian Group has recognised a non-current retirement benefit obligation in respect of its defined benefit pension plan. This obligation represents the present value of future retirement benefits expected to be paid to employees upon retirement, based on actuarial assumptions.

### 38. COMMITMENTS

#### Capital commitments

Jiangsu Huadian Group had capital commitments as follows:

	As at 31 December			As at
	2021	2022	2023	30 June
	RMB'000	RMB'000	RMB'000	2024
				RMB'000
Contracted for but not provided in the financial statements				
– Development of power plants	40,982	300,030	1,692,702	1,960,690
– Improvement projects and others	81,307	83	104	104
	<u>122,289</u>	<u>300,113</u>	<u>1,692,806</u>	<u>1,960,794</u>

### 39. FINANCIAL RISK MANAGEMENT AND FAIR VALUES

#### Categories of financial instruments

	As at 31 December			As at
	2021	2022	2023	30 June
	RMB'000	RMB'000	RMB'000	2024
				RMB'000
Financial assets				
At amortised cost				
– Other non-current assets	102,686	–	–	–
– Trade debtors and bills receivables	2,521,926	3,133,341	3,167,310	2,517,012
– Other receivables	1,355,911	414,924	381,043	402,809
– Restricted deposits	–	20	325	89
– Cash and cash equivalents	1,094,629	1,051,860	733,355	540,756
At FVOCI				
– Unlisted equity securities	177,263	180,932	186,297	177,244
	<u>5,252,415</u>	<u>4,781,077</u>	<u>4,468,330</u>	<u>3,637,910</u>
Financial liabilities				
At amortised cost				
	<u>27,995,713</u>	<u>26,572,070</u>	<u>22,047,485</u>	<u>21,622,049</u>

Exposure to interest rate, credit, liquidity and currency risks arises in the normal course of Jiangsu Huadian Group's business.

Jiangsu Huadian Group's exposure to these risks and the financial risk management policies and practices used by Jiangsu Huadian Group to manage these risks are described below.

**(a) Interest rate risk**

Jiangsu Huadian Group is exposed to fair value interest rate risk in relation to the fixed-rate borrowings (see note 28). As at 31 December 2021, 2022 and 2023 and 30 June 2024, fixed rate borrowings comprise 84.4%, 83.0%, 71.0% and 67.4% of total borrowings of Jiangsu Huadian Group respectively. Jiangsu Huadian Group historically has not used any financial instruments to hedge potential fluctuations in interest rates.

Jiangsu Huadian Group is also exposed to cash flow interest rate risk in relation to floating-rate borrowings and cash and cash equivalent (see note 29 and 28 for details). Jiangsu Huadian Group's cash flow interest rate risk is mainly concentrated on the effects of fluctuations in the prevailing levels of the market interest rates on its cash flows is not deemed to be substantial in the view of management based on the nature of the assets and liabilities.

*Sensitivity analysis*

As at 31 December 2021, 2022 and 2023 and 30 June 2024, it is estimated that a general increase of 100 basis points in interest rates, with all other variables held constant, would have decreased/increased Jiangsu Huadian Group's profit/loss after tax and decreased/increased Jiangsu Huadian Group's total equity by approximately RMB23,762,000, RMB26,990,000, RMB36,364,000 and RMB45,276,000 respectively.

The sensitivity analysis above indicates Jiangsu Huadian Group's exposure to cash flow interest rate risk arising from floating rate instruments held by Jiangsu Huadian Group at the end of each reporting period. The impact on Jiangsu Huadian Group's profit/(loss) after tax (and equity) and combined equity is estimated as an annualised impact on interest expense of such a change in interest rates. The analysis is performed on the same basis during the Relevant Periods.

**(b) Credit risk**

Jiangsu Huadian Group's credit risk is primarily attributable to trade debtors, bills receivable, deposits and other receivables. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

In respect of trade debtors and bills receivables, individual credit evaluations are performed regularly on all customers granted with credit period. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer. Trade debtors are due within 30 to 90 days from the date of billing. For bills received from customers, Jiangsu Huadian Group generally accepts only bank acceptance bills in order to minimise the risk of default payment. Normally, Jiangsu Huadian Group does not obtain collateral from customers.

Jiangsu Huadian Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer and therefore significant concentrations of credit risk primarily arise when Jiangsu Huadian Group has significant exposure to individual customers. As at 31 December 2021, 2022 and 2023 and 30 June 2024, 86.87% and 92.21%, 85.57% and 92.03%, 87.53% and 93.27% and 85.72% and 92.90% of the total trade debtors and bills receivables respectively were due from Jiangsu Huadian Group's largest customer and the five largest customers respectively.

Jiangsu Huadian Group measures loss allowances for trade debtors and bills receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As Jiangsu Huadian Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between Jiangsu Huadian Group's different customer bases, which are based on days past due for groupings of various customer segments that have similar loss patterns. ECLs rates are based on actual loss experience. These rates are adjusted to reflect differences between economic conditions during the Relevant Periods over which the historic data has been collected, current conditions and Jiangsu Huadian Group's view of economic conditions over the expected lives of the receivables. After considering the historical loss patterns, the management considers that the impairment loss provided is adequate. No further impairment for trade debtors and bills receivables is provided as the amount of additional impairment measured under the ECLs model is immaterial.

In respect of other receivables, Jiangsu Huadian Group adopts individual credit evaluations continuously assessing the credit risk and financial condition of different customers. Movement in the loss allowance account in respect of other financial assets measured at amortised cost (i.e. deposits and other receivables) during the Relevant Period is as follows:

Loss allowance	2024			Total RMB'000
	12-month ECLs (Stage 1) RMB'000	Lifetime ECL, non- credit impaired (Stage 2) RMB'000	Lifetime ECL, credit- impaired (Stage 3) RMB'000	
At 1 January	–	–	5,572	5,572
Reversal of impairment loss	–	–	(100)	(100)
At 30 June	<u>–</u>	<u>–</u>	<u>5,472</u>	<u>5,472</u>
Loss allowance	2023			Total RMB'000
	12-month ECLs (Stage 1) RMB'000	Lifetime ECL, non- credit impaired (Stage 2) RMB'000	Lifetime ECL, credit- impaired (Stage 3) RMB'000	
At 1 January	–	–	5,622	5,622
Reversal of impairment loss	–	–	(50)	(50)
At 31 December	<u>–</u>	<u>–</u>	<u>5,572</u>	<u>5,572</u>
Loss allowance	2022			Total RMB'000
	12-month ECLs (Stage 1) RMB'000	Lifetime ECL, non- credit impaired (Stage 2) RMB'000	Lifetime ECL, credit- impaired (Stage 3) RMB'000	
At 1 January	–	–	–	–
Impairment loss recognised	–	–	5,622	5,622
At 31 December	<u>–</u>	<u>–</u>	<u>5,622</u>	<u>5,622</u>

Jiangsu Huadian Group does not provide any guarantees which would expose Jiangsu Huadian Group to credit risk.

Further quantitative disclosures in respect of Jiangsu Huadian Group's exposure to credit risk arising from trade debtors and bills receivables are set out in note 25.

(c) **Liquidity risk**

Individual operating entities within Jiangsu Huadian Group are responsible for their own cash management, including the short-term investment of cash surpluses and the raising of loans to cover expected cash demands, subject to approval by Jiangsu Huadian's board when the borrowings exceed certain predetermined levels of authority. Jiangsu Huadian Group's policy is to regularly monitor its liquidity requirements to ensure that it maintains sufficient reserves of cash and readily realisable marketable securities and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and long-term.

As at 30 June 2024, Jiangsu Huadian Group had net current liabilities of approximately RMB10,031 million. With regards to its future capital commitments and other financing requirements, Jiangsu Huadian Group has unutilised banking facilities available for use of approximately RMB23,783 million as at 30 June 2024.

The following tables show the remaining contractual maturities at the end of each reporting period of Jiangsu Huadian Group's non-derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date Jiangsu Huadian Group can be required to pay:

*At 30 June 2024*

	Contractual undiscounted cash outflow				Total RMB'000	Carrying Amount RMB'000
	Within 1 year or on demand RMB'000	More than 1 year but less than 2 years RMB'000	More than 2 years but less than 5 years RMB'000	More than 5 years RMB'000		
Short-term debentures	1,204,792	–	–	–	1,204,792	1,204,253
Bank loans	6,297,918	1,024,985	2,428,892	1,643,523	11,395,318	10,670,620
Loans from shareholders	237,213	30,228	1,045,052	–	1,312,493	1,207,628
Other loans	81,155	4,338	14,233	126,333	226,059	189,887
Trade creditors and bills payable	1,784,014	–	–	–	1,784,014	1,784,014
Amount due to the parent company	30,636	–	–	–	30,636	30,636
Lease liabilities	7,758	7,144	3,616	917	19,435	18,632
Other payables	3,446,893	–	–	–	3,446,893	3,446,893
Long-term debentures payable	2,118,482	1,003,033	–	–	3,121,515	3,088,118
	<u>15,208,861</u>	<u>2,069,728</u>	<u>3,491,793</u>	<u>1,770,773</u>	<u>22,541,155</u>	<u>21,640,681</u>

At 31 December 2023

	Within 1 year or on demand <i>RMB'000</i>	Contractual undiscounted cash outflow			Total <i>RMB'000</i>	Carrying Amount <i>RMB'000</i>
		More than 1 year but less than 2 years <i>RMB'000</i>	More than 2 years but less than 5 years <i>RMB'000</i>	More than 5 years <i>RMB'000</i>		
Short-term debentures	2,309,373	–	–	–	2,309,373	2,305,475
Bank loans	6,174,055	865,775	1,480,598	916,857	9,437,285	8,927,500
Loans from shareholders	62,378	1,044,839	1,060,065	–	2,167,282	2,008,469
Other loans	329,290	4,756	13,934	122,805	470,785	430,263
Trade creditors and bills payable	1,937,962	–	–	–	1,937,962	1,937,962
Amount due to the parent company	109,479	–	–	–	109,479	109,479
Lease liabilities	2,469	2,469	1,799	749	7,486	6,863
Other payables	3,288,586	–	–	–	3,288,586	3,288,586
Long-term debentures payable	2,104,922	1,016,422	–	–	3,121,344	3,039,751
	<u>16,318,514</u>	<u>2,934,261</u>	<u>2,556,396</u>	<u>1,040,411</u>	<u>22,849,582</u>	<u>22,054,348</u>

At 31 December 2022

	Within 1 year or on demand <i>RMB'000</i>	Contractual undiscounted cash outflow			Total <i>RMB'000</i>	Carrying Amount <i>RMB'000</i>
		More than 1 year but less than 2 years <i>RMB'000</i>	More than 2 years but less than 5 years <i>RMB'000</i>	More than 5 years <i>RMB'000</i>		
Short-term debentures	6,252,339	–	–	–	6,252,339	6,224,184
Bank loans	3,785,623	204,557	860,582	524,861	5,375,623	5,028,230
Loans from shareholders	3,095,483	880,000	1,083,260	–	5,058,743	4,855,041
Other loans	1,849,742	130,553	126,605	8,889	2,115,789	2,053,172
Trade creditors and bills payable	1,425,382	–	–	–	1,425,382	1,425,382
Amount due to the parent company	498,404	–	–	–	498,404	498,404
Lease liabilities	1,369	387	1,239	3,944	6,939	5,435
Other payables	3,450,906	–	–	–	3,450,906	3,450,906
Long-term debentures payable	136,408	2,062,514	1,016,422	–	3,215,344	3,036,751
	<u>20,495,656</u>	<u>3,278,011</u>	<u>3,088,108</u>	<u>537,694</u>	<u>27,399,469</u>	<u>26,577,505</u>

At 31 December 2021

	Contractual undiscounted cash outflow				Total RMB'000	Carrying Amount RMB'000
	Within 1 year or on demand RMB'000	More than 1 year but less than 2 years RMB'000	More than 2 years but less than 5 years RMB'000	More than 5 years RMB'000		
Short-term debentures	5,265,746	–	–	–	5,265,746	5,234,074
Bank loans	3,457,639	368,443	791,156	1,060,363	5,677,601	5,207,134
Loans from shareholders	3,746,634	2,037,260	–	–	5,783,894	5,602,390
Other loans	1,518,296	183,198	593,656	33,394	2,328,544	2,184,809
Trade creditors and bills payable	2,308,793	–	–	–	2,308,793	2,308,793
Amount due to the parent company	1,645,687	–	–	–	1,645,687	1,645,687
Lease liabilities	6,299	3,228	9,764	6,786	26,077	21,951
Other payables	3,785,668	–	–	–	3,785,668	3,785,668
Long-term debentures payable	99,197	67,000	2,035,427	–	2,201,624	2,027,158
	<u>21,833,959</u>	<u>2,659,129</u>	<u>3,430,003</u>	<u>1,100,543</u>	<u>29,023,634</u>	<u>28,017,664</u>

(d) **Currency risk**

(i) *Recognised assets and liabilities*

Jiangsu Huadian Group is exposed to currency risk primarily arising from trade payable denominated in United States dollar (“US\$”). Depreciation or appreciation of US\$ against RMB would affect the financial position and operating results of Jiangsu Huadian Group.

(ii) *Exposure to currency risk*

The following table details Jiangsu Huadian Group’s major exposure at the end of the reporting period to currency risk arising from monetary assets and liabilities denominated in a currency other than the functional currency of the entity to which they relate. For presentation purposes, the amounts of the exposure are shown in RMB, translated using the spot rate at the year end/period ended date.

	As at 31 December			As at
	2021 US\$ RMB'000	2022 US\$ RMB'000	2023 US\$ RMB'000	30 June 2024 US\$ RMB'000
Trade payable	–	–	(97,519)	(128,054)
Net exposure	<u>–</u>	<u>–</u>	<u>(97,519)</u>	<u>(128,054)</u>

(iii) *Sensitivity analysis*

The following table indicates the instantaneous change in the Jiangsu Huadian Group's loss after tax (and retained profits) and combined equity in that would arise if foreign exchange rates to which Jiangsu Huadian Group has significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant.

	2021			As at 31 December 2022			2023			As at 30 June 2024		
	Decrease in foreign exchange rate	Effect on results after tax	Effect on equity	Decrease in foreign exchange rate	Effect on results after tax	Effect on equity	Decrease in foreign exchange rate	Effect on results after tax	Effect on equity	Decrease in foreign exchange rate	Effect on results after tax	Effect on equity
	%	RMB'000	RMB'000	%	RMB'000	RMB'000	%	RMB'000	RMB'000	%	RMB'000	RMB'000
US\$	-	-	-	-	-	-	10	7,314	7,314	10	9,604	9,604

*Note:* Positive figures in the above table represent an increase in profit after tax/decrease in loss after tax and equity while negative figures represent corresponding opposite effects.

A 10% weakening of RMB against the above currencies would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by Jiangsu Huadian Group which expose Jiangsu Huadian Group to foreign currency risk at the end of the reporting period. The analysis is performed on the same basis for Relevant Periods.

(c) **Fair values**

(i) *Fair value of Jiangsu Huadian Group's financial assets that are measured at fair value on a recurring basis*

Some of Jiangsu Huadian Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable (note 4).

Financial assets	Fair value as at			At 30 June 2024	Fair value hierarchy	Valuation technique(s) and key input(s)
	At 31 December 2021	At 31 December 2022	At 31 December 2023			
	RMB'000	RMB'000	RMB'000	RMB'000		
Financial assets at fair value through OCI	177,263	180,932	186,297	177,244	Level 3	Market approach – by reference to the asset with identical or similar assets in the market.

During the Relevant Periods there is no transfer between instruments in Level 1 and Level 2.



Reconciliation of Level 3 fair value measurements of financial assets on recurring basis are as follows:

	<b>Unlisted equity securities</b> <i>RMB'000</i>
At 1 January 2021	136,371
Addition	4,397
Changes in fair value through other comprehensive income	<u>36,495</u>
At 31 December 2021	177,263
Disposal	663
Changes in fair value through other comprehensive income	<u>3,006</u>
At 31 December 2022	180,932
Changes in fair value through other comprehensive income	<u>5,365</u>
At 31 December 2023	186,297
Changes in fair value through other comprehensive income	<u>(9,053)</u>
At 30 June 2024	<u><u>177,244</u></u>

(ii) *Financial instruments carried at other than fair value*

Except as detailed in the following table, the directors consider that the carrying amounts of financial assets and financial liabilities recognised in the Historical Financial Information approximate their fair values.

	2021		31 December 2022		2023		30 June 2024	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Fixed rate borrowings	<u>8,229,166</u>	<u>8,152,894</u>	<u>5,889,839</u>	<u>5,854,135</u>	<u>5,988,888</u>	<u>5,970,475</u>	<u>6,222,073</u>	<u>6,157,362</u>

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

#### 40. SUBSIDIARIES

Details of subsidiaries that have non-controlling interests that are material to the Group

The table below shows details of subsidiaries that have non-controlling interests of the Group that have material non-controlling interests:

Name of the subsidiary	Place/Country of incorporation or registration/ operations	Proportion of ownership interest held by non-controlling interests	Proportion of voting power held by non-controlling interests	Profit (loss) allocated to non-controlling interests				Accumulated non-controlling interests			
				31 December		30 June		31 December		30 June	
				2021	2022	2023	2024	2021	2022	2023	2024
				RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Jiangsu Huadian Yangzhou Power Generation Company	The PRC	45% (2023: 45% 2022: 45% 2021: 45%)	45% (2023: 45% 2022: 45% 2021: 45%)	(173,239)	(210,651)	(61,751)	(2,091)	390,088	199,875	141,731	140,503
Jiangsu Electric Power Development Company	The PRC	39% (2023: 39% 2022: 39% 2021: 39%)	39% (2023: 39% 2022: 39% 2021: 39%)	3,297	32,946	48,379	9,320	749,309	769,260	808,812	777,759
Jiangsu Huadian Jurong Power Generation Company	The PRC	48% (2023: 48% 2022: 48% 2021: 48%)	48% (2023: 48% 2022: 48% 2021: 48%)	(252,197)	(128,706)	283,807	75,681	603,107	475,760	759,567	835,559
Jiangsu Huadian Qishuyan Power Generation Company	The PRC	59% (2023: 59% 2022: 59% 2021: 59%)	59% (2023: 59% 2022: 59% 2021: 59%)	32,579	(98,160)	27,654	3,858	902,213	800,918	833,062	844,061
Others								1,551,484	1,517,430	1,677,794	1,739,514
								<u>4,196,201</u>	<u>3,763,243</u>	<u>4,220,966</u>	<u>4,337,396</u>

The summarised financial information in respect of each of the Group's subsidiaries that have non-controlling interests that are material to the Group, before intra-group eliminations:

- (i) Jiangsu Huadian Yangzhou Power Generation Company and its subsidiaries

	As at 31 December			As at
	2021	2022	2023	30 June
	RMB'000	RMB'000	RMB'000	2024
Current assets	313,963	291,368	333,885	342,374
Non-current assets	2,616,564	2,472,493	2,263,427	2,143,740
Current liabilities	1,708,164	1,765,792	1,356,229	1,161,043
Non-current liabilities	349,879	551,022	924,082	1,010,818
Total equity	<u>872,484</u>	<u>447,047</u>	<u>317,001</u>	<u>314,253</u>

	As at 31 December			Six months ended 30 June	
	2021 RMB'000	2022 RMB'000	2023 RMB'000	2023 RMB'000	2024 RMB'000
Revenue	1,754,607	2,043,985	2,280,534	967,684	1,040,457
Expenses	(2,185,615)	(2,525,685)	(2,415,859)	(1,014,566)	(1,051,473)
Profit (loss) for the year	(387,473)	(469,780)	(138,115)	(72,833)	4,819
Net cash inflow from operating activities	(204,726)	(250,190)	43,955	(46,259)	168,285
Net cash outflow from investing activities	196,641	(11,654)	4,360	(10,426)	248
Net cash outflow from financing activities	18,311	254,913	(41,132)	55,755	(172,842)
Net cash (outflow) inflow	10,226	(6,931)	7,183	(930)	(4,309)

(ii) Jiangsu Electric Power Development Company and its subsidiaries

	As at 31 December			As at
	2021 RMB'000	2022 RMB'000	2023 RMB'000	30 June 2024 RMB'000
Current assets	982,656	749,940	431,455	379,063
Non-current assets	3,011,432	2,585,615	2,865,950	2,756,887
Current liabilities	1,082,924	761,068	602,592	525,144
Non-current liabilities	466,570	234,681	232,060	214,651
Total equity	2,444,594	2,339,806	2,462,753	2,396,155

	As at 31 December			Six months ended 30 June	
	2021 RMB'000	2022 RMB'000	2023 RMB'000	2023 RMB'000	2024 RMB'000
Revenue	1,952,798	1,664,333	1,589,380	742,333	678,567
Expenses	(1,853,592)	(1,619,879)	(1,521,169)	(675,108)	(663,257)
Profit for the year	66,834	121,646	175,323	51,216	40,575
Net cash inflow from operating activities	332,381	125,847	266,136	181,365	104,466
Net cash inflow (outflow) from investing activities	514,497	362,615	(284,307)	(93,162)	22,196
Net cash outflow from financing activities	(642,207)	(439,768)	(260,631)	(200,229)	(169,786)
Net cash (outflow) inflow	204,671	48,694	(278,802)	(112,026)	(43,124)

## (iii) Jiangsu Huadian Jurong Power Generation Company and its subsidiaries

	As at 31 December			As at
	2021	2022	2023	30 June
	RMB'000	RMB'000	RMB'000	2024
				RMB'000
Current assets	1,243,671	609,012	716,733	698,925
Non-current assets	6,351,809	6,086,318	5,590,798	5,346,965
Current liabilities	3,853,779	3,503,863	3,359,546	2,963,663
Non-current liabilities	2,492,516	2,206,049	1,374,732	1,351,574
	<u>1,249,185</u>	<u>985,418</u>	<u>1,573,253</u>	<u>1,730,653</u>

	As at 31 December			Six months ended 30 June	
	2021	2022	2023	2023	2024
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Revenue	3,839,442	4,159,600	4,653,810	2,035,275	1,704,186
Expenses	(4,521,047)	(4,512,266)	(4,016,929)	(1,828,466)	(1,478,265)
	<u>(522,363)</u>	<u>(263,768)</u>	<u>587,836</u>	<u>120,819</u>	<u>157,399</u>
Profit (loss) for the year					
Net cash inflow (outflow) from operating activities	940,521	23,566	851,758	(170,308)	389,421
Net cash outflow from investing activities	(217,725)	(248,099)	(43,519)	(31,818)	(10,677)
Net cash (outflow) inflow from financing activities	(714,293)	215,192	(799,360)	203,834	(386,444)
Net cash (outflow) inflow	<u>8,503</u>	<u>(9,341)</u>	<u>8,879</u>	<u>1,708</u>	<u>(7,700)</u>

## (iv) Jiangsu Huadian Qishuyan Power Generation Company and its subsidiaries

	As at 31 December			As at
	2021	2022	2023	30 June
	RMB'000	RMB'000	RMB'000	2024
				RMB'000
Current assets	345,253	625,352	620,370	416,783
Non-current assets	3,062,591	2,874,128	2,611,429	2,480,297
Current liabilities	1,656,560	1,959,134	1,649,326	1,306,071
Non-current liabilities	33,992	32,907	30,265	28,505
	<u>1,717,292</u>	<u>1,507,439</u>	<u>1,552,208</u>	<u>1,562,504</u>

	As at 31 December			Six months ended 30 June	
	2021	2022	2023	2023	2024
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Revenue	2,333,553	2,787,201	3,143,774	1,359,831	1,205,533
Expenses	(2,315,348)	(2,995,757)	(3,211,964)	(1,393,847)	(1,205,546)
Profit (loss) for the year	56,748	(203,269)	36,966	(66,731)	10,296
Net cash inflow (outflow) from operating activities	348,012	(214,791)	699,468	152,967	(1,887)
Net cash (outflow) inflow from investing activities	(8,116)	(22,033)	25,770	(8,295)	25,491
Net cash (outflow) inflow from financing activities	(337,710)	229,104	(717,458)	(144,603)	(30,498)
Net cash (outflow) inflow	2,186	(7,720)	7,780	69	(6,894)

#### 41. DISPOSAL OF SUBSIDIARIES AND BUSINESS

- (a) On 8 December 2021, Jiangsu Huadian Group disposed its subsidiary, Jiangsu Huadian Rugao Thermal Power Co., Ltd.\* (江蘇華電如皋熱電有限公司) ("Rugao Thermal Power"). The net assets of Rugao Thermal Power at the date of disposal were as follows:

Consideration received	RMB'000
Cash received	224,965
Total consideration received	224,965

#### Analysis of assets and liabilities over which control was lost:

	RMB'000
Property, plant and equipment	951
Construction in progress	1,248,238
Intangible asset	63
Inventories	7,151
Other non-current asset	97,725
Prepayments and other receivables	476
Bank balances and cash	9,280
Other current asset	9,000
Bank loan	(925,678)
Trade payable	(162,312)
Other payables and contract liabilities	(8,919)
Tax payable	(149)
Net assets disposed of	275,826

\* For identification purpose only

**Gain on disposal of a subsidiary:**

	<i>RMB'000</i>
Consideration received	224,965
Net assets disposed of	(275,826)
Non-controlling interests	96,524
	<hr/>
Gain/(loss) on disposal	45,663
	<hr/> <hr/>

**Net cash inflow arising on disposal:**

	<i>RMB'000</i>
Cash consideration received	224,965
Less: bank balances and cash disposed of	9,280
	<hr/>
Net cash inflow on disposal	215,685
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- (b) On 6 November 2023, Jiangsu Huadian Group disposed its subsidiary, Jiangsu Huadian Hualin New Energy Co., Ltd.\* (江蘇華電華林新能源有限公司) ("Hualin New Energy"). The net assets of Hualin New Energy at the date of disposal were as follows:

	<i>RMB'000</i>
Consideration received	99,000
Cash received	99,000
	<hr/>
Total consideration received	99,000
	<hr/> <hr/>

**Analysis of assets and liabilities over which control was lost:**

	<i>RMB'000</i>
Property, plant and equipment	144,594
Intangible assets	159
Deferred tax assets	79
Inventories	34
Trade and other receivables	18,671
Prepayment	140
Bank balances and cash	21,266
Payable and other payables	(84,032)
Tax payable	(465)
Other non-current liabilities	(14,137)
	<hr/>
Net assets disposed of	86,309
	<hr/> <hr/>

**Gain on disposal of a subsidiary:**

	<i>RMB'000</i>
Consideration received	99,000
Net assets disposed of	(86,309)
Non-controlling interests	21,748
	<hr/>
Gain/(loss) on disposal	34,439
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\* For identification purpose only

**Net cash inflow arising on disposal:**

	<i>RMB'000</i>
Cash consideration received	99,000
Less: bank balances and cash disposed of	<u>21,266</u>
Net cash inflow on disposal	<u><u>77,734</u></u>

- (c) On 29 September 2022, Jiangsu Huadian Group disposed of its assets and liabilities of Jiangsu Huadian Jinh Lake Energy Co., Ltd. Chenqiao Photovoltaic Power Generation Branch\* (江蘇華電金湖能源有限公司陳橋光伏發電分公司) in respect of the photovoltaic power generation business and recognised a gain on disposal of approximately RMB48,884,000. The net cash inflow from the disposal was approximately RMB304,293,000.

**42. DEREGISTRATION OF SUBSIDIARIES**

On 2 December 2021, Jiangsu Huadian Group deregistered its subsidiary, Jiangsu Huadian Coal Logistics Co., Ltd\* (江蘇華電煤炭物流有限公司) (“Coal Logistics”) and recognised a gain on disposal of approximately RMB13,304,000.

**43. CHANGES IN OWNERSHIP INTEREST IN SUBSIDIARIES****Deemed disposal of interest in a subsidiary**

During the year ended 31 December 2021, upon additional capital contribution of RMB1,005,000 being made by certain independent investors to Jiangsu Huadian Yangzhou Zhongran Energy Co., Ltd.\* (江蘇華電揚州中燃能源有限公司) (“Yangzhou Zhongran Energy”), the Group’s equity interest in Yangzhou Zhongran Energy was diluted from 60% to 56.232%. The transaction was accounted for as partial disposal of a subsidiary without loss of control. The carrying value of 3.768% of the net assets of Yangzhou Zhongran Energy was approximately RMB578,000. A schedule of the effect of disposal of interest in a subsidiary without loss of control is as follow:

	<i>RMB'000</i>
Carrying amount of the 3.768% interest deemed disposed of	578
Consideration received from non-controlling interests	<u>–</u>
Difference recognised in capital reserve within equity	<u><u>578</u></u>

\* For identification purpose only

#### 44. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in Jiangsu Huadian 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 statements of cash flows as cash flows from financing activities.

	Debenture RMB'000	Loans RMB'000	Lease liabilities RMB'000	Dividend payables RMB'000	Total RMB'000
As at 1 January 2021	5,933,408	15,832,654	17,049	535,276	22,318,387
Financing cash flows	1,284,476	(1,834,862)	(2,356)	(1,455,760)	(2,008,502)
New lease	–	–	5,119	–	5,119
Other non-cash adjustments	(25,692)	(904,592)	–	–	(930,284)
Dividends of perpetual securities recognised as distribution	–	–	–	1,118	1,118
Dividends recognised as distribution	–	–	–	1,000,000	1,000,000
Dividends declared to non-controlling interests	–	–	–	429,698	429,698
Interest paid	(136,727)	(608,420)	–	–	(745,147)
Interest expense	205,767	509,553	2,139	–	717,459
As at 31 December 2021	7,261,232	12,994,333	21,951	510,332	20,787,848
Financing cash flows	1,997,461	(885,680)	(2,901)	(150,223)	958,657
Other non-cash adjustments	(2,424)	(192,081)	(14,689)	(120)	(209,314)
Dividends of perpetual securities recognised as distribution	–	–	–	21,085	21,085
Dividends declared to non-controlling interests	–	–	–	192,558	192,558
Interest paid	(216,291)	(424,740)	–	–	(641,031)
Interest expense	220,957	444,611	1,074	–	666,642
As at 31 December 2022	9,260,935	11,936,443	5,435	573,632	21,776,445
Financing cash flows	(3,900,297)	(470,744)	(2,356)	(166,975)	(4,540,372)
New leases	–	–	8,130	–	8,130
Other non-cash adjustments	3,053	(92,166)	(4,800)	(122)	(94,035)
Dividends of perpetual securities recognised as distribution	–	–	–	93,218	93,218
Dividends declared to non-controlling interests	–	–	–	41,878	41,878
Interest paid	(222,280)	(378,844)	–	–	(601,124)
Interest expense	203,815	371,543	454	–	575,812
As at 31 December 2023	5,345,226	11,366,232	6,863	541,631	17,259,952
Financing cash flows	(1,102,835)	705,277	(1,727)	(54,012)	(453,297)
New leases	–	–	13,564	–	13,564
Other non-cash adjustments	1,774	(411)	(429)	(551)	383
Dividends of perpetual securities recognised as distribution	–	–	–	71,949	71,949
Dividends recognised as distribution	–	–	–	31,618	31,618
Interest paid	(14,519)	(169,706)	–	–	(184,225)
Interest expense	62,725	166,743	361	–	229,829
As at 30 June 2024	4,292,371	12,068,135	18,632	590,635	16,969,773



**C. EVENTS AFTER THE REPORTING PERIOD**

Save as disclosed in this report, there have been no material events subsequent to the reporting period, which require adjustment or disclosure in accordance with IFRSs.

**D. SUBSEQUENT FINANCIAL STATEMENTS**

No audited financial statements have been prepared by Jiangsu Huadian Group in respect of any period subsequent to 30 June 2024.